EXIT OFFER LETTER DATED 28 NOVEMBER 2023

THIS EXIT OFFER LETTER IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY. IF YOU ARE IN ANY DOUBT ABOUT THE DIRECTED DELISTING, THE EXIT OFFER OR MATTERS CONTAINED IN THIS EXIT OFFER LETTER OR AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, ACCOUNTANT, SOLICITOR OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

Boustead Singapore Limited (the "**Offeror**") does not purport to advise the shareholders of Boustead Projects Limited (respectively, the "**Company Shareholders**" and the "**Company**") and/or any other person. In preparing its letter to the Company Shareholders, the Offeror has not taken into account the general or specific investment objectives, tax position, risks profiles, financial situation or particular needs and constraints of any Company Shareholder.

The contents of this Exit Offer Letter (as defined herein) have not been reviewed by any regulatory authority in any jurisdiction. You are advised to exercise caution in relation to the Exit Offer (as defined herein). If you are in any doubt about any of the contents of this Exit Offer Letter, you should obtain independent professional advice.

The views of the Company's Recommending Directors (as defined herein) and the Company IFA (as defined herein) on the Exit Offer are set out in the Company's Letter to Shareholders (as defined herein) in Appendix 7 to this Exit Offer Letter. You may wish to consider their views before taking any decision on the Exit Offer. Please also refer to paragraph 7 of this Exit Offer Letter on the implications of holding onto shares in an unlisted public company, in view of the directed delisting of the Company by Singapore Exchange Securities Trading Limited (the "SGX-ST").

If you have sold or transferred all your shares in the capital of Company (the "**Shares**") held through The Central Depository (Pte) Limited ("**CDP**"), you need not forward the Hardcopy Notification (as defined herein) and the accompanying FAA (as defined herein) to the purchaser or transferee as arrangements will be made by CDP for a separate Hardcopy Notification and FAA to be sent to the purchaser or transferee. If you have sold or transferred all your Shares represented by physical share certificate(s), please forward the Hardcopy Notification and the accompanying FAT (as defined herein) immediately to the purchaser or the transferee or to the stockbroker, bank or agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee. However, such documents should not be forwarded or transmitted to any jurisdiction outside of Singapore.

This Exit Offer Letter should be read in conjunction with the accompanying FAA and/or FAT, as the case may be, the contents of which form part of the terms and conditions of the Exit Offer.

The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed, or reports contained in this Exit Offer Letter.

EXIT OFFER

in connection with

THE DIRECTED DELISTING OF BOUSTEAD PROJECTS LIMITED FROM THE OFFICIAL LIST OF THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED

by

BOUSTEAD SINGAPORE LIMITED

(Company Registration No. 197501036K)
(Incorporated in Singapore)

to acquire all the issued and paid-up ordinary shares in the capital of

BOUSTEAD PROJECTS LIMITED

(Company Registration No. 199603900E)
(Incorporated in Singapore)

other than those Shares already owned, controlled or agreed to be acquired by the Offeror

ACCEPTANCES SHOULD BE RECEIVED BY THE CLOSE OF THE EXIT OFFER AT 5.30PM (SINGAPORE TIME) ON 27 DECEMBER 2023 OR SUCH LATER DATE(S) AS MAY BE ANNOUNCED FROM TIME TO TIME BY OR ON BEHALF OF THE OFFEROR (THE "CLOSING DATE").

The procedures for acceptance of the Exit Offer are set out in **Appendix 2** to this Exit Offer Letter, and in the accompanying FAA and/or FAT, as applicable.

TABLE OF CONTENTS

DEFINITIONS

Except where the context otherwise requires, the following definitions apply throughout this Exit Offer Letter and the Acceptance Forms (as defined herein):

"**Acceptance Forms**"	:	the FAA and the FAT, collectively or any one of them, as the case may be
"**Accepting Shareholder**"	:	a Company Shareholder who validly accepts the Exit Offer
"**Authorised Persons**"	:	the Registrar, CDP, CPF, the SGX-ST, the Offeror and the Company
"**BSL Shares**"	:	issued and paid-up ordinary shares (excluding treasury shares) in the capital of the Offeror
"**Business Day**"	:	a day (other than Saturday, Sunday or a public holiday) on which commercial banks are open for business in Singapore
"**CDP**"	:	The Central Depository (Pte) Limited
"**CEO**"	:	Chief Executive Officer
"**Closing Date**"	:	5.30pm (Singapore time) on 27 December 2023, being the last day for the lodgment of acceptances of the Exit Offer or such later date(s) as may be announced from time to time by or on behalf of the Offeror
"**Code**"	:	the Singapore Code on Take-overs and Mergers
"**Companies Act**"	:	the Companies Act 1967 of Singapore
"**Company**"	:	Boustead Projects Limited
"**Company Directors**"	:	the directors of the Company
"**Company IFA**"	:	PrimePartners Corporate Finance Pte. Ltd., the independent financial adviser to the Company's Recommending Directors for the purposes of providing a recommendation on the Exit Offer to the Company Shareholders
"**Company Securities**"	:	(a) Shares; (b) securities which carry voting rights in the Company; or (c) convertible securities, warrants, options (including any options granted under any employee share scheme of the Company) or derivatives in respect of Shares or securities which carry voting rights in the Company
"**Company Shareholders**"	:	shareholders of the Company
"**Company's Letter to Shareholders**"	:	the letter dated 28 November 2023 from the Company to the Company Shareholders in relation to the Exit Offer as set out in **Appendix 7** to this Exit Offer Letter
"**Compulsory Acquisition Right**"	:	the right to compulsorily acquire all the Shares of the Dissenting Shareholders on the same terms as those offered under the Exit Offer pursuant to Section 215(1) of the Companies Act
"**CPF**"	:	Central Provident Fund
"**CPF Agent Banks**"	:	agent banks included under the CPFIS
"**CPFIS**"	:	Central Provident Fund Investment Scheme

"CPFIS Investors"	:	investors who have purchased Shares using their CPF contributions pursuant to the CPFIS
"Date of Receipt"	:	the date of receipt of the relevant Acceptance Form by CDP or the Registrar (as the case may be) on behalf of the Offeror (provided always that the date of receipt falls on or before the Closing Date)
"DCS"	:	CDP's Direct Crediting Services
"Delisting Proposal"	:	the formal proposal presented by the Offeror to the Company Directors to make the Exit Offer to the Company Shareholders pursuant to Rules 1306 and 1309 of the Listing Manual, in connection with the Directed Delisting
"Despatch Date"	:	28 November 2023, being the date of despatch of the Hardcopy Notification, the Acceptance Forms, and the electronic dissemination of this Exit Offer Letter and any related documents
"Directed Delisting"	:	the directed delisting of the Company from the Official List of the SGX-ST
"Dissenting Shareholders"	:	Company Shareholders who do not accept the Exit Offer
"Distributions"	:	dividends, rights, other distributions and/or return of capital (if any) declared, paid or made by the Company in respect of the Offer Shares
"Electronic Acceptance"	:	the SGX-SFG service provided by CDP as listed in Schedule 3 of the Terms and Conditions for User Services for Depository Agents
"Encumbrances"	:	in connection with the Offer Shares, all claims, charges, equities, mortgages, liens, pledges, encumbrances, rights of pre-emption and other third party rights and interests of any nature whatsoever
"Existing Interested Persons Shares"	:	Shares belonging to the Interested Persons
"Exit Offer"	:	the unconditional cash exit offer by the Offeror, to acquire the Offer Shares, on the terms and subject to the conditions set out in this Exit Offer Letter and the Acceptance Forms, as such offer may be extended from time to time by or on behalf of the Offeror
"Exit Offer Letter"	:	this letter dated 28 November 2023 and any other document(s) which may be issued by the Offeror to amend, revise, supplement or update this document from time to time
"Exit Offer Price"	:	S$1.18 in cash for each Offer Share
"E&C"	:	Engineering & Construction
"FAA"	:	Form of Acceptance and Authorisation for Offer Shares, which forms part of this Exit Offer Letter and which is issued to the Company Shareholders whose Offer Shares are deposited with CDP
"FAT"	:	Form of Acceptance and Transfer for Offer Shares, which forms part of this Exit Offer Letter and which is issued to the Company Shareholders whose Offer Shares are not deposited with CDP
"FF Wong"	:	Mr. Wong Fong Fui
"FY2021"	:	financial year ended 31 March 2021 in relation to the Offeror or the Company, as the case may be

"FY2022"	:	financial year ended 31 March 2022 in relation to the Offeror or the Company, as the case may be
"FY2023"	:	financial year ended 31 March 2023 in relation to the Offeror or the Company, as the case may be
"Group"	:	the Offeror's group of companies (including the Offeror and the Company)
"Hardcopy Notification"	:	the hardcopy notification containing instructions on how to access the electronic copy of the Exit Offer Letter on the website of the SGX-ST at www.sgx.com
"HY2024"	:	first financial half-year period ended 30 September 2023 in relation to the Offeror or the Company, as the case may be
"HY2024 BPL Results"	:	interim results of the Company for the first financial half-year period ended 30 September 2023
"HY2024 BSL Results"	:	interim results of the Offeror for the first financial half-year period ended 30 September 2023
"Independent Offeror Shareholders"	:	Offeror Shareholders who are considered independent for the purposes of the Proposed IPT
"Interested Persons"	:	FF Wong, Yu Wei and Patricia
"IPT Resolution"	:	the ordinary resolutions to be proposed at the Offeror EGM in connection with the Proposed IPT
"Irrevocable Undertakings"	:	the irrevocable undertakings obtained by the Offeror from the Undertaking Shareholders
"Joint Announcement"	:	the announcement in connection with the Exit Offer and the Directed Delisting jointly released by the Offeror and the Company on the Joint Announcement Date
"Joint Announcement Date"	:	14 November 2023, being the date of the Joint Announcement
"Last Trading Day"	:	27 March 2023, being the last full trading day of the Company prior to the suspension of trading of the Shares on 28 March 2023
"Latest Practicable Date"	:	21 November 2023, being the latest practicable date prior to the electronic dissemination of this Exit Offer Letter
"Listing Manual"	:	the listing manual of the SGX-ST
"Market Day"	:	a day on which the SGX-ST is open for trading of securities
"Ngien Cheong"	:	Mr. Chong Ngien Cheong, the brother-in-law of FF Wong and maternal uncle of Yu Wei and Patricia
"NOC"	:	the notice of compliance received by the Company and the Offeror from SGX RegCo dated 26 September 2023
"NTA"	:	net tangible assets
"Offer Shares"	:	all the Shares to which the Exit Offer relates, being all the Shares other than those Shares already owned, controlled or agreed to be acquired by the Offeror as at the date of the Exit Offer
"Offeror"	:	Boustead Singapore Limited
"Offeror Directors"	:	the directors of the Offeror

"Offeror EGM"	:	an extraordinary general meeting of the Offeror to seek the approval for the Proposed IPT by way of the IPT Resolution from the Independent Offeror Shareholders
"Offeror IFA"	:	Ernst & Young Corporate Finance Pte Ltd, the independent financial adviser to the Offeror
"Offeror Shareholders"	:	the shareholders of the Offeror
"Offeror Shareholders' Approval"	:	approval from the Independent Offeror Shareholders for the purposes of the Proposed IPT
"Options"	:	options to subscribe for new Shares granted under any employee share scheme of the Company
"Overseas Shareholder"	:	a Company Shareholder whose mailing address is outside Singapore as shown in the Register or in the Depository Register (as the case may be)
"Patricia"	:	Ms. Huang Huiming Patricia, the daughter of FF Wong
"Previous Offer"	:	the voluntary unconditional general offer launched by the Offeror on 6 February 2023
"Proposed IPT"	:	the interested person transaction between the Offeror and the Interested Persons in relation to the Exit Offer, being the acquisition of the Existing Interested Persons Shares by the Offeror
"Proposed Transaction"	:	the proposed acquisition by the Offeror of all the Offer Shares in the Company by way of the Exit Offer and the Directed Delisting of the Company from the Official List of the SGX-ST
"Recommending Directors"	:	Company Directors who are considered independent for purposes of providing a recommendation on the Exit Offer to the Company Shareholders, namely Mr. John Lim Kok Min, Mr. Chu Kok Hong @ Choo Kok Hong, Mr. Tam Chee Chong, Mr. Chong Lit Cheong and Professor Yong Kwet Yew
"Record Date"	:	in relation to any Distribution, the date on which the Company Shareholders must be registered with the Company or with CDP, as the case may be, in order to participate in such Distributions
"Register"	:	the register of holders of the Shares, as maintained by the Registrar
"Registrar"	:	Boardroom Corporate & Advisory Services Pte. Ltd. in its capacity as the share registrar of the Company
"Relevant Day"	:	the Market Day immediately after the day on which (i) the Exit Offer is due to expire or (ii) the Exit Offer is revised or extended
"Relevant Securities"	:	convertible securities, warrants, options or derivatives in respect of such Shares or securities which carry voting rights in the Company
"Restricted Jurisdictions"	:	jurisdictions where the making of or the acceptance of the Exit Offer will violate the laws of that jurisdiction
"Securities Account"	:	a securities account maintained by a Depositor with CDP but does not include a securities sub-account
"Settled Shares"	:	the Offer Shares in the Unsettled Buy Position that are transferred to the "Free Balance" of the Securities Account at any time during the period the Exit Offer is open, up to 5.30pm (Singapore time) on the Closing Date

"**SFA**"	:	Securities and Futures Act 2001 of Singapore
"**SGX RegCo**"	:	Singapore Exchange Regulation Pte. Ltd.
"**SGXNET**"	:	SGXNet platform
"**SGX-ST**"	:	Singapore Exchange Securities Trading Limited
"**Shares**"	:	issued and paid-up ordinary shares (excluding treasury shares) in the capital of the Company
"**SIC**"	:	Securities Industry Council of Singapore
"**SRS**"	:	the Supplementary Retirement Scheme
"**SRS Agent Banks**"	:	agent banks included under SRS
"**SRS Investors**"	:	investors who purchase Shares pursuant to SRS
"**Suspension Day**"	:	28 March 2023, being the day of the suspension of trading of the Shares
"**Undertaking Shareholders**"	:	the Interested Persons and Ngien Cheong
"**Unsettled Buy Position**"	:	outstanding settlement instructions with CDP to receive further Offer Shares into the "Free Balance" of a Securities Account
"**Update Announcement**"	:	an announcement made by the Offeror on 17 October 2023
"**US**"	:	the United States of America
"**VWAP**"	:	volume weighted average price
"**Waived Amount**"	:	the settlement or payment amount in connection with the acceptance of the Exit Offer by the Undertaking Shareholders
"**Yu Loon**"	:	Mr. Wong Yu Loon, the son of FF Wong
"**Yu Wei**"	:	Mr. Wong Yu Wei (Huang Youwei), the son of FF Wong
"**$**" or "**S$**" or Singapore Dollars and "**cents**"	:	Singapore dollars and cents, respectively
"**%**"	:	per centum or percentage

Acting in concert. The term "**acting in concert**" shall have the meaning ascribed to it in the Code.

Announcements and Notices. References to the making of an announcement or the giving of notice by the Offeror shall include the release of an announcement by advertising agents, for and on behalf of the Offeror, to the press or the delivery of or transmission by telephone, facsimile, SGXNET or otherwise of an announcement to the SGX-ST. An announcement made otherwise than to the SGX-ST shall be notified simultaneously to the SGX-ST.

Depositors, etc. The terms "**Depositor**", "**Depository Agent**" and "**Depository Register**" shall have the meaning ascribed to them respectively in Section 81SF of the SFA.

Exit Offer Letter. References to "**Exit Offer Letter**" shall include the Acceptance Forms, unless the context otherwise requires.

Genders. Words importing the singular shall, where applicable, include the plural and vice versa. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall, where applicable, include corporations.

Headings. The headings in this Exit Offer Letter are inserted for convenience only and shall be ignored in construing this Exit Offer Letter.

Issued Shares. In this Exit Offer Letter, the total number of:

(i) Shares (excluding Shares held in treasury) as at the Latest Practicable Date is 313,260,631; and

(ii) BSL Shares (excluding BSL Shares held in treasury) as at the Latest Practicable Date is 477,473,329.

Rounding. Any discrepancies in figures included in this Exit Offer Letter between amounts shown and the totals thereof are due to rounding. Accordingly, figures shown as totals in this Exit Offer Letter may not be an arithmetic aggregation of the figures that precede them.

Shareholders. References to "**you**", "**your**" and "**yours**" in this Exit Offer Letter are, as the context so determines, to the Company Shareholders.

Statutes. Any reference in this Exit Offer Letter to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act, the Code or the Listing Manual or any modification thereof and used in this Exit Offer Letter shall, where applicable, have the meaning assigned to it under the Companies Act, the Code, the SFA or the Listing Manual or any modification thereof, as the case may be, unless the context otherwise requires.

Subsidiary and Related Corporation. References to "**subsidiary**" and "**related corporation**" shall have the meanings ascribed to them respectively in Sections 5 and 6 of the Companies Act.

Time and Date. Any reference to a time of the day and date in this Exit Offer Letter shall be a reference to Singapore time and date, respectively, unless otherwise stated.

CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS

All statements other than statements of historical facts included in this Exit Offer Letter are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as "seek", "expect", "anticipate", "estimate", "believe", "intend", "project", "plan", "strategy", "forecast", "targets" and similar expressions or future or conditional verbs such as "will", "would", "should", "could", "may" and "might". These statements reflect the Company and/or Offeror's current expectations, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of currently available information as at the Latest Practicable Date. Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results may differ materially from those described in such forward-looking statements. Company Shareholders and investors should not place undue reliance on such forward-looking statements, and none of the Company, the Offeror, the Company Directors or the Offeror Directors undertakes any obligation to update publicly or revise any forward-looking statements, subject to compliance with all applicable laws and regulations and/or rules of the SGX-ST and/or any other regulatory or supervisory board or agency.

EXIT OFFER LETTER

BOUSTEAD SINGAPORE LIMITED

(Company Registration No. 197501036K)
(Incorporated in Singapore)

28 November 2023

To: The shareholders of Boustead Projects Limited

Dear Sir / Madam,

EXIT OFFER LETTER IN CONNECTION WITH THE DIRECTED DELISTING OF BOUSTEAD PROJECTS LIMITED PURSUANT TO RULES 1306 READ WITH RULE 1309 OF THE LISTING MANUAL OF SINGAPORE EXCHANGE SECURITIES TRADING LIMITED

1. INTRODUCTION

1.1 Background. Boustead Singapore Limited (the "**Offeror**") had previously launched, on 6 February 2023, a voluntary unconditional general offer (the "**Previous Offer**") for all the issued and paid-up ordinary shares (excluding treasury shares) (the "**Shares**") in the capital of Boustead Projects Limited (the "**Company**") other than those Shares already owned, controlled or agreed to be acquired by the Offeror, its related corporations and their respective nominees and parties acting in concert with it as at the date of the Previous Offer in accordance with Rule 15 of the Singapore Code on Take-overs and Mergers (the "**Code**").

The final offer price of the Previous Offer was S$0.95 (as set out in the announcement by the Offeror dated 22 February 2023). The Previous Offer closed on 27 March 2023 at 5.30pm (Singapore time).

At the launch of the Previous Offer, the Offeror held 171,896,009 Shares representing approximately 54.87% of the total number of Shares and as at the close of the Previous Offer, the Offeror and its concert parties owned approximately 95.50% of the total number of Shares. As of the close of the Previous Offer, the shareholding in the Company comprises the following persons with the respective number of Shares and shareholding percentages: (i) the Offeror – 236,526,412 Shares representing approximately 75.50%; (ii) the Undertaking Shareholders – 62,631,608 Shares representing approximately 19.99%; and (iii) the public shareholders – 14,102,611 Shares representing approximately 4.51%.

As at the close of the Previous Offer, as the Company had ceased to meet the free float requirements under Rule 723 of the listing manual (the "**Listing Manual**") of Singapore Exchange Securities Trading Limited (the "**SGX-ST**"), the Company had requested for the SGX-ST to suspend the trading of the Shares with effect from 9.00am on 28 March 2023.

The Company had announced on 4 April 2023 that it had applied for, and on 10 April 2023 obtained from Singapore Exchange Regulation Pte. Ltd. ("**SGX RegCo**"), a three (3) month extension commencing from 27 March 2023 (the date of the close of the Previous Offer) to comply with Rule 724 of the Listing Manual as the Offeror had informed the Company that the Offeror was exploring various options. Subsequently, the Company announced on 23 June 2023 that it had applied for, and on 26 June 2023 obtained from SGX RegCo, a further three (3) month extension commencing from 27 June 2023 to comply with the said Rule 724 as the Offeror had informed the Company that the Offeror was continuing to explore various options. Pursuant to Rule 33.2 of the Code, the Offeror was not permitted to make a second offer to acquire any Shares from any shareholder of the Company ("**Company Shareholder**") on terms better than those made under the Previous Offer within six (6) months of the closure of the Previous Offer.

1.2 Notice of Compliance. On 26 September 2023, the Offeror and the Company each received a notice of compliance (the "**NOC**") from SGX RegCo. An extract of the NOC setting out SGX RegCo's directions in respect of the Offeror and the Company is reproduced below:

"*As at the date of this notification, the Offeror and the Company have not complied with Listing Rule 723. Pursuant to Listing Rule 1405(1)(j), the Exchange hereby directs:*

(a) the Company to be delisted pursuant to Listing Rule 724(2) ("Delisting") if its free float is not restored to at least 10% on or before 26 September 2023; and

(b) *pursuant to Listing Rule 1306, the Offeror and/or the Company to make an exit offer to the Company's shareholders, in compliance with Listing Rule 1309 ("Exit Offer"). In particular, the Exit Offer must be fair and reasonable, and include a cash alternative as the default alternative. The IFA must also opine that the Exit Offer is fair and reasonable."*

1.3 **Update Announcement.** In an announcement made on 17 October 2023 ("**Update Announcement**"), the Offeror announced that it was in the midst of discussions with the Company regarding the proposal for the Exit Offer, and that it intended to comply with SGX RegCo's directives in the NOC. The Offeror also announced that as the Update Announcement had raised the possibility that an offer might be made for the Offer Shares, the Securities Industry Council ("**SIC**") had required the Offeror to clarify its intentions by 5.00pm of the 28th day from the date of the Update Announcement by either: (i) announcing a firm intention to make an offer for the Offer Shares in accordance with Rule 3.5 of the Code, or (ii) announcing that it does not intend to make an offer for the Offer Shares, in which case the Update Announcement would be treated as a statement to which Rule 33.1(c) of the Code applies. Under the Code, the offer period has commenced from the date of the Update Announcement.

1.4 **Joint Announcement.** On 14 November 2023 (the "**Joint Announcement Date**"), the Offeror and the Company jointly announced that the Offeror had presented to the directors of the Company (the "**Company Directors**") a formal proposal to make an exit offer to the Company Shareholders (the "**Delisting Proposal**"), pursuant to Rules 1306 and 1309 of the Listing Manual, in connection with the directed delisting of the Company (the "**Directed Delisting**") from the Official List of the SGX-ST in accordance with Rule 724(2) of the Listing Manual and the NOC (the "**Joint Announcement**").

Under the Delisting Proposal, the Offeror will make an unconditional cash exit offer (the "**Exit Offer**") for all the Shares[1] other than those already owned, controlled or agreed to be acquired by the Offeror as at the date of the Exit Offer (the "**Offer Shares**") in accordance with Section 139 of the SFA, the Listing Manual and the Code. For the avoidance of doubt, the Offer Shares includes Shares held by Mr. Wong Fong Fui ("**FF Wong**"), Mr. Wong Yu Wei (Huang Youwei) (FF Wong's son) ("**Yu Wei**"), Ms. Huang Huiming Patricia (FF Wong's daughter) ("**Patricia**") (collectively, the "**Interested Persons**") and Mr. Chong Ngien Cheong (FF Wong's brother-in-law and Yu Wei's and Patricia's maternal uncle) ("**Ngien Cheong**") (Ngien Cheong together with the Interested Persons, the "**Undertaking Shareholders**").

As the acquisition of the Shares belonging to the Interested Persons (the "**Existing Interested Persons Shares**") by the Offeror constitutes an interested person transaction (the "**Proposed IPT**") between the Offeror and the Interested Persons under Chapter 9 of the Listing Manual, approval from the shareholders of the Offeror (the "**Offeror Shareholders**") who are considered to be independent for the purposes of the Proposed IPT (the "**Independent Offeror Shareholders**") (collectively, the "**Offeror Shareholders' Approval**") must be obtained for the acceptance of the Exit Offer by the Interested Persons. The directors of the Offeror (the "**Offeror Directors**") will be convening an extraordinary general meeting of the Offeror (the "**Offeror EGM**") to seek the approval for the Proposed IPT by way of ordinary resolutions (collectively, the "**IPT Resolution**") from the Independent Offeror Shareholders. Further, in accordance with Rule 919 of the Listing Manual, in seeking the Offeror Shareholders' Approval for the Proposed IPT at the Offeror EGM, the Interested Persons shall abstain, and ensure that their associates abstain, from voting on the IPT Resolution. **For the avoidance of doubt, the Exit Offer is independent of the outcome of the voting on the IPT Resolution. The IPT Resolution only determines if the Interested Persons may accept the Exit Offer.**

The Offeror has obtained irrevocable undertakings from the Undertaking Shareholders in connection with the Exit Offer (the "**Irrevocable Undertakings**"). Pursuant to their respective Irrevocable Undertakings, the Interested Persons have undertaken to, amongst others, (i) **accept** the Exit Offer only if the Offeror Shareholders' Approval **is obtained** at the Offeror EGM for the IPT Resolution, or (ii) **reject** the Exit Offer (through non-acceptance) if the Offeror Shareholders' Approval is **not obtained** at the Offeror EGM for the IPT Resolution. Further details of the Irrevocable Undertakings are set out in paragraph 3.7 of this Exit Offer Letter.

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[1] In this Exit Offer Letter, unless otherwise stated, all references to the total number of Shares are a reference to 313,260,631 ordinary shares of the Company (excluding 6,739,369 shares held by the Company as treasury shares).

1.5 **Exit Offer Letter.** This Exit Offer Letter contains the terms of the Exit Offer by the Offeror to acquire all the Offer Shares that are not held by the Offeror as at the date of the Exit Offer. **PLEASE READ THIS EXIT OFFER LETTER CAREFULLY.**

Company Shareholders should note that **no extraordinary general meeting of the Company Shareholders will be convened for the purpose of the Directed Delisting and the Company Shareholders' approval is not required for the Directed Delisting**. Pursuant to Rule 1306 of the Listing Manual and subject to compliance with Rule 1309 of the Listing Manual, the Company will be delisted from the Official List of the SGX-ST, **regardless of the final level acceptance of the Exit Offer**.

The Offeror and the Company have opted to despatch electronically this Exit Offer Letter pursuant to the Public Statement on Despatch of Take-over Documents under the Code issued by the SIC on 6 May 2020, the Public Statement on the Extension of the Temporary Measures to Allow for Electronic Despatch of Take-over Documents under the Code issued by the SIC on 29 September 2020 and the Public Statement on the Further Extension of the Temporary Measure to Allow for Electronic Despatch of Take-Over Documents under the Code issued by the SIC on 29 June 2021. An electronic copy of this Exit Offer Letter is published on the website of the SGX-ST at www.sgx.com. A hardcopy notification containing instructions on how to access the electronic copy of the Exit Offer Letter (including the Company's Letter to Shareholders) (the "**Hardcopy Notification**"), together with the hardcopy FAA and/or FAT (collectively, the "**Acceptance Forms**"), as the case may be, has been despatched by the Offeror to the Company Shareholders, together with pre-addressed envelope(s) for posting in Singapore only.

The Exit Offer Letter and the Acceptance Forms shall not be construed as, may not be used for the purpose of, and do not constitute, a notice or proposal or advertisement or an offer or invitation or solicitation in any jurisdiction or in any circumstances in which such notice or proposal or advertisement or an offer or invitation or solicitation is unlawful or unauthorised, or to any person to whom it is unlawful to make such a notice or proposal or advertisement or an offer or invitation or solicitation.

1.6 **Company's Letter to Shareholders.** The letter issued by the Company to the Company Shareholders in relation to the Exit Offer (the "**Company's Letter to Shareholders**") which forms part of the Exit Offer Letter is set out in **Appendix 7** of this Exit Offer Letter. The Company's Letter to Shareholders sets out, *inter alia*, the recommendations of the Company Directors who are considered independent for purposes of the Exit Offer, namely, Mr. John Lim Kok Min, Mr. Chu Kok Hong @ Choo Kok Hong, Mr. Tam Chee Chong, Mr. Chong Lit Cheong and Professor Yong Kwet Yew (the "**Recommending Directors**") and includes a letter from PrimePartners Corporate Finance Pte. Ltd. (the "**Company IFA**"), the independent financial adviser to the Recommending Directors, setting out its advice to the Recommending Directors for the purposes of providing a recommendation on the Exit Offer to the Company Shareholders, in compliance with Rule 1309 of the Listing Manual and Rule 24.1 of the Code.

1.7 **Caution.** The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed, or reports contained in this Exit Offer Letter. If you are in any doubt about the Directed Delisting, the Exit Offer or matters contained in this Exit Offer Letter or as to the action you should take, you should consult your stockbroker, bank manager, accountant, solicitor or other professional adviser immediately.

Please read this Exit Offer Letter, including the Company's Letter to Shareholders as set out in **Appendix 7** to this Exit Offer Letter, and the Acceptance Forms carefully and in their entirety respectively.

2. LISTING MANUAL PROVISIONS PERTAINING TO THE DIRECTED DELISTING

Under Rule 1306 of the Listing Manual, if the SGX-ST exercises its power to remove an issuer from the Official List of the SGX-ST, the issuer or its controlling shareholder(s) must comply with the requirements of Rule 1309 of the Listing Manual. As mentioned in paragraph 1.2 of this Exit Offer Letter, on 26 September 2023, the Offeror and the Company received the NOC from SGX RegCo directing the delisting of the Company from the Official List of the SGX-ST pursuant to Rule 724(2) of the Listing Manual.

In accordance with Rule 1309 of the Listing Manual and pursuant to the NOC:

(a) an exit offer must be made to its shareholders. The Exit Offer must:

  (i) be fair and reasonable; and

  (ii) include a cash alternative as the default alternative; and

(b) the Company must appoint an independent financial adviser to advise on the Exit Offer and the independent financial adviser must opine that the Exit Offer is fair and reasonable.

3. TERMS OF THE EXIT OFFER

The Offeror hereby makes the offer to acquire all the Offer Shares on the terms and subject to the conditions set out in this Exit Offer Letter (including the Acceptance Forms), and on the following basis:

3.1 Exit Offer Price. The consideration for each Offer Share, in connection with the Exit Offer, will be as follows:

For each Offer Share: S$1.18 in cash (the "Exit Offer Price")

The closing price of the Shares on 27 March 2023, being the date on which the Shares were last traded on the SGX-ST prior to the suspension of the trading of the Shares, was S$0.955. The Exit Offer Price represents a premium of approximately 23.6% over the closing price of the Shares on 27 March 2023. Further, based on the audited consolidated financial statements of the Company for the financial year ended 31 March 2023, the Exit Offer Price represents 20.0 times and 0.9 times of the earnings per Share and the net asset value per Share, respectively.

3.2 No Encumbrances. The Offer Shares are to be acquired (i) fully paid, (ii) free from all claims, charges, equities, mortgages, liens, pledges, encumbrances, rights of pre-emption and other third party rights and interests of any nature whatsoever ("**Encumbrances**"), and (iii) together with all rights, benefits, entitlements and advantages attached thereto as at the Joint Announcement Date, and thereafter attaching thereto, including but not limited to the right to receive and retain all dividends, rights, other distributions and/or return of capital (if any) declared, paid or made by the Company in respect of the Offer Shares (collectively, the "**Distributions**") on or after the Joint Announcement Date.

3.3 Adjustment for Distributions. The Exit Offer Price has been determined on the basis that the Offer Shares will be acquired with the right to receive any Distribution that may be declared, paid or made by the Company on or after the Joint Announcement Date.

Accordingly, in the event any Distribution is or has been declared, paid or made by the Company in respect of the Offer Shares on or after the Joint Announcement Date, the Exit Offer Price payable to any Company Shareholder who validly accepts or has validly accepted the Exit Offer shall be reduced by an amount which is equal to the amount of such Distribution, depending on when the settlement date in respect of the Offer Shares tendered in acceptance of the Exit Offer by such Accepting Shareholder falls, as follows:

(a) if such settlement date falls on or before the record date for the determination of entitlements to the Distribution (the "**Record Date**"), the Exit Offer Price shall remain unadjusted for each Offer Share, as the Offeror will receive the Distribution in respect of such Offer Share from the Company; or

(b) if such settlement date falls after the Record Date, the Exit Offer Price for each Offer Share shall be reduced by an amount which is equal to the amount of the Distribution in respect of each Offer Share, as the Offeror will not receive the Distribution in respect of such Offer Share from the Company.

3.4 Unconditional Offer. The Exit Offer will not be subject to any conditions and will be unconditional in all respects.

3.5 Warranty. Acceptance of the Exit Offer (if and when made) by a holder of Offer Shares will be deemed to constitute an unconditional and irrevocable warranty by such Company Shareholder that each Offer Share in respect of which the Exit Offer (if and when made) is accepted is sold by him as, or on behalf of, the beneficial owner(s) thereof, fully paid and free from all Encumbrances, and together with all rights, benefits, entitlements and advantages attached thereto as at the Joint Announcement Date and thereafter attaching thereto, including but not limited to the right to receive and retain all Distributions in respect of the Offer Shares on or after the Joint Announcement Date.

3.6 No Options Proposal. Based on the latest information available to the Offeror, there are no outstanding options to subscribe for new Shares granted under any employee share scheme of the Company ("**Options**") as at the Latest Practicable Date. Accordingly, the Offeror will not make an offer to acquire any Options.

3.7 Irrevocable Undertakings. The Offeror has obtained irrevocable undertakings (the **"Irrevocable Undertakings"**) from each of the Undertaking Shareholders.

In the event the Offeror Shareholders' Approval **is obtained** at the Offeror EGM for the IPT Resolution, pursuant to the Irrevocable Undertakings provided by the Interested Persons, subject to the terms and conditions therein, the Interested Persons have each undertaken, *inter alia*, to:

(a) accept, or procure that their nominees (as applicable) accept, the Exit Offer, in respect of all the Offer Shares owned or controlled, directly or indirectly, or agreed to be acquired by each of them, prior to the close of the Exit Offer;

(b) elect, or procure that their nominees elect (as applicable) to, receive the cash consideration six (6) months after the close of the Exit Offer pursuant to a non-interest-bearing promissory note from the Offeror in respect of such number of Offer Shares tendered for acceptance of the Exit Offer; and

(c) waive their rights to receive any settlement or payment in connection with their acceptance of the Exit Offer within the time period prescribed under Rule 30 of the Code (i.e. seven (7) Business Days after the receipt of valid acceptances).

If the Offeror Shareholders' Approval **is not obtained** at the Offeror EGM for the IPT Resolution, pursuant to the Irrevocable Undertakings, the Interested Persons have each undertaken to **reject** or procure the rejection (through non-acceptance) of the Exit Offer in respect of all the Offer Shares owned or controlled, directly or indirectly, or agreed to be acquired by each of them, prior to the close of the Exit Offer.

In respect of Ngien Cheong's Irrevocable Undertaking, he has undertaken, *inter alia*, to (i) accept, or procure the acceptance of, the Exit Offer, in respect of all the Offer Shares owned or controlled, directly or indirectly, or agreed to be acquired by him, prior to the close of the Exit Offer, (ii) elect, or procure the election to, receive the cash consideration six (6) months after the close of the Exit Offer pursuant to a non-interest-bearing promissory note from the Offeror in respect of such number of Offer Shares tendered for acceptance of the Exit Offer and (iii) waive his rights to receive any settlement or payment in connection with his acceptance of the Exit Offer within the time period prescribed under Rule 30 of the Code (together with the amount waived by the Interested Persons in accordance with paragraph 3.7(c) above, the "**Waived Amount**").

Ngien Cheong's Irrevocable Undertaking shall terminate, lapse and cease to have any further force and effect (save for certain surviving provisions) upon the earlier of the following:

(a) the Exit Offer being withdrawn for any reason other than a breach of any of his obligations under his Irrevocable Undertaking; and

(b) the date of receipt of the payment of the cash consideration pursuant to the terms of his Irrevocable Undertaking.

The Irrevocable Undertakings for the Interested Persons shall terminate, lapse and cease to have any further force and effect (save for certain surviving provisions) upon the earlier of the following:

(a) the Exit Offer being withdrawn for any reason other than a breach of any Undertaking Shareholder's obligation under the Irrevocable Undertakings;

(b) in the event the Offeror Shareholders' Approval is not obtained at the Offeror EGM for the IPT Resolution, the close of the Exit Offer; and

(c) in the event the Offeror's Shareholders' Approval is obtained at the Offeror EGM for the IPT Resolution, the date of receipt of the payment of the cash consideration pursuant to the terms of the Irrevocable Undertakings.

Save for the Irrevocable Undertakings, as at the Latest Practicable Date, neither the Offeror nor any Undertaking Shareholder has received any undertaking from any other party to accept or reject the Exit Offer.

Further, the Offeror is required to pay to the relevant Undertaking Shareholder pursuant to the terms of the promissory note, the cash consideration payable to such Undertaking Shareholder pursuant to the acceptance of the Exit Offer at the end of the six (6) month period from the close of the Exit Offer. The promissory note is interest-free, and the cash consideration for the Exit Offer will be paid, in full by the issuer of the promissory note (i.e. the Offeror) to the holders of the promissory note (i.e. each Undertaking Shareholder) at the end of the six (6) month period from the close of the Exit Offer.

3.8 Details of the Exit Offer. Appendix 1 to this Exit Offer Letter sets out further details on (i) the duration of the Exit Offer, (ii) the settlement of the consideration for the Exit Offer, (iii) the requirements relating to the announcement(s) of the level of acceptances of the Exit Offer and (iv) the right of withdrawal of acceptances of the Exit Offer.

3.9 Procedures for Acceptance. Appendix 2 to this Exit Offer Letter sets out the procedures for acceptance of the Exit Offer by a Company Shareholder.

4. RATIONALE FOR THE DIRECTED DELISTING AND EXIT OFFER

The Offeror believes that the Exit Offer will be beneficial to all stakeholders of both the Company and the Offeror for the following reasons:

4.1 Opportunity for Company Shareholders to Fully Realise their Investment in View of the Directed Delisting and at a Premium Without Incurring Brokerage Costs. The Exit Offer provides an opportunity for holders of the Offer Shares who wish to realise their investment in view of the Directed Delisting to do so without incurring brokerage fees and at a premium to the last traded price per Share of S$0.955 as quoted on the SGX-ST on 27 March 2023 (the "**Last Trading Day**") prior to the suspension of trading of the Shares on 28 March 2023 and at a premium to the final offer price of the Previous Offer of S$0.95. The Exit Offer Price represents a premium of approximately:

(a) 23.6% over the last traded price per Share as quoted on the SGX-ST on the Last Trading Day;

(b) 24.1% over the volume weighted average price ("**VWAP**") of the Shares for the 1-month period prior to and including the Last Trading Day;

(c) 25.7% over the VWAP of the Shares for the 3-month period prior to and including the Last Trading Day;

(d) 26.6% over the VWAP of the Shares for the 6-month period prior to and including the Last Trading Day; and

(e) 26.9% over the VWAP of the Shares for the 12-month period prior to and including the Last Trading Day.

4.2 **Illiquid Investment.** As the Shares in the Company have been suspended from the Official List of the SGX-ST since 28 March 2023, there has been no trading of Shares in the Company since the aforesaid date. The holders of the Offer Shares can quickly and totally exit their investment in the Company without incurring brokerage fees, in an Exit Offer that is unconditional in all respects. Following the Directed Delisting of the Company from the Official List of the SGX-ST pursuant to the directions of SGX RegCo, any remaining Company Shareholders who have not accepted the Exit Offer in respect of all their Offer Shares may encounter difficulties exiting their investment in the Company as the Shares in the Company shall cease to be listed on the Official List of the SGX-ST.

4.3 **Simplification and Optimisation of the Group's Organisational Structure.** The proposed acquisition by the Offeror of all the Offer Shares in the Company by way of the Exit Offer and the Directed Delisting of the Company from the Official List of the SGX-ST (the "**Proposed Transaction**") is in line with the Offeror's overarching intentions and its ongoing strategic reviews and objective to streamline its investments, businesses, operations and the corporate structure of the Offeror's group of companies (including the Offeror and the Company) (the "**Group**").

The Proposed Transaction will allow the Offeror to simplify the Group's structure and reduce organisational complexity, providing the Offeror with greater control and flexibility to mobilise and optimise its resources across its businesses. The simplified Group structure will allow for a sharper focus in operations and increase competitiveness, enhancing shareholder value.

4.4 **Compliance Costs relating to Listing Status.** The Offeror is of the view that in maintaining the Company's listing status, the Company incurs additional compliance and associated costs. If the Company is delisted, the Company will be able to (i) dispense with costs associated with complying with listing and other regulatory requirements; (ii) streamline human resources required for such compliance; and (iii) reallocate resources to other value-added activities.

4.5 **No New Capital Raised since Listing.** The Company has not needed to raise any new equity on the SGX-ST since it was listed on 30 April 2015. It is expected that any new capital requirements of the Company can be met either by the Company's internal financial resources and/or the Offeror's access to financial resources including the Offeror's ability to raise new equity on the SGX-ST.

4.6 **Strengthening the Group and the Offeror's Resilience.** Given the Company's pro forma accretive earnings per Share and net tangible asset per Share, and the Company's significant contribution to the Offeror's financial position (the Company continues to be the Group's largest division by revenue and asset base), a potential 100.0% re-merger following the Directed Delisting of the Company strengthens the Group and Offeror, and the Group's balance sheet. The Company's underlying recurring income platforms provide greater income stability to balance other divisions within the Group. The Company's green building solutions (such as Super Low Energy, Zero Energy and Positive Energy Buildings) and strategic alliances in that sector are advanced and able to bridge the Group's approach to building an Industry 4.0 approach and addressing climate action, complementing tailwinds for the Geospatial Division and counterbalancing long-term headwinds faced by the Energy Engineering Division. Greater cross-division collaboration is expected, particularly with regards to the applications of various division technology initiatives that can address both short-term and long-term business challenges and also result in climate action. The Company also benefits from the Group's strength and resilience, and borrows strongly from the trusted brand equity and balance sheet reputation of the Group.

5. OFFEROR'S INTENTIONS IN RELATION TO THE COMPANY

The Company is a principal subsidiary of the Offeror. The Offeror intends for the Company to continue to develop and grow the existing businesses of the Company and its subsidiaries. The Offeror and the Company will continue to review, from time to time, the operations of the Company and its subsidiaries as well as the Company's strategic options. The Offeror retains the flexibility at any time to further consider any options or opportunities in relation to the Company which may present themselves and which the Offeror may regard to be in the interests of the Offeror and/or the Company.

Save as disclosed above, the Offeror has no current intentions to (i) introduce any major changes to the existing business of the Company, (ii) re-deploy the fixed assets of the Company, or (iii) discontinue the employment of the existing employees of the Company or its subsidiaries, in each case, other than in the ordinary and usual course of business.

As set out in paragraph 1.5 above, subject to compliance with Rule 1309 of the Listing Manual, the Company will be delisted from the Official List of the SGX-ST, **regardless of the final level acceptance**

of the Exit Offer. Accordingly, the Offeror believes that this Exit Offer is a viable exit alternative for Company Shareholders who do not wish to remain as a shareholder of a non-listed public company. Notwithstanding the aforesaid, Company Shareholders are advised to consider the advice and opinion of the Company IFA (defined below) which will be set out in the Company's Letter to Shareholders which will be appended to the Exit Offer Letter. Company Shareholders should note that neither the Offeror nor the Company is legally obligated to acquire the Offer Shares following the close of the Exit Offer save in respect of the obligations under Section 215(3) of the Companies Act 1967 of Singapore (the "**Companies Act**") which enables Company Shareholders who have not accepted the Exit Offer to require the Offeror to acquire their Shares at the Exit Offer Price when the requisite thresholds as set out under Section 215 of the Companies Act are met.

6. COMPULSORY ACQUISITION

Pursuant to Section 215(1) of the Companies Act, if the Offeror receives valid acceptances of the Exit Offer and/or acquires or agrees to acquire such number of Shares from the date of the Exit Offer otherwise than through valid acceptances of the Exit Offer in respect of not less than 90% of the total number of Shares (excluding Shares held by the Company as treasury shares) as at the close of the Exit Offer (other than those already held by the Offeror, its related corporations or their respective nominees as at the Despatch Date), the Offeror would be entitled to exercise the right to compulsorily acquire all the Shares of the Company Shareholders who have not accepted the Exit Offer (the "**Dissenting Shareholders**") on the same terms as those offered under the Exit Offer (collectively, the "**Compulsory Acquisition Right**").

In the event that the Offeror becomes entitled to exercise its right under Section 215(1) of the Companies Act to compulsorily acquire all the Shares of the Dissenting Shareholders, the Offeror intends to exercise its Compulsory Acquisition Right.

For the avoidance of doubt, the Offeror **will not** acquire the Existing Interested Persons Shares without the Offeror Shareholders' Approval at the Offeror EGM.

The Offeror had obtained legal advice that, for the purposes of Section 215(1) of the Companies Act, FF Wong's Shares shall be treated as the Offeror's Shares for the purposes of Section 215(1) of the Companies Act and would be excluded from the 90% threshold as described above.

The Offeror has been further advised that Yu Wei's, Patricia's and Ngien Cheong's Shares would count towards the 90% shareholder support required to trigger a compulsory acquisition under Section 215(1) of the Companies Act. Please refer to paragraph 8.1 of **Appendix 3** for further information on the shareholdings of each of Yu Wei, Patricia and Ngien Cheong in the Company.

The Offeror will require 90% of the aggregate number of Shares held by each of Yu Wei (0.59% interest in the Company), Patricia (0.10% interest in the Company), Ngien Cheong (0.02% interest in the Company) and the public minority shareholders (4.51% interest in the Company) in the Company to exercise the Compulsory Acquisition Right.

The Offeror wishes to highlight that following from legal advice received, based on a computation of the relevant figures, the Offeror would not be able to achieve the 90% threshold, as described above, and to exercise its Compulsory Acquisition Right unless Offeror Shareholders' Approval is obtained for "Ordinary Resolution 2" of the IPT Resolution (in respect of the acquisition of Yu Wei's Offer Shares pursuant to the terms of the Exit Offer). This is because Yu Wei's Offer Shares (0.59%) would amount to more than 10% of the aggregate number of shares held by Yu Wei, Patricia, Ngien Cheong and the public minority shareholders (5.22%).

The Offeror wishes to further clarify that even if it is able to exercise its Compulsory Acquisition Right (i.e. assuming that the Offeror's Shareholders' Approval for the acquisition of Yu Wei's Offer Shares is granted), the Offeror will not compulsorily acquire FF Wong's Offer Shares and/or Patricia's Offer Shares (as the case may be) via Section 215(1) of the Companies Act in the event that the Offeror's Shareholders' Approval for the acquisition of FF Wong's Offer Shares and/or Patricia's Offer Shares (as the case may be) have not been obtained at the EGM.

7. IMPLICATIONS OF THE DIRECTED DELISTING FOR COMPANY SHAREHOLDERS

COMPANY SHAREHOLDERS SHOULD NOTE THAT THE COMPANY SHALL BE MANDATORILY DELISTED FROM THE OFFICIAL LIST OF THE SGX-ST PURSUANT TO RULE 724(2) OF THE LISTING MANUAL AND WILL BECOME AN UNLISTED PUBLIC COMPANY SUBSEQUENT TO THE CLOSE OF THE EXIT OFFER.

Company Shareholders who do not accept the Exit Offer will continue to hold Shares in the Company which will then be an unlisted public company.

Shares of unlisted or delisted public companies are generally valued at a discount to the shares of comparable listed companies due to their lack of marketability. Following the Directed Delisting, it is likely to be difficult for Company Shareholders who do not accept the Exit Offer to sell their Shares in the absence of a public market for the Shares, as there is no arrangement for such Company Shareholders to exit. Even if such Company Shareholders are able to sell their Shares, they will likely receive a lower price as compared with the Exit Offer Price or the market prices of the shares of comparable listed companies.

Following the Directed Delisting, the Company will no longer be obliged to comply with the requirements of the Listing Manual. In the event that neither the Offeror nor Dissenting Shareholders are able to exercise their respective rights under Section 215(1) and Section 215(3) of the Companies Act, such Company Shareholders may no longer have access to information that is available to shareholders of companies listed on the SGX-ST, including the financial statements and material disclosures on the business and other developments relating to the Company.

When the Company is delisted from the Official List of the SGX-ST, each Company Shareholder who holds Shares that are deposited with CDP and does not accept the Exit Offer will be entitled to one share certificate representing his unquoted Shares. The Registrar will arrange to forward the share certificates to such Company Shareholders (not being (i) CPFIS Investors who purchase Offer Shares using their CPF contributions pursuant to the CPFIS; and (ii) SRS Investors who purchase Offer Shares using their SRS savings), by ordinary post and at the Company Shareholders' own risk, to their respective addresses as such addresses appear in the records of CDP for their physical safe-keeping. The share certificates belonging to CPFIS Investors and SRS Investors will be forwarded to their respective agent banks included under the CPFIS and SRS for their safe-keeping. If a Company Shareholder (not being CPFIS and SRS Investors) wishes to split his share certificate into other denominations, he will be required to pay for each share certificate so required, a fee of S$2.00 (excluding goods and services tax).

Company Shareholders who are in doubt about their position should seek independent legal advice.

8. INFORMATION ON THE OFFEROR

8.1 **Introduction.** The Offeror is a company incorporated in Singapore on 18 June 1975 and listed on the Mainboard of the SGX-ST on 17 October 1975. The Offeror is a progressive global infrastructure-related engineering and technology group with four (4) core business segments: (i) Energy Engineering; (ii) Real Estate; (iii) Geospatial; and (iv) Healthcare. FF Wong, Chairman & Group Chief Executive Officer ("**CEO**") is a controlling shareholder of the Offeror and is deemed interested in approximately 43.10% of the total number of BSL Shares (as defined below).

8.2 **Share Capital.** As at the Latest Practicable Date, the Offeror has an issued and paid-up share capital of S$56,973,000[2] (excluding treasury shares) comprising 477,473,329 ordinary shares (the "**BSL Shares**").

8.3 **Shareholding in the Company.** As at the Latest Practicable Date, the Offeror directly holds 236,526,412 Shares representing approximately 75.50% of the total number of Shares. FF Wong has an aggregate deemed interest in 94.79% of the Shares (including Shares held by the Offeror), of which he is deemed interested in 19.28% of the Shares held through nominees.

In addition, FF Wong and his son, Mr. Wong Yu Loon ("**Yu Loon**"), in their capacities as directors of the Offeror, have abstained from all decisions and deliberations in connection with the making of the Exit Offer (including the Previous Offer), including the terms thereof.

8.4 **Offeror Directors.** As at the Latest Practicable Date, the Offeror Directors are:

(a) FF Wong (Chairman & Group Chief Executive Officer);

(b) Yu Loon (Executive Director & Deputy Group Chief Executive Officer);

(c) Mr. Mak Lye Mun (Lead Independent Director);

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2 Rounded to the nearest thousand.

(d) Dr. Tan Khee Giap (Independent Non-Executive Director); and

(e) Mr. Liak Teng Lit (Independent Non-Executive Director).

Appendix 3 to this Exit Offer Letter sets out additional information on the Offeror. Information on the Offeror is also available from its website at www.boustead.sg.

8.5 Parties Acting in Concert with Offeror. As at the Latest Practicable Date, the Undertaking Shareholders are acting, or presumed to be acting, in concert with the Offeror under the Code. The number of Shares held by each Undertaking Shareholder, and their respective percentage shareholding in the Company, as at the Latest Practicable Date are set out in **Appendix 3** of this Exit Offer Letter.

9. INFORMATION ON THE COMPANY

9.1 Introduction. The Company is a company incorporated in Singapore on 29 May 1996 and listed on the Mainboard of the SGX-ST on 30 April 2015. The Company is a leading provider of innovative eco-sustainable real estate solutions with a regional presence and two (2) core business segments: (i) E&C, comprising turnkey engineering, full-fledged integrated digital delivery, and project and construction management encompassing design-and-build; and (ii) real estate, comprising real estate development, asset and leasing management, and fund management.

9.2 Share Capital. As at the Latest Practicable Date, the Company has an issued and paid-up share capital of S$9,505,000[3] (excluding treasury shares) comprising 313,260,631 Shares.

9.3 Company Directors. As at the Latest Practicable Date, the Company Directors are:

(a) Mr. John Lim Kok Min (Chairman & Independent Non-Executive Director);

(b) Yu Wei (Executive Deputy Chairman);

(c) Mr. Chu Kok Hong @ Choo Kok Hong (Managing Director);

(d) Mr. Tam Chee Chong (Independent Non-Executive Director);

(e) Mr. Chong Lit Cheong (Independent Non-Executive Director); and

(f) Professor Yong Kwet Yew (Independent Non-Executive Director).

Appendix 4 to this Exit Offer Letter sets out additional information on the Company. Information on the Company is also available from its website at www.bousteadprojects.com.

10. CONFIRMATION OF FINANCIAL RESOURCES

United Overseas Bank Limited confirms that sufficient financial resources are available to the Offeror to satisfy in full all acceptances of the Exit Offer by the holders of the Offer Shares on the basis of the Exit Offer Price (excluding the Waived Amount as set out in paragraph 3.7 of this Exit Offer Letter). For the avoidance of doubt, United Overseas Bank Limited is not acting as financial adviser to the Offeror for the Exit Offer.

11. RULINGS FROM THE SECURITIES INDUSTRY COUNCIL

An application was made to the SIC to seek clarification regarding the structure of the Directed Delisting and the extent to which the provisions of the Code applies to the Exit Offer. The SIC has ruled, *inter alia*, that:

(a) the SIC has no objection to the proposed structure of the Directed Delisting as herein presented, consisting of, *inter alia*, the making of the Exit Offer, obtaining the Offeror Shareholders' Approval for the Proposed IPT and obtaining the Irrevocable Undertakings from the Undertaking Shareholders;

(b) the SIC has no objection to the Company's Letter to Shareholders being despatched as part of this Exit Offer Letter;

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3 Rounded to the nearest thousand.

(c) the SIC has no objection to the advice of the Offeror's independent financial adviser (the "**Offeror IFA**"), as required under Rule 7.2 of the Code, being made known to the Offeror Shareholders through its publication in the circular to be issued to Offeror Shareholders for purposes of the Offeror EGM to obtain the Offeror Shareholders' Approval in connection with the Proposed IPT;

(d) the SIC confirmed that the deferment of payment to the Undertaking Shareholders, in accordance with the terms of the Irrevocable Undertakings, does not constitute a special deal under Rule 10 of the Code;

(e) the SIC confirmed that the financial resources confirmation to be given by the financial adviser or by another appropriate third party that sufficient financial resources are available to the Offeror to satisfy full acceptance of the Exit Offer may exclude the Waived Amount;

(f) the SIC has no objection to limiting the disclosure of holdings in the Joint Announcement subject to the Offeror promptly making enquiries subsequent to the Joint Announcement of all other persons acting or presumed to be acting in concert with the Offeror in connection with the Exit Offer. If the aggregate number of Shares owned, controlled or agreed to be acquired by such persons represent 0.1% or more in aggregate of the total number of Shares, the Offeror must promptly announce such holdings publicly; and

(g) the SIC has exempted Yu Wei from making a recommendation to Company Shareholders on the Exit Offer as he faces an irreconcilable conflict of interest in doing so, being a concert party of the Offeror. Yu Wei must, nonetheless, still assume responsibility for the accuracy of facts stated or opinions expressed in documents and advertisements issued by, or on behalf of, the Company in connection with the Exit Offer.

12. PRO FORMA FINANCIAL EFFECTS OF THE EXIT OFFER

12.1 Bases and Assumptions. The pro forma financial effects of the Exit Offer on the Offeror have been computed based on the audited consolidated financial statements of the Offeror for the financial year ended 31 March 2023 (being the most recently completed financial year for which financial statements are publicly available as of the Latest Practicable Date) and the unaudited consolidated financial statements of the Offeror for the first financial half-year of 2024 that ended on 30 September 2023. The financial effects are purely for illustrative purposes only and do not reflect the actual and/or future financial position and earnings of the Offeror following the Exit Offer.

The pro forma financial effects have also been prepared based on the following bases and assumptions:

(a) all the holders of the Offer Shares validly accept the Exit Offer; and

(b) the Offeror holds 100.0% of the Shares as a result of the Exit Offer.

12.2 NTA. For illustrative purposes only and assuming that the Exit Offer had been completed on 31 March 2023, the pro forma financial effects on the consolidated net tangible assets ("**NTA**") per BSL Share as at 31 March 2023 are as follows:

	Before the Exit Offer	After the Exit Offer
NTA attributable to equity holders of the Offeror (S$'000)	447,726	455,405
NTA per BSL Share (S$)	0.938	0.954

For illustrative purposes only and assuming that the Exit Offer had been completed on 30 September 2023, the pro forma financial effects on the consolidated NTA per BSL Share as at 30 September 2023 are as follows:

	Before the Exit Offer	After the Exit Offer
NTA attributable to equity holders of the Offeror (S$'000)	462,582	470,549
NTA per BSL Share (S$)	0.969	0.985

12.3 Earnings per BSL Share. For illustrative purposes only and assuming that the Exit Offer had been completed on 1 April 2022, the pro forma financial effects on the consolidated earnings per BSL Share as at 31 March 2023 are as follows:

	Before the Exit Offer	After the Exit Offer
Profit attributable to equity holders of the Offeror (S$'000)	48,404	52,899
Earnings per BSL Share – Basic (cents)	10.1	11.0

For illustrative purposes only and assuming that the Exit Offer had been completed on 1 April 2023, the pro forma financial effects on the consolidated earnings per BSL Share as at 30 September 2023 are as follows:

	Before the Exit Offer	After the Exit Offer
Profit attributable to equity holders of the Offeror (S$'000)	26,854	28,568
Earnings per BSL Share – Basic (cents)	5.6	6.0

13. DISCLOSURE OF SHAREHOLDINGS AND DEALINGS IN THE COMPANY

13.1 Shareholdings in Relevant Securities. Save as disclosed in **Appendix 3** to this Exit Offer Letter and in this Exit Offer Letter, as at the Latest Practicable Date, none of the (i) Offeror; (ii) Offeror Directors; and (iii) any party acting or presumed to be acting in concert with the Offeror:

(a) owns, controls or has agreed to acquire any (i) Shares, or (ii) securities which carry voting rights in the Company, or (iii) convertible securities, warrants, options or derivatives in respect of the Shares or securities which carry voting rights in the Company (the "**Relevant Securities**");

(b) has, save for the Irrevocable Undertakings provided by the Undertaking Shareholders, received any irrevocable commitment or undertaking from any person to accept or reject the Exit Offer;

(c) has, save for the Irrevocable Undertakings provided by the Undertaking Shareholders, entered into any arrangement (whether by way of option, indemnity or otherwise) in relation to shares of the Offeror or the Company which might be material to the Exit Offer;

(d) has, save for the Irrevocable Undertakings, entered into, any arrangement of the kind referred to in Note 7 on Rule 12 of the Code;

(e) has granted any security interest relating to any Relevant Securities to another person, whether through a charge, pledge or otherwise;

(f) has borrowed any Relevant Securities from another person (excluding borrowed Relevant Securities which have been on-lent or sold);

(g) has lent any Relevant Securities to another person; or

(h) has dealt for value in any Relevant Securities during the 3-month period immediately preceding the Joint Announcement Date.

14. OVERSEAS SHAREHOLDERS

14.1 Restricted Jurisdictions. This Exit Offer Letter does not constitute an offer to sell or the solicitation of an offer to subscribe for or buy any security, nor is it a solicitation of any vote or approval in any jurisdiction, nor shall there be any sale, issuance or transfer of the securities referred to in this Exit Offer Letter in any jurisdiction in contravention of applicable law. **For the avoidance of doubt, the Exit Offer is open to all Company Shareholders holding Offer Shares, including those to whom the Hardcopy Notification and the relevant Acceptance Forms may not be sent.**

The release, publication or distribution of this Exit Offer Letter in certain jurisdictions may be restricted by law and therefore persons in any such jurisdictions in which this Exit Offer Letter is released, published or distributed should inform themselves about and observe such restrictions.

Copies of this Exit Offer Letter and any formal documentation relating to the Exit Offer are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any jurisdiction where the making of or the acceptance of the Exit Offer would violate the laws of that jurisdiction ("**Restricted Jurisdiction**") and will not be capable of acceptance by any such use, instrumentality or facility within any Restricted Jurisdiction and persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send them in or into or from any Restricted Jurisdiction.

The Exit Offer (unless otherwise determined by the Offeror and permitted by applicable law and regulation) will not be made, directly or indirectly, in or into, or by the use of mails of, or by any means or instrumentality (including, without limitation, telephonically or electronically) of interstate or foreign commerce of, or any facility of a national, state or other securities exchange of, any Restricted Jurisdiction and the Exit Offer will not be capable of acceptance by any such use, means, instrumentality or facilities.

14.2 **Overseas Shareholders.** The availability of the Exit Offer to holders of Offer Shares whose mailing addresses are outside Singapore, as shown in the Register or in the Depository Register (as the case may be) (each, an "**Overseas Shareholder**") may be affected by the laws of the relevant overseas jurisdictions in which they are located. Accordingly, all Overseas Shareholders should inform themselves about, and observe, any applicable legal requirements in the relevant overseas jurisdictions.

It is the responsibility of Overseas Shareholders who wish to (a) request for the Hardcopy Notification, the relevant Acceptance Forms and/or any related documents, and/or (b) accept the Exit Offer to satisfy themselves as to the full observance of the laws of the relevant overseas jurisdiction in that connection, including the obtaining of any governmental or other consent which may be required, or compliance with other necessary formalities or legal requirements and the payment of any taxes, imposts, duties or other requisite payments due in such jurisdiction. Such Overseas Shareholders shall be liable for any such taxes, imposts, duties or other requisite payments payable and the Offeror, its related corporations, CDP, the Registrar, the Company and/or any person acting on their behalf shall be fully indemnified and held harmless by such Overseas Shareholders for any such taxes, imposts, duties or other requisite payments as the Offeror, its related corporations, CDP, the Registrar, the Company and/or any person acting on their behalf may be required to pay. In (a) requesting for the Hardcopy Notification, the relevant Acceptance Forms and/or any related documents, and/or (b) accepting the Exit Offer, each Overseas Shareholder represents and warrants to the Offeror that he is in full observance of the laws of the relevant jurisdiction in that connection and that he is in full compliance with all necessary formalities or legal requirements.

Any Overseas Shareholder who is in any doubt about his position should consult his professional adviser in the relevant jurisdiction.

14.3 **Copies of the Hardcopy Notification and the relevant Acceptance Forms.** Where there are potential restrictions on sending this the Hardcopy Notification and/or the relevant Acceptance Forms to any overseas jurisdiction, the Offeror reserves the right not to send these documents to such overseas jurisdictions. Company Shareholders (including Overseas Shareholders) may (subject to compliance with applicable laws) obtain electronic copies of this Exit Offer Letter, the Acceptance Forms and/or any related documents from the website of the SGX-ST at www.sgx.com. To obtain an electronic copy of this Exit Offer Letter, please select the section "Securities", select "Company Information" and then "Company Announcements" from the drop-down menu list and type the name of the Company: "Boustead Projects Limited" in the box titled "Filter by Company/Security Name". "Boustead Projects Limited" will appear as a drop-down item below the filter box. Thereafter, please select the announcement dated 28 November 2023 titled "Joint Announcement – Electronic Despatch of Exit Offer Letter". This Exit Offer Letter, the Acceptance Forms and its related documents can be accessed by clicking on the link under the section titled "Attachments" at the bottom of the announcement.

Alternatively, an affected Overseas Shareholder may write to the Share Registrar to request the Hardcopy Notification and the Acceptance Forms to be sent to an address in Singapore by ordinary post at his own risk.

14.4 **Notice.** The Offeror reserves the right to notify any matter, including the fact that the Exit Offer has been made, to any or all Company Shareholders (including Overseas Shareholders) by announcement to the SGX-ST or paid advertisement in a daily newspaper published or circulated in Singapore, in which case, such notice shall be deemed to have been sufficiently given notwithstanding any failure by any Company Shareholder to receive or see such announcement or advertisement.

15. CPFIS / SRS INVESTORS

CPFIS Investors and SRS Investors will receive further information on how to accept the Exit Offer from their respective agent banks included under the CPFIS ("**CPF Agent Banks**") and SRS ("**SRS Agent Banks**") directly. CPFIS Investors and SRS Investors are advised to consult their respective CPF Agent Banks and SRS Agent Banks should they require further information, and if they are in any doubt as to the action they should take, CPFIS Investors and SRS Investors should seek independent professional advice.

CPFIS Investors and SRS Investors who wish to accept the Exit Offer are to reply to their respective CPF Agent Banks and SRS Agent Banks accordingly by the deadline stated in the letter from their respective CPF Agent Banks and SRS Agent Banks. CPFIS Investors and SRS Investors who validly accept the Exit Offer will receive the payment in respect of their Offer Shares, in their CPF investment accounts and SRS investment accounts.

16. GENERAL

16.1 **Valid Acceptances.** The Offeror reserves the right to treat acceptances of the Exit Offer as valid if received by or on its behalf of any of them at any place or places determined by them otherwise than as stated herein or in the relevant Acceptance Forms, as the case may be, or if made otherwise than in accordance with the provisions herein and instructions printed in the relevant Acceptance Forms.

16.2 **Governing Law and Jurisdiction.** The Exit Offer, this Exit Offer Letter, the Acceptance Forms and any related documents, all acceptances of the Exit Offer, and all contracts made pursuant thereto and actions taken or made or deemed to be taken or made thereunder shall be governed by, and construed in accordance with, the laws of the Republic of Singapore. Each of the Offeror and the Accepting Shareholders submits to the non-exclusive jurisdiction of the Singapore courts.

16.3 **No Third Party Rights.** Unless expressly provided to the contrary in this Exit Offer Letter, the Acceptance Forms, and/or any related documents, a person who is not a party to any contracts made pursuant to the Exit Offer, this Exit Offer Letter, the Acceptance Forms, and/or any related documents has no rights under the Contracts (Rights of Third Parties) Act 2001 of Singapore to enforce any term of such contracts. Notwithstanding any term herein, the consent of any third party is not required for any subsequent agreement by the parties hereto to amend or vary (including any release or compromise of any liability) or terminate such contracts. Where third parties are conferred rights under such contracts, those rights are not assignable or transferable.

16.4 **Accidental Omission.** Accidental omission to despatch the Hardcopy Notification, this Exit Offer Letter, the Acceptance Forms, and/or any related documents or any notice or announcement required to be given under the terms of the Exit Offer or any failure to receive the same by any person to whom the Exit Offer is made or should be made, shall not invalidate the Exit Offer in any way.

16.5 **Independent Advice.** The advice of the Company IFA to the Recommending Directors, and the recommendation of the Recommending Directors, in relation to the Exit Offer are contained in the Company's Letter to Shareholders set out in **Appendix 7** to this Exit Offer Letter. Company Shareholders may wish to consider their advice before taking any action in relation to the Exit Offer.

16.6 **General Information**. **Appendix 5** to this Exit Offer Letter sets out additional general information relating to the Exit Offer.

16.7 **Consents.**

Consent of Registrar. Boardroom Corporate & Advisory Services Pte. Ltd., in its capacity as the Registrar, has given and has not withdrawn its written consent to the issue of this Exit Offer Letter with the inclusion of its name and all references to its name in the form and context in which they appear in this Exit Offer Letter.

Consent of Offeror IFA. Ernst & Young Corporate Finance Pte Ltd, in its capacity as the Offeror IFA, has given and has not withdrawn its written consent to the issue of this Exit Offer Letter with the inclusion of its name and all references to its name in the form and context in which they appear in this Exit Offer Letter.

Consent of United Overseas Bank Limited. United Overseas Bank Limited, for the purposes of providing confirmation of financial resources in respect of the Exit Offer, has given and has not withdrawn its written consent to the issue of this Exit Offer Letter with the inclusion of its name and all references to its name in the form and context in which they appear in this Exit Offer Letter.

Consent of Adviser to the Offeror. Taurus Point Capital Pte. Ltd., in its capacity as an adviser to the Offeror, has given and has not withdrawn its written consent to the issue of this Exit Offer Letter with the inclusion of its name and all references to its name in the form and context in which they appear in this Exit Offer Letter.

17. DOCUMENTS FOR INSPECTION

Copies of the following documents are available for inspection during normal business hours at the registered office of the Offeror at 82 Ubi Avenue 4, #08-01 Edward Boustead Centre, Singapore 408832, from the date of this Exit Offer Letter to the close of the Exit Offer:

(a) the constitution of the Offeror;

(b) the Joint Announcement;

(c) the letters of consent referred to in paragraph 16.7;

(d) the Irrevocable Undertakings;

(e) the HY2024 BPL Results; and

(f) the HY2024 BSL Results.

18. RESPONSIBILITY STATEMENT

The Offeror Directors (including any Offeror Director who may have delegated detailed supervision of this Exit Offer Letter) have taken all reasonable care to ensure that the facts stated and all opinions expressed herein (other than those relating to the Company, Offeror IFA and the Company IFA) are fair and accurate and that there are no other material facts not contained in this Exit Offer Letter, the omission of which would make any statement in this Exit Offer Letter misleading. Where any information in this Joint Announcement has been extracted or reproduced from published or otherwise publicly available sources or obtained from the Company, the sole responsibility of the Offeror Directors has been to ensure through reasonable enquiries that such information is accurately and correctly extracted from such sources or, as the case may be, reflected or reproduced in this Exit Offer Letter. The Offeror Directors jointly and severally accept responsibility accordingly.

The recommendation of the Recommending Directors to the Company Shareholders as set out in **Appendix 7** is the sole responsibility of the Recommending Directors.

BY ORDER OF THE BOARD
BOUSTEAD SINGAPORE LIMITED

Mr. Mak Lye Mun
Lead Independent Director

28 November 2023

APPENDIX 1 – DETAILS OF THE EXIT OFFER

1. DURATION OF THE OFFER

1.1 Duration and Closing Date. The Exit Offer will remain open for acceptance by Company Shareholders for a period of 28 days after the date on which the Exit Offer Letter by the Offeror to Company Shareholders is electronically despatched.

Although no extension of the Exit Offer is currently contemplated by the Offeror, if the Exit Offer is extended, announcements will be made on such extensions, and the Exit Offer will remain open for acceptance for such period as may be announced by the Offeror. If the Exit Offer is extended, Company Shareholders who have validly accepted the Exit Offer in respect of part of their Shares will be entitled to tender additional Offer Shares in acceptance of the Exit Offer.

If there is an extension of the Exit Offer, then pursuant to Rule 22.4 of the Code, any announcement of an extension will state the next Closing Date or if the Exit Offer is unconditional as to acceptances, a statement may be made that the Exit Offer will remain open until further notice. In the latter case, Company Shareholders who have not accepted the Exit Offer will be notified in writing at least 14 days before the Exit Offer is closed.

Accordingly, the Exit Offer will close at 5.30pm (Singapore time) on 27 December 2023 or such later date(s) as may be announced from time to time by or on behalf of the Offeror (the "Closing Date").

1.2 Final Day Rule. The Exit Offer (whether revised or not) will not be capable of becoming or being declared unconditional as to acceptances after 5.30pm (Singapore time) on the 60th day after the date of despatch of this Exit Offer Letter or being kept open after the expiry of such 60-day period unless the Exit Offer has previously become or has been declared to be unconditional as to acceptances. The Exit Offer may be extended beyond such 60-day period with the permission of the SIC, which will consider granting such permission in circumstances, including but not limited to, where a competing offer has been announced.

1.3 Revision of Exit Offer. Pursuant to Rule 20.1, the Exit Offer, if revised, will remain open for acceptances for a period of at least 14 days from the date of despatch of the written notification of the revision to Company Shareholders. If the Exit Offer is revised, all Company Shareholders who have accepted the original Exit Offer will receive the revised consideration.

2. SETTLEMENT FOR THE EXIT OFFER

2.1 Subject to the receipt by the Offeror from Accepting Shareholders of valid acceptances, complete in all respects and in accordance with the instructions given in this Exit Offer Letter, the FAA, the FAT and/or the terms and conditions for Electronic Acceptance (as the case may be) and in the case of a depositor, the receipt by the Offeror of confirmation satisfactory to it that the relevant number of Offer Shares are standing to the credit of the "Free Balance" of such depositor's Securities Account at the relevant time(s), remittances for the appropriate amounts will be despatched, pursuant to Rule 30 of the Code, to the Accepting Shareholder save in respect of the Undertaking Shareholders (or, in the case of an Accepting Shareholder holding share certificate(s) which is not deposited with CDP, his designated agent (if any)) by means of:

(a) in the case of an Accepting Shareholder who has subscribed to CDP's Direct Crediting Services ("**DCS**"), credited directly into such Accepting Shareholder's designated bank account for Singapore Dollars via CDP's DCS (or in such other manner as such Accepting Shareholder may have agreed with CDP for the payment of any cash distribution). In the case of an Accepting Shareholder who has not subscribed to CDP's DCS, any monies to be paid to such Accepting Shareholder shall be credited to his Cash Ledger and be subject to the same terms and conditions as Cash Distributions under the CDP Operation of Securities Account with the Depository Terms and Conditions (Cash Ledger and Cash Distribution are as defined therein); or

(b) in the case of an Accepting Shareholder holding share certificate(s) which are not deposited with CDP, a Singapore Dollar crossed cheque drawn on a bank operating in Singapore and sent by ordinary post to the address stated in their FAT or if none is stated, to the address as indicated in the register of members of the Company, at the risk of the Accepting Shareholder;

as soon as practicable but in any event within seven (7) Business Days of the date of such receipt.

3. ANNOUNCEMENTS IN RELATION TO THE EXIT OFFER

3.1 **Timing and Contents.** Pursuant to Rule 28.1 of the Code, by 8.00am (Singapore time) on the Market Day (the "**Relevant Day**") immediately after the day on which (i) the Exit Offer is due to expire or (ii) the Exit Offer is revised or extended, the Offeror will announce and simultaneously inform the SGX-ST of the total number of Shares (as nearly as practicable):

(a) for which valid acceptances of the Exit Offer have been received;

(b) held by the Offeror and any persons acting in concert with the Offeror prior to the commencement of the offer period; and

(c) acquired or agreed to be acquired by the Offeror and any persons acting in concert with the Offeror during the offer period;

and will specify the respective percentages of the total number of Shares represented by such numbers.

3.2 **Suspension.** If the Offeror is unable, within the time limit, to comply with any of the requirements of paragraph 3.1 (Timing and Contents) of this **Appendix 1**, the SIC will consider requesting the SGX-ST to suspend dealings in the Shares and, where appropriate, in the BSL Shares, until the relevant information is given.

3.3 **Valid Acceptances for Offer Shares.** Subject to paragraph 16.1 (Valid Acceptances) of the Exit Offer Letter, in computing the number of Offer Shares represented by acceptances, the Offeror will, at the time of making an announcement, take into account acceptances which are valid in all respects. Acceptances of the Exit Offer will only be treated as valid if the relevant requirements of Note 2 on Rule 28.1 of the Code are met.

3.4 **Announcements.** In this Exit Offer Letter, references to the making of any announcement or the giving of a notice by the Offeror include the release of an announcement by advertising agents for and on behalf of the Offeror to the press or the delivery of or transmission by telephone, facsimile, SGXNET or otherwise of an announcement to the SGX-ST. An announcement made otherwise than to the SGX-ST shall be notified simultaneously to the SGX-ST.

4. RIGHT OF WITHDRAWAL OF ACCEPTANCES

4.1 **Acceptances Irrevocable.** Except as expressly provided in this Exit Offer Letter and the Code, acceptances of the Exit Offer shall be irrevocable.

4.2 **Right of Withdrawal of Shareholders.** A Company Shareholder who has accepted the Exit Offer may withdraw his acceptance immediately if the Offeror fails to comply with any of the requirements set out in paragraph 3.1 (Timing and Contents) of this **Appendix 1** by 3.30pm (Singapore time) on the Relevant Day. Subject to Rule 22.9 of the Code, this right of withdrawal may be terminated not less than eight (8) days after the Relevant Day by the Offeror confirming (if that be the case) that the Exit Offer is still unconditional as to acceptances and complying with Rule 28.1 of the Code.

4.3 **Procedures for Withdrawal of Acceptances.** To withdraw his acceptance under the Exit Offer:

4.3.1 a Company Shareholder holding Offer Shares which are not deposited with CDP must give written notice to the Offeror at **Boustead Singapore Limited c/o Boardroom Corporate & Advisory Services Pte. Ltd.** at **1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632**; and

4.3.2 a Company Shareholder holding Offer Shares which are deposited with CDP must give written notice to the Offeror at **Boustead Singapore Limited c/o The Central Depository (Pte) Limited, Robinson Road Post Office, P.O. Box 1984, Singapore 903934**.

In relation to the Exit Offer, a notice of withdrawal shall be effective only if signed by the Accepting Shareholder, or his agent duly appointed in writing and evidence of whose appointment is produced in a form satisfactory to the Offeror within the said notice and when actually received by the Offeror.

APPENDIX 2 – PROCEDURES FOR ACCEPTANCE OF THE EXIT OFFER

1. PROCEDURES FOR ACCEPTANCE OF THE EXIT OFFER BY DEPOSITORS WHOSE SECURITIES ACCOUNTS ARE AND/OR WILL BE CREDITED WITH OFFER SHARES

1.1 Depositors whose Securities Accounts are credited with Offer Shares. If you have Offer Shares standing to the credit of the "Free Balance" of your Securities Account, you should receive the Hardcopy Notification together with the FAA. If you do not receive the FAA, you may obtain a copy of such FAA, upon production of satisfactory evidence that you are a Company Shareholder, by submitting a request to CDP by contacting CDP's customer service hotline at +65 6535 7511 during their operating hours or emailing CDP at asksgx@sgx.com. An electronic copy of the FAA may also be obtained on the website of the SGX-ST at www.sgx.com.

If you wish to accept the Exit Offer in respect of all or any of your Offer Shares, you should:

(a) complete the FAA in accordance with this Exit Offer Letter and the instructions printed on the FAA. In particular, you must state in Section C of the FAA or the relevant section in the electronic form of the FAA, the number of Offer Shares in respect of which you wish to accept the Exit Offer.

(i) If you:

(A) do not specify such number; or

(B) specify a number which exceeds the number of Offer Shares standing to the credit of the "Free Balance" of your Securities Account **as at the Date of Receipt or, in the case where the Date of Receipt is on the Closing Date, by 5.30pm (Singapore time) on the Closing Date**;

you shall be deemed to have accepted the Exit Offer in respect of all the Offer Shares already standing to the credit of the "Free Balance" of your Securities Account as at the Date of Receipt or 5.30pm (Singapore time) on the Closing Date (if the FAA is received by CDP on the Closing Date);

(ii) If paragraph 1.1(a)(i)(B) of this **Appendix 2** above applies and at the time of verification by CDP of the FAA on the Date of Receipt, there are outstanding settlement instructions with CDP to receive further Offer Shares into the "Free Balance" of your Securities Account ("**Unsettled Buy Position**"), and the Unsettled Buy Position settles such that the Offer Shares in the Unsettled Buy Position are transferred to the "Free Balance" of your Securities Account at any time during the period the Exit Offer is open, up to 5.30pm (Singapore time) on the Closing Date ("**Settled Shares**"), you shall be deemed to have accepted the Exit Offer in respect of the balance number of Offer Shares inserted in Section C of the FAA or the relevant section of the electronic form of the FAA which have not yet been accepted pursuant to paragraph 1.1(a)(i)(B) of this **Appendix 2** above, or the number of Settled Shares, whichever is less;

(b) if you are submitting the FAA in physical form, sign the FAA (no part may be detached or otherwise mutilated) in accordance with this **Appendix 2** and the instructions printed on the FAA; and

(c) submit the completed and signed FAA:

(i) **by post** (physical form) in the enclosed pre-addressed envelope at your own risk, to **Boustead Singapore Limited c/o The Central Depository (Pte) Limited** at **Robinson Road Post Office, P.O. Box 1984, Singapore 903934**; or

(ii) **in electronic form,** via the SGX-ST's Investor Portal at https://investors.sgx.com/ (in respect of individual and joint-alternate account holders only). Depositors who are corporations or joint-alternate account holders cannot submit their FAA in electronic form and should sign the enclosed FAA per its/their signing mandate and where appropriate, affix its common seal to the FAA in accordance with its constitution or relevant constitutive documents, please use the pre-addressed envelope, which is enclosed with the FAA, which is pre-paid for posting in Singapore only. It is your responsibility to affix adequate postage on the said envelope if posting outside of

Singapore. Proof of posting is not proof of receipt by the Offeror at the above address. If you submit the FAA in electronic form, you accept the risk of defects or delays caused by failure or interruption of electronic systems, and you agree to hold the Offeror and CDP harmless against any losses directly or indirectly caused by such failure or interruption of electronic systems.

in each case so as to arrive not later than 5.30pm (Singapore time) on the Closing Date, or such later date(s) as may be announced from time to time by or on behalf of the Offeror. If the completed and signed FAA is delivered by post to the Offeror, please use the enclosed pre-addressed envelope. It is your responsibility to affix adequate postage on the said envelope if posting outside of Singapore.

If you have sold or transferred all your Offer Shares held through CDP, you need not forward the Hardcopy Notification and the accompanying FAA to the purchaser or transferee, as CDP will arrange for a separate Hardcopy Notification and FAA to be sent to the purchaser or transferee.

If you are a Depository Agent, you may accept the Exit Offer via Electronic Acceptance. Such Electronic Acceptance must be submitted **not later than 5.30pm (Singapore time) on the Closing Date**. CDP has been authorised by the Offeror to receive Electronic Acceptances on its behalf. Electronic Acceptances submitted will be deemed irrevocable and subject to each of the terms and conditions contained in the FAA and this Exit Offer Letter as if the FAA had been completed and delivered to CDP.

1.2 Depositors whose Securities Accounts will be credited with Offer Shares. If you have purchased Offer Shares on the SGX-ST and such Offer Shares are in the process of being credited to the "Free Balance" of your Securities Account, you should also receive the Hardcopy Notification together with the FAA. If you do not receive the FAA, you may obtain a copy, upon production of satisfactory evidence that you are a Company Shareholder, by submitting a request to CDP by contacting CDP's customer service hotline at +65 6535 7511 during their operating hours or emailing CDP at asksgx@sgx.com. An electronic copy of the FAA may also be obtained on the website of the SGX-ST at www.sgx.com.

If you wish to accept the Exit Offer in respect of all or any of your Offer Shares, you should, after the "Free Balance" of your Securities Account has been credited with such number of Offer Shares purchased:

(a) complete and sign the FAA in accordance with paragraph 1.1 of this **Appendix 2** and the instructions printed on the FAA; and

(b) submit the completed FAA:

(i) **in physical form**, after signing the FAA in accordance with this **Appendix 2** and the instructions printed on the FAA and delivering the completed and signed FAA (no part may be detached or otherwise mutilated) by post, in the enclosed pre-addressed envelope at your own risk, to **Boustead Singapore Limited c/o The Central Depository (Pte) Limited at Robinson Road Post Office, P.O. Box 1984, Singapore 903934**; or

(ii) **in electronic form**, via the SGX-ST's Investor Portal at https://investors.sgx.com/ (in respect of individual and joint-alternate account holders only). Depositors who are corporations or joint-alternate account holders cannot submit their FAA in electronic form and should sign the enclosed FAA per its/their signing mandate and where appropriate, affix its common seal to the FAA in accordance with its constitution or relevant constitutive documents, please use the pre-addressed envelope which is enclosed with the FAA, which is pre-paid for posting in Singapore only. It is your responsibility to affix adequate postage on the said envelope if posting outside of Singapore. Proof of posting is not proof of receipt by the Offeror at the above address. If you submit the FAA in electronic form, you accept the risk of defects or delays caused by failure or interruption of electronic systems, and you agree to hold the Offeror and CDP harmless against any losses directly or indirectly caused by such failure or interruption of electronic systems.

In each case so as to arrive not later than 5.30pm (Singapore time) on the Closing Date, or such later date(s) as may be announced from time to time by or on behalf of the Offeror. If the completed and signed FAA is delivered by post to the Offeror, please use the enclosed pre-addressed envelope. It is your responsibility to affix adequate postage on the said envelope if posting outside of Singapore.

1.3 **Depositors whose Securities Accounts are and will be credited with Offer Shares.** If you have Offer Shares credited to the "Free Balance" of your Securities Account, and have purchased additional Offer Shares on the SGX-ST which are in the process of being credited to the "Free Balance" of your Securities Account, you may accept the Exit Offer in respect of the Offer Shares standing to the credit of the "Free Balance" of your Securities Account and may accept the Exit Offer in respect of the additional Offer Shares purchased which are in the process of being credited to the "Free Balance" of your Securities Account only after the "Free Balance" of your Securities Account has been credited with such additional number of Offer Shares purchased.

1.4 **Rejection.** If upon receipt by CDP, on behalf of the Offeror, of the FAA, it is established that such Offer Shares have not been or will not be credited to the "Free Balance" of your Securities Account (for example, where you sell or have sold such Offer Shares), your acceptance is liable to be rejected. Neither CDP nor the Offeror (or, for the avoidance of doubt, any of the Offeror's related corporations) accept any responsibility or liability in relation to such rejections, including the consequences thereof.

If you purchase Offer Shares on the SGX-ST on a date close to the Closing Date, your acceptance in respect of such Offer Shares is liable to be rejected if the "Free Balance" of your Securities Account is not credited with such Offer Shares by the Date of Receipt or 5.30pm (Singapore time) on the Closing Date if the Date of Receipt is on the Closing Date, unless paragraph 1.1(a)(i)(B) read together with paragraph 1.1(a)(ii) of this **Appendix 2** applies. If the Unsettled Buy Position does not settle by 5.30pm (Singapore time) on the Closing Date, your acceptance in respect of such Offer Shares will be rejected. Neither CDP nor the Offeror (or, for the avoidance of doubt, any of the Offeror's related corporations) accept any responsibility or liability in relation to such rejections, including the consequences thereof.

1.5 **General.** No acknowledgement will be given by CDP for submissions of the FAA. All communications, notices, documents and remittances to be delivered or sent to you will be sent by ordinary post at your own risk to your address as it appears in the records of CDP. For reasons of confidentiality, CDP will not entertain telephone enquiries relating to the number of Offer Shares credited to your Securities Account. You can verify such number through (a) CDP Online if you have registered for the CDP Internet Access Service, or (b) through the CDP Phone Service using SMS OTP, under the option "To check your securities balance".

1.6 **Blocked Balance.** Upon receipt of the FAA which is complete and valid in all respects, CDP will transfer the Offer Shares in respect of which you have accepted the Exit Offer from the "Free Balance" of your Securities Account to the "Blocked Balance" of your Securities Account. Such Offer Shares will be held in the "Blocked Balance" until the consideration for such Offer Shares has been despatched to you.

EXCEPT AS SPECIFICALLY PROVIDED FOR IN THIS EXIT OFFER LETTER AND THE CODE, ACCEPTANCE OF THE EXIT OFFER IS IRREVOCABLE.

No acknowledgement will be given for submissions made. All communications and notifications can be accessed via your portfolio (CDP Internet) on https://investors.sgx.com/ or via the SGX-ST's mobile app. Settlement of the consideration under the Exit Offer will be subject to the receipt of confirmation satisfactory to the Offeror that the Offer Shares to which the FAA relates are credited to the "Free Balance" of your Securities Account and such settlement cannot be made until all relevant documents have been properly completed and lodged, by post at your own risk using the enclosed pre-addressed envelope to **Boustead Singapore Limited c/o The Central Depository (Pte) Limited, Robinson Road Post Office, P.O. Box 1984, Singapore 903934**.

1.7 **Notification Letter.** If you have accepted the Exit Offer in accordance with the provisions and instructions contained in this **Appendix 2** and the FAA, CDP will send you a notification letter, which can be accessed via your portfolio (CDP Internet) on https://investors.sgx.com/ or via the SGX-ST's mobile app, stating the number of Offer Shares debited from your Securities Account together with payment of the Offer Price which will be credited directly into your designated bank account for Singapore Dollars via DCS on the payment date as soon as practicable and in any event, in respect of acceptances of the Exit Offer which are complete and valid in all respects, within seven (7) Business Days of the Date of Receipt.

In the event you are not subscribed to CDP's DCS, any monies to be paid shall be credited to your Cash Ledger and subject to the same terms and conditions as Cash Distributions under the CDP Operation of Securities Account with the Depository Terms and Conditions (Cash Ledger and Cash Distribution are as defined therein).

1.8 **No Securities Account.** If you do not have any existing Securities Account in your own name at the time of acceptance of the Exit Offer, your acceptance as contained in the FAA will be rejected.

1.9 **Acceptances received on Saturday, Sunday or public holiday.** For the avoidance of doubt, FAAs received by CDP on a Saturday, Sunday or public holiday will only be processed and validated on the next Business Day.

2. SCRIP HOLDERS

If you hold Offer Shares which are not deposited with CDP, you are entitled to receive the Hardcopy Notification together with the FAT. If you wish to accept the Exit Offer, you should complete and sign the FAT (which is available upon request from **Boustead Singapore Limited c/o Boardroom Corporate & Advisory Services Pte. Ltd.** at **1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632**) in accordance with the provisions and instructions in this Exit Offer Letter including the provisions and instructions printed on the FAT (which provisions and instructions shall be deemed to form part of the terms of the Exit Offer) and submit the duly completed and signed original FAT with the relevant share certificate(s) and/or other document(s) of title and/or any other relevant document(s) required by the Offeror by hand or by post in the enclosed pre-addressed envelope, at your own risk, to:

Boustead Singapore Limited
c/o Boardroom Corporate & Advisory Services Pte. Ltd.
1 Harbourfront Avenue
#14-07 Keppel Bay Tower
Singapore 098632

so as to arrive not later than 5.30pm (Singapore time) on the Closing Date. If the completed and signed FAT is delivered by post to the Offeror, please use the enclosed pre-addressed envelope, which is pre-paid for posting in Singapore only. It is your responsibility to affix adequate postage on the said envelope if posting outside of Singapore.

If you have sold or transferred all your Shares which are not held through CDP, you should immediately hand the Hardcopy Notification and the accompanying FAT to the purchaser or transferee or to the bank, stockbroker or agent through whom you effected the sale, for onward transmission to the purchaser or transferee.

If your Offer Shares are represented by share certificate(s) which are not registered in your own name, you must send in, at your own risk, the relevant certificate(s), other document(s) of title and/or any other relevant document(s) required by the Offeror together with a duly completed and signed FAT accompanied by transfer form(s), duly completed and executed by the person registered with the Company as the holder of the Offer Shares and stamped, with the particulars of the transferee left blank (to be completed by the Offeror, or a person authorised by it).

If you are recorded in the Register as holding Shares but do not have the relevant share certificate(s) and warrant certificate(s) relating to such Shares, you, at your own risk, are required to procure the Company to issue such share certificate(s) in accordance with the constitution of the Company and then deliver such share certificate(s) in accordance with the procedures and instructions set out in this Exit Offer and FAT.

If you wish to accept the Exit Offer, you must insert in the FAT the number of Offer Shares in respect of which the Exit Offer is accepted, which should not exceed the number of Offer Shares represented by the share certificate(s) and/or other document(s) of title accompanying the FAT. **If the number of Offer Shares in respect of acceptances of the Exit Offer as inserted by you in the FAT exceeds the number of Offer Shares represented by the share certificate(s) and/or other document(s) of title accompanying the FAT, or if no such number of Offer Shares is inserted by you, then you shall be deemed to have accepted the Exit Offer in respect of all the Offer Shares as represented by the share certificate(s) and/or other document(s) of title accompanying the FAT.**

No acknowledgement of receipt of any FAT, share certificate(s), other document(s) of title, transfer form(s) and/or any other relevant document(s) required by the Offeror will be given.

The election made or deemed to be made by you in the FAT shall be deemed to be irrevocable and any instructions or FAT received by the Offeror or the Registrar after the FAT has been received shall be disregarded.

All communications, certificates, notices, documents and remittances to be delivered or sent to you will be sent to you (or your designated agent or, in the case of joint Accepting Shareholders who have not designated any agent, to the one first named in the Register, as the case may be) by ordinary post to your address as it appears in the Register, as the case may be, at your own risk (or, for the purpose of remittances only, to such different name and address as may appear in the FAT and at your own risk).

If the Exit Offer is accepted and being unconditional in all respects in accordance with its terms, payment will be sent to you (or your designated agent or, in the case of joint Accepting Shareholders who have not designated any agent, to the one first named in the Register, as the case may be) by ordinary post to your address as it appears in the Register, as the case may be, at your own risk (or to such different name and address as may be specified by you in the FAT and at your own risk), by way of a cheque drawn on a bank in Singapore for the appropriate amount.

Acceptances of the Exit Offer shall be irrevocable.

3. GENERAL

3.1 Disclaimer. The Offeror, CDP and/or the Registrar will be authorised and entitled, at their sole and absolute discretion, to reject or treat as valid any acceptance of the Exit Offer through the FAA and/or FAT, as the case may be, which is not entirely in order or which does not comply with the terms of this Exit Offer Letter and the relevant Acceptance Forms or which is otherwise incomplete, incorrect, signed but not in its originality, or invalid in any respect. If you wish to accept the Exit Offer, it is your responsibility to ensure that the relevant Acceptance Forms are properly completed and executed in all respects and submitted with original signature(s) and that all required documents (where applicable) are provided. Any decision to reject or treat as valid any acceptance will be final and binding and none of the Offeror (or, for the avoidance of doubt, any of the Offeror's related corporations), CDP and/or the Registrar accepts any responsibility or liability for such a decision, including the consequences of such a decision.

3.2 Discretion. The Offeror, CDP and/or the Registrar each reserves the right to treat acceptances of the Offer as valid if received by or on behalf of any of them at any place or places determined by any of them otherwise than as stated in this Exit Offer Letter or in the FAA and/or the FAT, as the case may be, or if made otherwise than in accordance with the provisions of this Exit Offer Letter and in the FAA and/or the FAT. Any decision to reject or treat such acceptances as valid will be final and binding and none of the Offeror (or, for the avoidance of doubt, any of the Offeror's related corporations), CDP and/ or the Registrar accept any responsibility or liability for such a decision, including the consequences of such a decision.

3.3 Share Certificates. If your Offer Shares are represented by share certificate(s) which are not registered with the Company in your own name, you must send in, at your own risk, the relevant share certificate(s), other document(s) of title and/or other relevant documents required by the Offeror together with a duly completed and signed original FAT in its entirety (no part may be detached or otherwise mutilated), accompanied by transfer form(s), duly completed and executed by the person(s) registered with the Company as the holder(s) of the Offer Shares and stamped, with the particulars of the transferee left blank (to be completed by the Offeror or a person authorised by it):

(a) if you hold share certificate(s) of some of the Offer Shares beneficially owned by you and if you have deposited the rest of the Offer Shares beneficially owned by you with CDP, you are required to complete, sign (if applicable) and submit at your own risk, the signed original FAT in respect of the Offer Shares represented by share certificate(s) and the signed original FAA or electronic form of the FAA in respect of the Offer Shares which are deposited with CDP, if you wish to accept the Exit Offer in respect of all such Offer Shares. Both the FAT and the FAA must be completed, signed (if applicable) and accompanied by the relevant documents and submitted to the Offeror in accordance with the respective procedures for acceptance set out in this **Appendix 2**.

(b) if you hold share certificate(s) of the Offer Shares beneficially owned by you and you wish to accept the Exit Offer in respect of such Offer Shares, you should not deposit the share certificate(s) with CDP during the period commencing on the date of this Exit Offer Letter and ending on the Closing Date (both dates inclusive) as your Securities Account may not be credited with the relevant number of Offer Shares in time for you to accept the Offer.

3.4 **Scripless and Scrip Offer Shares.** If you hold some Offer Shares with CDP and others in scrip form, you should complete the FAA for the former and the FAT for the latter in accordance with the respective procedures set out in this **Appendix 2** and the respective Acceptance Forms if you wish to accept the Offer in respect of such Offer Shares.

3.5 **Payment.** Payment will be sent to you (or your designated agent or, in the case of joint Accepting Shareholders who have not designated any agent, to the one first named in the register of members of the Company) by ordinary post to your address as it appears in the register of members of the Company at your own risk (or to such different name and address as may be specified by you in the FAT and at your own risk), by way of a Singapore Dollar cheque drawn on a bank in Singapore for the appropriate amount.

3.6 **Deposit Time.** If you hold Offer Shares in scrip form, the Offer Shares may not be credited into your Securities Account with CDP in time for you to accept the Offer by way of the FAA if you were to deposit your share certificate(s) with CDP after the Despatch Date. If you wish to accept the Exit Offer in respect of such Offer Shares held in scrip form, you should complete the FAT and follow the procedures set out in paragraph 2 of this **Appendix 2**.

3.7 **Correspondences.** All communications, certificates, notices, documents and remittances to be delivered or sent to you (or, in the case of scrip holders, your designated agent or, in the case of joint Accepting Shareholders who have not designated any agent, to the one first named in the Register, as the case may be) will be sent by ordinary post to your respective addresses as they appear in the records of CDP or the Registrar, as the case may be, at the risk of the person entitled thereto (or, for the purposes of remittances only, to such different name and addresses as may be specified by you in the FAA or the FAT, as the case may be, at your own risk).

3.8 **Evidence of Title.** Delivery of the duly completed and signed FAA and/or FAT, as the case may be, together with the relevant share certificate(s) and/or other document(s) of title and/or other relevant document(s) required by the Offeror, to the Offeror (or its nominee), CDP and/or the Registrar, as the case may be, shall be conclusive evidence in favour of the Offeror (or its nominee), CDP and the Registrar of the right and title of the person signing it to deal with the same and with the Offer Shares to which it relates. The Offeror, CDP and/or the Registrar shall be entitled to assume the accuracy of any information and/or documents submitted together with any FAA and/or FAT, as the case maybe, and shall not be required to verify or question the validity of the same.

3.9 **Loss in Transmission.** The Offeror, CDP and/or the Registrar, as the case may be, shall not be liable for any loss in transmission of the FAA and/or the FAT.

3.10 **Acceptances Irrevocable.** Except as expressly provided in this Exit Offer Letter and the Code, the acceptance of the Exit Offer made by you using the FAA and/or the FAT, as the case may be, shall be irrevocable and any instructions or subsequent FAA(s) and/or FAT(s) received by CDP and/or the Registrar, as the case may be, after the FAA and/or FAT, as the case may be, has been received, shall be disregarded.

3.11 **Personal Data Privacy.** By completing and delivering the FAA and/or the FAT, you:

(a) consent to the collection, use and disclosure of your personal data by the Registrar, CDP, CPF, the SGX-ST, the Offeror and the Company (the "**Authorised Persons**") for the purpose of facilitating your acceptance of the Exit Offer, and in order for the Authorised Persons to comply with any applicable laws, listing rules, regulations and/or guidelines;

(b) warrant that where you disclose the personal data of another person, such disclosure is in compliance with applicable law; and

(c) agree that you will indemnify the Authorised Persons in respect of any penalties, liabilities, claims, demands, losses and damages as a result of your breach of such warranty.

APPENDIX 3 – ADDITIONAL INFORMATION ON THE OFFEROR

1. DIRECTORS

The names, addresses and descriptions of the Offeror Directors as at the Latest Practicable Date are as follows:

Name	Address	Description
Mr. Wong Fong Fui	c/o 82 Ubi Avenue 4, #08-01 Edward Boustead Centre, Singapore 408832	Chairman & Group CEO
Mr. Wong Yu Loon	c/o 82 Ubi Avenue 4, #08-01 Edward Boustead Centre, Singapore 408832	Executive Director & Deputy Group CEO
Mr. Mak Lye Mun	c/o 82 Ubi Avenue 4, #08-01 Edward Boustead Centre, Singapore 408832	Lead Independent Director
Dr. Tan Khee Giap	c/o 82 Ubi Avenue 4, #08-01 Edward Boustead Centre, Singapore 408832	Independent Non-Executive Director
Mr. Liak Teng Lit	c/o 82 Ubi Avenue 4, #08-01 Edward Boustead Centre, Singapore 408832	Independent Non-Executive Director

2. PRINCIPAL ACTIVITIES

The Offeror is a company incorporated in Singapore on 18 June 1975 and listed on the Mainboard of the SGX-ST on 17 October 1975. The Offeror is a progressive global infrastructure-related engineering and technology group with four (4) core business segments: (i) Energy Engineering; (ii) Real Estate; (iii) Geospatial; and (iv) Healthcare.

3. FINANCIAL SUMMARY

Set out below is certain financial information extracted from the Offeror's Annual Reports for FY2021, FY2022 and FY2023 respectively and from the unaudited consolidated interim results of the Offeror for the first financial half-year period ended 30 September 2023 ("**HY2024**", and such interim results, the "**HY2024 BSL Results**"). The financial information for FY2021, FY2022 and FY2023 should be read in conjunction with the audited consolidated financial statements of the Offeror for FY2021, FY2022 and FY2023. In addition, the financial information for HY2024 should be read in conjunction with the HY2024 BSL Results.

3.1 Selected Financial Information relating to Income Statements for FY2021, FY2022, FY2023 and HY2024

	FY2021 (Audited) (S$'000)	FY2022 (Audited) (S$'000)	FY2023 (Audited) (S$'000)	HY2024 (Unaudited) (S$'000)
Revenue	685,710	631,811	561,645	367,934
Exceptional items	N.A.	N.A.	N.A.	N.A.
Profit before income tax	204,295	55,235	76,481	43,916
Total profit	178,855	38,787	56,200	30,509
Profit attributable to equity holders of the Offeror	113,073	30,578	45,325	26,854
Profit attributable to non-controlling interests	65,782	8,209	10,875	3,655
Earnings per BSL Share (cents)	23.3	6.3	9.4	5.6

Set out below is also a summary of the dividends per BSL Share declared in respect of each of FY2021, FY2022, FY2023 and HY2024 by the Offeror. Such information has also been extracted from the Offeror's Annual Reports for FY2021, FY2022, FY2023 and the HY2024 BSL Results.

	Cents
In respect of HY2024	
● Interim dividend	1.5 cents per BSL Share, tax exempt (one-tier)
In respect of FY2023	
● Interim dividend	1.5 cents per BSL Share, tax exempt (one-tier)
● Final dividend	2.5 cents per BSL Share, tax exempt (one-tier)
In respect of FY2022	
● Interim dividend	1.5 cents per BSL Share, tax exempt (one-tier)
● Final dividend	2.5 cents per BSL Share, tax exempt (one-tier)
In respect of FY2021	
● Interim dividend	1.0 cent per BSL Share, tax exempt (one-tier)
● Final dividend	3.0 cents per BSL Share, tax exempt (one-tier)
● Special dividend	4.0 cents per BSL Share, tax exempt (one-tier)

3.2 Statements of Assets and Liabilities of the Group as at 31 March 2022 (audited), 31 March 2023 (audited) and 30 September 2023 (unaudited)

	31 March 2022	31 March 2023	30 September 2023
	S$'000	S$'000	S$'000
ASSETS			
Current assets			
Cash & cash equivalents	403,861	326,188	422,804
Trade receivables	123,730	157,044	127,812
Other receivables & prepayments	74,116	93,785	63,319
Inventories	3,360	4,312	8,441
Finance lease receivables	522	476	484
Contract assets	56,047	62,048	76,713
Investment securities	71,118	6,207	5,739
Derivative financial instruments	38	676	571
	732,792	650,736	705,883
Non-current assets			
Trade receivables	12,320	26,708	31,644
Other receivables & prepayments	74,240	85,968	86,057
Contract assets	12	385	35
Investment securities	33,217	30,213	29,080
Property, plant & equipment	21,883	19,158	19,484
Right-of-use assets	8,577	12,320	10,955
Finance lease receivables	20,362	20,485	20,239
Investment properties	87,172	48,662	70,597
Intangible assets	153	5,315	3,662
Investments in associates	22,766	21,408	20,908
Investments in joint ventures	54,866	199,331	205,178
Pension asset	730	-	-
Deferred income tax assets	15,275	17,085	15,576
	351,573	487,038	513,415
Total assets	1,084,365	1,137,774	1,219,298
LIABILITIES			
Current liabilities			
Trade & other payables	210,439	231,565	236,766
Lease liabilities	2,677	4,230	4,024
Income tax liabilities	22,006	21,884	25,847
Contract liabilities	93,765	198,435	211,724
Borrowings	2,494	2,303	1,978
Derivative financial instruments	803	-	-
	332,184	458,417	480,339
Non-current liabilities			
Trade & other payables	53,269	58,831	67,319
Lease liabilities	50,020	40,746	39,463
Contract liabilities	579	1,885	1,801
Borrowings	13,486	3,353	41,436
Pension liabilities	257	787	514
Deferred income tax liabilities	1,346	2,961	2,589
	118,957	108,563	153,122
Total liabilities	451,141	566,980	633,461
NET ASSETS	633,224	570,794	585,837

	31 March 2022	31 March 2023	30 September 2023
	S$'000	S$'000	S$'000
EQUITY			
Capital & reserves attributable to equity holders of the Offeror			
Share capital	74,443	74,443	74,443
Treasury shares	(13,505)	(17,470)	(17,470)
Retained profits	374,654	419,154	434,002
Other reserves	(2,026)	(23,086)	(24,731)
	433,566	453,041	466,244
Non-controlling interests	199,658	117,753	119,593
Total equity	633,224	570,794	585,837
Total liabilities & equity	1,084,365	1,137,774	1,219,298

4. MATERIAL CHANGES IN FINANCIAL POSITION

As at the Latest Practicable Date, save as a result of the making and financing of the Exit Offer and as disclosed in the HY2024 BSL Results and any other information on the Group which is publicly available (including without limitation, the announcements released by the Group on the SGX-ST), there have been no material changes in the financial position of the Offeror since 31 March 2023, being the date of the last published audited accounts of the Offeror.

5. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies of the Group set out in Note 2 of the Offeror's Annual Report for FY2023 have been extracted and reproduced in **Appendix 6** to this Exit Offer Letter.

A copy of the Offeror's Annual Report for FY2023 (which contains notes to the Group's FY2023 financial statements) is available for inspection at the registered office of the Offeror during normal business hours until the Closing Date and on the website of the SGX-ST at www.sgx.com.

6. CHANGES IN ACCOUNTING POLICIES

There have been no changes to the significant accounting policies of the Group since 31 March 2023, being the date of the last published audited accounts of the Offeror, which will cause the figures set out in this **Appendix 3** to not be comparable to a material extent.

7. REGISTERED AND PRINCIPAL OFFICE

The registered office and principal office of the Offeror is at 82 Ubi Avenue 4, #08-01 Edward Boustead Centre, Singapore 408832.

8. DISCLOSURES RELATING TO HOLDINGS OF, DEALINGS IN AND OTHER ARRANGEMENTS IN THE COMPANY SECURITIES

8.1 **Holdings of Company Securities.** As at the Latest Practicable Date, based on the latest information available to the Offeror, the interests in Company Securities held by the Offeror and parties acting in concert with it are set out below:

	Direct Interest		Deemed Interest		Total Interest	
Name	No. of Shares	%	No. of Shares	%	No. of Shares	%
Boustead Singapore Limited	236,526,412	75.50	0	0.00	236,526,412	75.50
Wong Fong Fui	0	0.00	60,412,094	19.28	60,412,094	19.28
Wong Yu Loon	0	0.00	0	0.00	0	0.00
Mak Lye Mun	0	0.00	0	0.00	0	0.00

Chairman of the EGM	Direct Interest		Deemed Interest		Total Interest	
	No. of Shares	%	No. of Shares	%	No. of Shares	%
Dr. Tan Khee Giap	0	0.00	0	0.00	0	0.00
Liak Teng Lit	0	0.00	0	0.00	0	0.00
Wong Yu Wei	18,671	0.01	1,833,843	0.59	1,852,514	0.59
Huang Huiming Patricia	307,000	0.10	0	0.00	307,000	0.10
Chong Ngien Cheong	60,000	0.02	0	0.00	60,000	0.02

8.2 **Dealings in Company Securities.** Based on the latest information available to the Offeror, none of the Offeror, the Directors, or any party acting or presumed to be acting in concert with the Offeror has dealt for value in the Company Securities during the period commencing three (3) months prior to the Joint Announcement Date and ending on the Latest Practicable Date.

8.3 **Undertaking to Accept or Reject the Offer.** As at the Latest Practicable Date, save for Irrevocable Undertakings provided by the Undertaking Shareholders, no person has given any undertaking to the Offeror or any parties acting in concert with it to accept or reject the Exit Offer.

8.4 **Arrangements of the Kind Referred to in Note 7 on Rule 12 of the Code.** As at the Latest Practicable Date, save for Irrevocable Undertakings provided by the Undertaking Shareholders, neither the Offeror nor any parties acting in concert with the Offeror has entered into any arrangement of the kind referred to in Note 7 on Rule 12 of the Code, including indemnity or option arrangements and any agreement or understanding, formal or informal, of whatever nature, relating to the Shares which may be an inducement to deal or refrain from dealing in the Shares.

8.5 **Security Interest Over or Borrowing/Lending of Company Securities.** As at the Latest Practicable Date, none of the Offeror or any persons acting in concert with it has (a) granted a security interest over any Company Securities to another person, whether through a charge, pledge or otherwise; (b) borrowed from another person any Company Securities (excluding borrowed Company Securities which have been on-lent or sold); or (c) lent any Company Securities to another person.

APPENDIX 4 – ADDITIONAL INFORMATION ON THE COMPANY

1. DIRECTORS

Based on publicly available information, the names, addresses and descriptions of the directors of the Company as at the Latest Practicable Date are as follows:

Name	Address	Description
Mr. John Lim Kok Min	c/o 82 Ubi Avenue 4, #07-01 Edward Boustead Centre, Singapore 408832	Chairman & Independent Non- Executive Director
Mr. Wong Yu Wei (Huang Youwei)	c/o 82 Ubi Avenue 4, #07-01 Edward Boustead Centre, Singapore 408832	Executive Deputy Chairman
Mr. Chu Kok Hong @ Choo Kok Hong	c/o 82 Ubi Avenue 4, #07-01 Edward Boustead Centre, Singapore 408832	Managing Director
Mr. Tam Chee Chong	c/o 82 Ubi Avenue 4, #07-01 Edward Boustead Centre, Singapore 408832	Independent Non-Executive Director
Mr. Chong Lit Cheong	c/o 82 Ubi Avenue 4, #07-01 Edward Boustead Centre, Singapore 408832	Independent Non-Executive Director
Professor Yong Kwet Yew	c/o 82 Ubi Avenue 4, #07-01 Edward Boustead Centre, Singapore 408832	Independent Non-Executive Director

2. SHARE CAPITAL

As at the Latest Practicable Date, based on the latest information available to the Offeror, the Company has an issued and paid-up share capital of S$9,505,000[4], comprising 313,260,631 Shares (excluding Shares held in treasury).

As at the Latest Practicable Date, the Offeror is not aware of any other outstanding instruments convertible into, rights to subscribe for and options or derivatives in respect of, the Shares or securities carrying voting rights in the Company.

3. PRINCIPAL ACTIVITIES

The Company is a company incorporated in Singapore on 29 May 1996 and listed on the Mainboard of the SGX-ST on 30 April 2015. The Company is a leading provider of innovative eco-sustainable real estate solutions with a regional presence and two (2) core business segments: (i) E&C, comprising turnkey engineering, full-fledged integrated digital delivery, and project and construction management encompassing design-and-build; and (ii) Real Estate, comprising real estate development, asset and leasing management, and fund management.

4. MATERIAL CHANGES IN FINANCIAL POSITION

To the best knowledge of the Offeror, as at the Latest Practicable Date, save as disclosed in the unaudited consolidated financial statements of the Company for HY2024 and any other information on the Company which is publicly available (including without limitation, the announcements released by the Company on the SGX-ST), there are no material changes in the financial position or prospects of the Company since the date of the last balance sheet laid before the Shareholders in a general meeting.

5. REGISTERED OFFICE

The registered office of the Company is at 82 Ubi Avenue 4, #07-01 Edward Boustead Centre, Singapore 408832.

[4] Rounded to the nearest thousand.

APPENDIX 5 – GENERAL INFORMATION

1. DISCLOSURE OF INTERESTS

1.1 No Agreement having any Connection with or Dependence upon the Exit Offer. As at the Latest Practicable Date, save for the Irrevocable Undertakings provided by the Undertaking Shareholders to the Offeror, there is no agreement, arrangement or understanding between (i) the Offeror or any party acting in concert with it and (ii) any of the current or recent directors of the Company or any of the current or recent shareholders of the Company having any connection with or dependence upon the Exit Offer.

1.2 Transfer of Offer Shares. As at the Latest Practicable Date, there is no agreement, arrangement or understanding whereby any Offer Shares acquired pursuant to the Offer will be transferred to any other person. The Offeror, however, reserves the right to transfer any of the Offer Shares to any of its related companies (as defined in the Companies Act) or for the purpose of granting security in favour of financial institutions which have extended or shall extend credit facilities to it.

1.3 No Payment or Benefit to Directors of the Company. As at the Latest Practicable Date, there is no agreement, arrangement or understanding for any payment or other benefit to be made or given to any director of the Company or any of its related corporations (as defined in the Companies Act) as compensation for loss of office or otherwise in connection with the Offer.

1.4 No Agreement Conditional upon Outcome of the Exit Offer. As at the Latest Practicable Date, save for the Irrevocable Undertakings provided by the Undertaking Shareholders, there is no agreement, arrangement or understanding between (i) the Offeror and (ii) any of the directors of the Company or any other person in connection with or conditional upon the outcome of the Exit Offer or otherwise in connection with the Exit Offer.

1.5 Transfer Restrictions. The constitution of the Company does not contain any restrictions on the right to transfer the Offer Shares.

1.6 No Material Change in Information. Save as disclosed in this Exit Offer Letter, as far as the Offeror is aware, there has been no material change in any information previously published by or on behalf of the Offeror during the period commencing from the Joint Announcement Date and ending on the Latest Practicable Date.

1.7 Appointment of Taurus Point Capital Pte. Ltd. For the purposes of disclosure, Taurus Point Capital Pte. Ltd. had been appointed by the Offeror to provide financial and structuring advice in connection to the Exit Offer. Taurus Point Capital Pte. Ltd. is a subsidiary of Intraco Limited, a company listed on the Mainboard of the SGX-ST, of which Mr. Mak Lye Mun, the Lead Independent Director of the Offeror, is the Executive Chairman. Mr. Mak Lye Mun, in his capacity as the Lead Independent Director of the Offeror, had abstained from all decisions and deliberations in connection with the appointment of Taurus Point Capital Pte. Ltd., including the terms thereof.

2. GENERAL

2.1 Costs and Expenses. All costs and expenses of or incidental to the preparation and circulation of this Exit Offer Letter (other than professional fees and other costs incurred or to be incurred by the Company relating to the Exit Offer) and stamp duty and transfer fees resulting from acceptances of the Exit Offer will be paid by the Offeror.

3. MARKET QUOTATIONS

3.1 Shares

3.1.1 Closing Prices. The trading of the Shares has been suspended from 9.00am on 28 March 2023 ("**Suspension Day**").

The following table sets out the closing prices of the Shares on the SGX-ST (as reported by Bloomberg Finance L.P.) on (i) the Latest Practicable Date, (ii) the Last Trading Day and (iii) the end of each of the six (6) calendar months preceding the Suspension Day and the corresponding premia/discount based on the Exit Offer Price:

Date	Closing Price on the SGX-ST (S$)	Premium based on the Offer Price (%)
21 November 2023 (the Latest Practicable Date)	0.955[5]	23.6
27 March 2023 (the Last Trading Day)	0.955	23.6
28 February 2023	0.955	23.6
31 January 2023	0.845	39.6
30 December 2022	0.825	43.0
30 November 2022	0.770	53.2
31 October 2022	0.835	41.3
30 September 2022	0.830	42.2

3.1.2 Highest and Lowest Prices. The highest and lowest closing prices of the Shares on the SGX-ST (as reported by Bloomberg Finance L.P) during the period commencing six (6) calendar months prior to the Suspension Day are as follows:

	Closing Price (S$)	Date(s) transacted
Highest closing price	1.000	17 Feb 2023, 21 Feb 2023
Lowest closing price	0.750	23 Nov 2022, 30 Nov 2022

[5] The closing price on 27 March 2023 (also the date of close of the previous voluntary unconditional general offer), the final day of trading prior to suspension of trading, was S$0.955. Accordingly, the last traded price per Share as quoted on the SGX-ST was S$0.955.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. GENERAL INFORMATION

Boustead Singapore Limited (the "Company") is listed on the Singapore Exchange and incorporated and domiciled in Singapore. The address of its registered office and principal place of business is 82 Ubi Avenue 4, #08-01 Edward Boustead Centre, Singapore 408832.

The principal activity of the Company is that of an investment holding company. The principal activities of its significant associates, joint ventures and subsidiaries are set out in Notes 24, 25 and 26 respectively to the financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

These financial statements have been prepared in accordance with the Singapore Financial Reporting Standards (International) ("SFRS(I)s") under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with SFRS(I)s requires management to exercise its judgements in the process of applying the Group's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

Interpretations and amendments to published standards effective on 1 April 2022

On 1 April 2022, the Group has adopted the new or amended SFRS(I) and Interpretations of SFRS(I) ("INT SFRS(I)") that are mandatory for application for the financial year. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I) and INT SFRS(I).

The adoption of these new or amended SFRS(I) and INT SFRS(I) did not result in substantial changes to the Group's accounting policies and had no material effect on the amounts reported for the current or prior financial years.

2.2 Revenue

(a) Revenue from Real Estate

(i) Engineering & Construction contracts

The Group enters into contracts with customers to provide engineering & construction services which includes the design-and-build of buildings and facilities. Revenue is recognised when the control over the buildings and facilities has been transferred to the customer. At contract inception, the Group assesses whether the Group transfers control of the buildings and facilities over time or at a point in time by determining if (a) its performance does not create an asset with an alternative use to the Group; and (b) the Group has an enforceable right to payment for performance completed to date.

The buildings and facilities have no alternative use to the Group due to contractual restriction. The Group has also enforceable rights to payment arising from the contractual terms. For these contracts, revenue is recognised over time by reference to the progress towards satisfaction of performance obligations under the contracts. Measurement of progress is determined based on the proportion of contract costs incurred to date to the estimated total contract costs ("input method"). Costs incurred that are not related to the contract or that do not contribute towards satisfying a performance obligation are excluded from the measure of progress and instead are expensed as incurred.

Management has determined that input method provides a faithful depiction of the Group's performance in transferring control over the buildings and facilities to the customers, as it reflects the Group's efforts incurred to date relative to the total inputs expected to be incurred for the buildings and facilities.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.2 Revenue (cont'd)

(a) Revenue from Real Estate (cont'd)

(i) Engineering & Construction contracts (cont'd)

The period between the transfer of the promised goods and payment by the customer may exceed one year. For such contracts, there is no significant financing component present as the payment terms are an industry practice to protect the customer from the performing entity's failure to adequately complete some or all of its obligations under the contract. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

Revenue from Engineering & Construction contracts are also adjusted with variations to the contracts claimable from customers, as well as liquidated damages due to delays or other causes, payable to customers.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in the profit or loss in the period in which the circumstances that give rise to the revision become known by management.

Based on the Group's experience with similar types of contracts, variable consideration is typically constrained and is included in the transaction only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

The customer is invoiced on a progressive work certification basis. If the value of the progress work transferred by the Group exceeds the billings to customers, a contract asset is recognised. If the billings to customers exceed the value of the goods transferred, a contract liability is recognised.

(ii) Management fee income

Management fee from provision of project and development services, asset, property and lease management services are recognised over time as the services are rendered, except for acquisition and performance fees which are recognised at a point in time as and when the services are rendered.

(iii) Sale of industrial properties

Gain from the sale of industrial properties is recognised when all the following conditions are satisfied:

- the Group has transferred to the buyer the control of the industrial properties;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the industrial properties sold;
- the amount of gain can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Group; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

(iv) Property rental

Please refer to Note 2.17 for the accounting policy for rental income.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.2 Revenue (cont'd)

(b) Revenue from Energy Engineering

(i) Engineering contracts

The Group enters into contracts with customers to design and supply plants in the oil & gas, petrochemical and power industries. Revenue is recognised when the control over the plant has been transferred to the customer. At contract inception, the Group assesses whether the Group transfers control of the plant over time or at a point in time by determining if (a) its performance does not create an asset with an alternative use to the Group; and (b) the Group has an enforceable right to payment for performance completed to date.

The plants have no alternative use for the Group due to contractual restriction and the Group has enforceable rights to payment arising from the contractual terms. For these contracts, revenue is recognised over time by reference to the Group's progress towards completing the construction of the plants. The measure of progress is determined based on the proportion of contract costs incurred to date relative to the estimated total contract costs ("input method"), except where this would not be representative of the stage of completion. Costs incurred that are not related to the contract or that do not contribute towards satisfying a performance obligation are excluded from the measure of progress and instead are expensed as incurred.

Management has determined that input method provides a faithful depiction of the Group's performance in transferring control over the plants to the customers, as it reflects the Group's efforts incurred to date relative to the total inputs expected to be incurred for the plants.

The period between the transfer of the promised goods and payment by the customer may exceed one year. For such contracts, there is no significant financing component present as the payment terms are an industry practice to protect the customer from the performing entity's failure to adequately complete some or all of its obligations under the contract. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

Revenue from Energy Engineering contracts are also adjusted with variations to the contracts claimable from customers, as well as liquidated damages due to delays or other causes, payable to customers.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in the profit or loss in the period in which the circumstances that give rise to the revision become known by management.

Based on the Group's experience with similar types of contracts, variable consideration is typically constrained and is included in the transaction only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

The customer is invoiced on a milestone payment schedule. If the value of the progress work transferred by the Group exceeds the billings to customers, a contract asset is recognised. If the billings to customers exceed the value of the goods transferred, a contract liability is recognised.

(ii) Sale of products

The Group sells spare parts. Sales are recognised when control of the products has been transferred to its customer, being when the products are delivered to the customer.

Revenue is recognised based on the price specified in the contract. No element of financing is deemed present as the sales are made with a credit term which is consistent with market practice.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.2 Revenue (cont'd)

(b) Revenue from Energy Engineering (cont'd)

(iii) Services

Revenue from maintenance services is recognised in the accounting period in which the services are rendered.

The customers are invoiced at the end of the contract. No element of financing is deemed present as the services are made with a credit term which is consistent with market practice.

(c) Revenue from Geospatial

The Group distributes geospatial software and licences and provide related maintenance and other services. A geospatial contract may contain single promised goods or service ("performance obligation" or "PO") or multiple POs.

(i) Sale of products – Software and licences

Revenue from sale of software and licences are recognised when control of the products has been transferred to its customer, being when the licence key is provided to the customer. Revenue from these sales is measured based on the price specified in the contract or the allocated amount when the customer contract contains multiple POs. No element of financing is deemed present as the sales are made with a credit term which is consistent with market practice.

When a customer is not invoiced at the point when the software licence key is provided, a contract asset representing unbilled revenue is recognised. No element of financing is deemed present as the sales are made with a credit term which is consistent with market practice.

(ii) Maintenance and other services

Revenue from maintenance and other services is recognised in the accounting period in which the services are rendered. For fixed-price contracts, revenue is recognised on a straight-line basis over the term of the contract. Revenue from these services is measured based on the price specified in the contract or the allocated amount when the customer contract contains multiple POs.

When a customer is invoiced at commencement of the contract, a contract liability is recognised for the amounts invoiced but services not yet rendered. No element of financing is deemed present as the sales are made with a credit term which is consistent with market practice.

(iii) Enterprise Agreements ("EA")

The Group enters into EA with customers where the agreements contain multiple POs, such as the delivery of licenses, maintenance and other services. In such a case, the transaction price is allocated to each PO in the contract. Revenue is recognised when each of the PO is satisfied.

For prepaid maintenance contract costs which are within the scope of another SFRS(I), these have been accounted for in accordance with those other SFRS(I). If these are not within the scope of another SFRS(I), the Company will capitalise these as prepaid maintenance contract costs only if (a) these costs relate directly to a contract or an anticipated contract which the Company can specifically identify; (b) these costs generate or enhance resources of the Company that will be used in satisfying (or in continuing to satisfy) performance obligations in the future; and (c) these costs are expected to be recovered. Otherwise, such costs are recognised as an expense immediately.

Capitalised prepaid maintenance contract costs are subsequently amortised on a systematic basis as the Company recognises the related revenue over time. An impairment loss is recognised in the profit or loss to the extent that the carrying amount of capitalised prepaid maintenance contract costs exceeds the expected remaining consideration less any directly related costs not yet recognised as expenses.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.2 Revenue (cont'd)

(d) Revenue from Healthcare

(i) Sale of medical products

The Group distributes medical products. Sales are recognised when control of the products has been transferred to its customer, being when the products are delivered to the customer.

Revenue is recognised based on the price specified in the contract. The Group's obligation to provide a refund for faulty products under the standard warranty terms is recognised as a provision. Provision is made for estimated warranty claims in respect of products sold which are still under warranty at the end of the reporting period. No element of financing is deemed present as the sales are made with a credit term which is consistent with market practice.

A receivable (financial asset) is recognised when the goods are delivered as this is the point in time that the consideration is unconditional and only the passage of time is required before payment is due.

(ii) Rendering of services

The Group provides preventive maintenance services.

Revenue arising from services is recognised in the accounting period in which the services are rendered. Revenue is recognised when the Group satisfies a performance obligation by transferring a promised service to the customer, which is when the customer obtains control of the service.

(iii) Project revenue

The Group enters into agreement with customers to sell training devices where the agreement contains multiple POs, such as engineering design reviews, factory acceptance tests, delivery of goods and site acceptance tests. In such a case, the transaction price is allocated to each performance obligation in the contract.

Project revenue is recognised overtime by reference to the progress towards satisfaction of performance obligations under the project. Measurement of progress of the projects at the reporting date is based on the proportion of contract costs incurred to-date over the estimated total contact costs.

The Group will bill progressively to customer in accordance to the billing terms in sales contract and customer are required to pay within 7 to 30 days from the invoice date. No element of financing is deemed present.

(e) Interest income

Interest income, including income arising from financial instruments, is recognised using the effective interest method.

(f) Dividend income

Dividend income is recognised when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of dividend can be reliably measured.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.3 Government grants

Grants from the government are recognised as a receivable at their fair value when there is reasonable assurance that the grant will be received and the Group will comply with all the attached conditions.

Government grants receivable are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Government grants relating to expenses are deducted against the related expenses.

Government grants relating to assets are deducted against the carrying amount of the assets.

2.4 Group accounting

(a) Subsidiaries

(i) Consolidation

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date on that control ceases.

In preparing the consolidated financial statements, transactions, balances and unrealised gains on transactions between group entities are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment indicator of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests comprise the portion of a subsidiary's net results of operations and its net assets, which is attributable to the interests that are not owned directly or indirectly by the equity holders of the Company. They are shown separately in the consolidated income statement, consolidated statement of comprehensive income, statement of changes in equity and statement of financial position. Total comprehensive income is attributed to the non-controlling interests based on their respective interests in a subsidiary, even if this results in the non-controlling interests having a deficit balance.

(ii) Acquisitions

The acquisition method of accounting is used to account for business combinations entered into by the Group.

The consideration transferred for the acquisition of a subsidiary or business comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes any contingent consideration arrangement and any pre-existing equity interest in the subsidiary measured at their fair values at the acquisition date.

Acquisition-related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree at the date of acquisition either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

The excess of (a) the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the (b) fair value of the identifiable net assets acquired, is recorded as goodwill.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.4 Group accounting (cont'd)

(a) Subsidiaries (cont'd)

(iii) Disposals

When a change in the Group's ownership interest in a subsidiary results in a loss of control over the subsidiary, the assets and liabilities of the subsidiary including any goodwill are derecognised. Amounts previously recognised in other comprehensive income in respect of that entity are also reclassified to profit or loss or transferred directly to retained earnings if required by a specific Standard.

Any retained equity interest in the entity is remeasured at fair value. The difference between the carrying amount of the retained interest at the date when control is lost and its fair value is recognised in profit or loss.

Please refer to Note 2.5 for the accounting policy on investments in subsidiaries in the separate financial statements of the Company.

(b) Transactions with non-controlling interests

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control over the subsidiary are accounted for as transactions with equity owners of the Company. Any difference between the change in the carrying amounts of the non-controlling interest and the fair value of the consideration paid or received is recognised within equity attributable to the equity holders of the Company.

(c) Associates and joint ventures

Associates are entities over which the Group has significant influence, but not control, generally accompanied by a shareholding giving rise to voting rights of 20% and above.

Joint ventures are entities over which the Group has joint control as a result of contractual arrangements, and rights to the net assets of the entities.

Investments in associates and joint ventures are accounted for in the consolidated financial statements using the equity method of accounting less any impairment losses, if any.

(i) Acquisitions

Investments in associates and joint ventures are initially recognised at cost. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Goodwill on associates and joint ventures represents the excess of the cost of acquisition of the associates or joint ventures over the Group's share of the fair value of the identifiable net assets of the associates or joint ventures and is included in the carrying amount of the investments.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.4 Group accounting (cont'd)

(c) Associates and joint ventures (cont'd)

(ii) Equity method of accounting

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of its associates' or joint ventures' post-acquisition profits or losses of the investee in profit or loss and its share of movements in other comprehensive income of the investee's other comprehensive income. Dividends received or receivable from the associates or joint ventures are recognised as a reduction of the carrying amount of the investments. When the Group's share of losses in the associates or joint ventures equals to or exceeds its interest in the associates or joint ventures, the Group does not recognise further losses, unless it has legal or constructive obligations to make, or has made, payments on behalf of the associates or joint ventures. If the associates or joint ventures subsequently report profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised. Interest in associates or joint ventures includes any long-term loans for which settlement is never planned nor likely to occur in the foreseeable future.

Unrealised gains on transactions between the Group and its associates or joint ventures are eliminated to the extent of the Group's interest in the associates or joint ventures. Unrealised losses are also eliminated unless the transactions provide evidence of impairment of the assets transferred. The elimination of unrealised gains and losses are made through "investments in associates" and "investments in joint ventures" on the statement of financial position and a proportionate reduction in "revenue", "cost of sales" and "other gains - net" on the consolidated income statement. The accounting policies of associates or joint ventures are changed where necessary to ensure consistency with the accounting policies adopted by the Group.

(iii) Disposals

When there are changes in the interest in associates or joint ventures, without losing significant influence or joint control, the difference between the carrying amount of the interest disposed and proceeds is recognised in profit or loss.

Investments in associates or joint ventures are derecognised when the Group loses significant influence or joint control. If the retained equity interest in the former associates or joint ventures is a financial asset, the retained equity interest is measured at fair value. The difference between the carrying amount of the retained interest at the date when significant influence or joint control is lost, and its fair value and any proceeds on partial disposal, is recognised in profit or loss.

2.5 Investments in subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses in the Company's statement of financial position. On disposal of such investments, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.6 Property, plant and equipment

(a) Measurement

Property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

The cost of an item of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

(b) Depreciation

Freehold land is not depreciated. Depreciation on other items of property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

	Useful lives
Buildings	40 - 50 years
Leasehold property	20 years
Fit outs	2 - 12 years
Machinery and equipment	2 - 15 years
Furniture, office equipment and motor vehicles	2 - 20 years
Medical equipment and operating assets	3 - 5 years

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each reporting date. The effects of any revision are recognised in profit or loss when the changes arise.

(c) Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

(d) Disposal

On disposal of an item of property, plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss.

2.7 Intangible assets

(a) Goodwill

Goodwill on acquisitions of subsidiaries and businesses represents the excess of (i) the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over (ii) the fair value of the identifiable net assets acquired. Goodwill on subsidiaries is recognised separately as intangible assets and carried at cost less accumulated impairment losses.

Goodwill on acquisitions of joint ventures and associates represents the excess of the cost of the acquisition over the Group's share of the fair value of the identifiable net assets acquired. Goodwill on associates and joint ventures is included in the carrying amount of the investments.

Gains and losses on the disposal of subsidiaries, associates and joint ventures include the carrying amount of goodwill relating to the entity sold.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.7 Intangible assets (cont'd)

(b) Acquired trademarks

Trademarks acquired are initially recognised at cost and are subsequently carried at cost less accumulated amortisation and accumulated impairment losses. These costs are amortised to profit or loss using the straight-line method over 6 years, which is the shorter of their estimated useful lives and periods of contractual rights.

Costs associated with trademarks and trademarks renewals are expensed off when incurred.

(c) Contract backlogs

Contract backlogs is initially recognised at cost and is subsequently carried at cost less accumulated amortisation and accumulated impairment losses. These costs are amortised to profit or loss using the straight-line method over 1 to 3 years, which is the shorter of their estimated useful life and period of contractual right or remaining period to complete the contracts.

(d) Software development

Costs directly attributable to the development of software is capitalised as intangible asset only if development costs can be measured reliably, the software is technically and commercially feasible, future economic benefits are probable and the Group intends to and has sufficient resources to complete development and to use or sell the software. Such costs include purchase of materials and services and payroll-related costs of employees directly involved in the development of the software. These costs are amortised using the straight-line method over their estimated useful lives of 3 years. Research costs are recognised as expense when incurred.

The amortisation period and amortisation method of intangible assets are reviewed at least at each reporting date. The effects of any revision are recognised in profit or loss when the changes arise.

(e) Intellectual property

Intellectual property rights are measured at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful life of 10 years.

2.8 Investment properties

Investment properties are properties and right-of-use assets relating to leasehold land that are held for long-term rental yields and/or for capital appreciation. Investment properties include properties that are being constructed or developed for future use as investment properties.

Investment properties are initially carried at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses. Cost includes land cost, related acquisition expenses, construction costs and finance costs incurred during the period of construction.

Depreciation is calculated using the straight-line method to allocate depreciable amounts over the estimated useful lives of 12 to 50 years for leasehold land and buildings and 15 years for machinery and equipment. No depreciation is provided for investment properties under construction and depreciation commences when the asset is ready for its intended use. The estimated useful lives and depreciation method are reviewed at each reporting date, with the effect of any changes in estimate accounted for on a prospective basis.

The cost of major renovations and improvements is capitalised and the carrying amounts of the replaced components are recognised in profit or loss. The cost of maintenance, repairs and minor improvements is recognised in profit or loss when incurred.

On disposal of an investment property, the difference between the disposal proceeds and the carrying amount is recognised in profit or loss.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.9 Impairment of non-financial assets

(a) Goodwill

Goodwill recognised separately as an intangible asset is tested for impairment annually and whenever there is indication that the goodwill may be impaired.

For the purpose of impairment testing of goodwill, goodwill is allocated to each of the Group's cash-generating-units ("CGU") expected to benefit from synergies arising from the business combination.

An impairment loss is recognised when the carrying amount of a CGU, including the goodwill, exceeds the recoverable amount of the CGU. The recoverable amount of a CGU is the higher of the CGU's fair value less cost to sell and value-in-use.

The total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU pro-rata on the basis of the carrying amount of each asset in the CGU.

An impairment loss on goodwill is recognised as an expense and is not reversed in a subsequent period.

(b) Intangible assets (other than goodwill)
Property, plant and equipment
Investment properties
Right-of-use assets
Investments in subsidiaries, associates and joint ventures

Intangible assets (other than goodwill), property, plant and equipment, investment properties, right-of-use assets and investments in subsidiaries, associates and joint ventures are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the CGU to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss.

For an asset other than goodwill, management assesses at the end of the reporting period whether there is any indication that an impairment recognised in prior periods may no longer exist or may have decreased. If any such indication exists, the recoverable amount of that asset is estimated and may result in a reversal of impairment loss. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss for an asset other than goodwill is recognised in profit or loss.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.10 Financial assets

(a) Classification and measurement

The Group classifies its financial assets in the following measurement categories:

- Amortised cost;
- Fair value through other comprehensive income ("FVOCI"); and
- Fair value through profit or loss ("FVPL").

The classification of debt instruments depends on the Group's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial assets.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

The Group reclassifies debt instruments when and only when its business model for managing those assets changes.

At initial recognition

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial assets. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

At subsequent measurement

(i) Debt instruments

Debt instruments of the Group mainly comprise of cash and bank deposits, trade and other receivables, unlisted debt securities and loans/notes to subsidiaries, associates and joint ventures.

There are three prescribed subsequent measurement categories, depending on the Group's business model for managing the assets and the cash flow characteristics of the asset:

- Amortised cost: Debt instruments that are held for collection of contractual cash flows where these cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is recognised using the effective interest rate method and presented in "interest income".

- FVOCI: Debt instruments that are held for collection of contractual cash flows and for sale, and where the assets' cash flows represent solely payments of principal and interest, are classified as FVOCI. Movements in fair values are recognised in Other Comprehensive Income ("OCI") and accumulated in fair value reserve, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and presented in "other gains - net". Interest income from these financial assets is recognised using the effective interest rate method and presented in "interest income".

- FVPL: Debt instruments that are held for trading as well as those that do not meet the criteria for classification as amortised cost or FVOCI are classified as FVPL. Movement in fair values and interest income is recognised in profit or loss in the period in which it arises and presented in "other gains - net".

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.10 Financial assets (cont'd)

(a) Classification and measurement (cont'd)

At subsequent measurement (cont'd)

(ii) Equity instruments

The Group subsequently measures all its equity instruments at their fair values. Equity instruments are classified as FVPL with movements in their fair values recognised in profit or loss in the period in which the changes arise and presented in "other gain - net", except for those equity securities which are not held for trading.

The Group has elected to recognise changes in fair value of equity investments not held for trading in OCI as these are strategic investments and the Group considered this to be more relevant. Movements in fair values of investments classified as FVOCI are presented as "fair value gains and losses" in OCI. Dividends from equity investments are recognised in profit or loss as "dividend income".

(b) Impairment

The Group assesses on a forward looking basis the expected credit losses associated with its debt financial assets carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 37 details how the Group determines whether there has been a significant increase in credit risk.

For trade receivables, other receivables, lease receivables and contract assets, the Group applies the simplified approach permitted by the SFRS(I) 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(c) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date - the date on which the Group commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

On disposal of a debt instrument, the difference between the carrying amount and the sale proceeds is recognised in profit or loss. Any amount previously recognised in other comprehensive income relating to that asset is reclassified to profit or loss.

On disposal of an equity investment, the difference between the carrying amount and sales proceed is recognised in profit or loss if there was no election made to recognise fair value changes in other comprehensive income. If there was an election made, any difference between the carrying amount and sales proceed amount would be recognised in other comprehensive income and transferred to retained profits along with the amount previously recognised in other comprehensive income relating to that asset.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.11 Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2.12 Financial guarantees

The Group and Company has given guarantees in favour of banks in respect of banking and loan facilities granted to its subsidiaries, an associate, a joint venture and a subsidiary of an associate. These guarantees are financial guarantees as they require the Company to reimburse the banks if the subsidiaries, an associate, a joint venture and a subsidiary of an associate fail to make principal or interest payments when due in accordance with the terms of their borrowings. Intra-group transactions are eliminated on consolidation.

Financial guarantee contracts are initially measured at fair value plus transaction costs and subsequently measured at the higher of:

(a) amount initially recognised less the cumulative amount of income recognised in accordance with the principles of SFRS(I) 15; and

(b) the amount of expected loss allowance computed using impairment methodology under SFRS(I) 9.

2.13 Borrowings

Borrowings are presented as current liabilities unless the Group has an unconditional right to defer settlement for at least 12 months after the reporting date, in which case they are presented as non-current liabilities.

Borrowings are initially recognised at fair value (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

2.14 Borrowing costs

Borrowing costs are recognised in profit or loss using the effective interest method except for those costs that are directly attributable to the construction or development of properties and assets under construction. This includes those costs on borrowings acquired specifically for the construction or development of properties and assets under construction, as well as those in relation to general borrowings used to finance the construction or development of properties and assets under construction.

The actual borrowing costs incurred during the period up to the issuance of the temporary occupation permit less any investment income on temporary investment of these borrowings, are capitalised in the cost of the property under development.

2.15 Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business, if longer). Otherwise, they are presented as non-current liabilities.

Trade and other payables are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.16 Derivatives financial instruments and hedging activities

A derivative financial instrument is initially recognised at its fair value on the date the contract is entered into and is subsequently carried at its fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

Fair value changes on derivatives that are not designated or do not qualify for hedge accounting are recognised in profit or loss when the changes arise.

The Group documents at the inception of the transaction the relationship between the hedging instruments and hedged items, as well as its risk management objective and strategies for undertaking various hedging transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis on whether the hedging relationship meets the hedge effectiveness requirements under SFRS(I) 9.

The carrying amount of a derivative designated as a hedge is presented as a non-current asset or liability if the remaining expected life of the hedged item is more than 12 months, and as a current asset or liability if the remaining expected life of the hedged item is less than 12 months. The fair value of a trading derivative is presented as a current asset or liability.

The following hedge in placed qualified as cash flow hedge under SFRS(I) 9. The Group's management strategies and hedge documentation are aligned with the requirements of SFRS(I) 9 and are thus treated as continuing hedges.

Cash flow hedge - Interest rate swaps

The Group has entered into interest rate swaps that are cash flow hedges for the Group's exposure to interest rate risk on its borrowings. These contracts entitle the Group to receive interest at floating rates on notional principal amounts and oblige the Group to pay interest at fixed rates on the same notional principal amounts, thus allowing the Group to raise borrowings at floating rates and swap them into fixed rates.

The fair value changes on the effective portion of interest rate swaps designated as cash flow hedges are recognised in other comprehensive income, accumulated in the hedging reserve and reclassified to profit or loss when the hedged interest expense on the borrowings is recognised in profit or loss. The fair value changes on the ineffective portion of interest rate swaps are recognised immediately in profit or loss.

2.17 Leases

(i) When the Group is the lessee:

At the inception of the contract, the Group assesses if the contract contains a lease. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Reassessment is only required when the terms and conditions of the contract are changed.

- **Right-of-use assets**

  The Group recognises a right-of-use asset and lease liability at the date which the underlying asset is available for use. Right-of-use assets are measured at cost which comprises the initial measurement of lease liabilities adjusted for any lease payments made at or before the commencement date and lease incentives received. Any initial direct costs that would not have been incurred if the lease had not been obtained are added to the carrying amount of the right-of-use assets.

  The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

  Right-of-use assets (except for those which meets the definition of an investment property) are presented within "Right-of-use assets".

  Right-of-use assets which meet the definition of an investment property is presented within "Investment properties" and accounted for in accordance with Note 2.8.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.17 Leases (cont'd)

(i) When the Group is the lessee: (cont'd)

- **Lease liabilities**

  The initial measurement of lease liability is measured at the present value of the lease payments discounted using the implicit rate in the lease, if the rate can be readily determined. If that rate cannot be readily determined, the Group shall use its incremental borrowing rate.

  Lease payments include the following:

  - Fixed payment (including in-substance fixed payments), less any lease incentives receivables;
  - Variable lease payment that are based on an index or rate, initially measured using the index or rate as at the commencement date;
  - Amount expected to be payable under residual value guarantees;
  - The exercise price of a purchase option if reasonably certain to exercise the option; and
  - Payment of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

  For contracts that contain both lease and non-lease components, the Group allocates the consideration to each lease component on the basis of the relative stand-alone price of the lease and non-lease component. The Group has elected to not separate lease and non-lease components for property leases and account for these as one single lease component.

  Lease liabilities are measured at amortised cost using the effective interest method. Lease liabilities shall be remeasured when:

  - There is a change in future lease payments arising from changes in an index or rate;
  - There is a change in the Group's assessment of whether it will exercise an extension option; or
  - There is modification in the scope or the consideration of the lease that was not part of the original term.

  Lease liabilities are remeasured with a corresponding adjustment to the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

- **Short-term and low value leases**

  The Group has elected to not recognise right-of-use assets and lease liabilities for short-term leases that have lease terms of 12 months or less and low value leases. Lease payments relating to these leases are expensed to profit or loss on a straight-line basis over the lease term.

- **Variable lease payments**

  Variable lease payments that are not based on an index or a rate are not included as part of the measurement and initial recognition of the lease liability. The Group shall recognise those lease payments in profit or loss in the periods that triggered those lease payments.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.17 Leases (cont'd)

(ii) When the Group is the lessor:

The Group leased out investment properties and properties held for sale under operating leases and sub-leases its right-of-use of a leasehold land to non-related parties.

- **Lessor – Operating leases**

  Leases where the Group retains substantially all risks and rewards incidental to ownership are classified as operating leases. Rental income from operating leases (net of any incentives given to the lessees) is recognised in profit or loss on a straight-line basis over the lease term.

  Initial direct costs incurred by the Group in negotiating and arranging operating leases are added to the carrying amount of the leased assets and recognised as an expense in profit or loss over the lease term on the same basis as the lease income.

  Contingent rents are recognised as income in profit or loss when earned.

- **Lessor – Subleases**

  In classifying a sublease, the Group as an intermediate lessor classifies the sublease as a finance or an operating lease with reference to the right-of-use asset arising from the head lease, rather than the underlying asset.

  When the sublease is assessed as a finance lease, the Group derecognises the right-of-use asset relating to the head lease that it transfers to the sublessee and recognises the net investment in the sublease within "Finance lease receivables". Any differences between the right-of-use asset derecognised and the net investment in sublease is recognised in profit or loss. Lease liability relating to the head lease is retained in the statement of financial position, which represents the lease payments owed to the head lessor.

  When the sublease is assessed as an operating lease, the Group recognises lease income from sublease in profit or loss within "interest income". The right-of-use asset relating to the head lease is not derecognised.

  For a contract which contains lease and non-lease components, the Group allocates the consideration based on a relative stand-alone selling price basis.

2.18 Inventories

Inventories are carried at the lower of cost and net realisable value. Cost is determined using the weighted average method. Costs comprise direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and applicable variable selling expenses.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.19 Income taxes

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the reporting date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a tax authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

A deferred income tax liability is recognised on temporary differences arising on investments in subsidiaries, associates and joint ventures, except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Deferred income tax is measured:

(i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the reporting date; and

(ii) based on the tax consequence that will follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amounts of its assets and liabilities.

Current and deferred income taxes are recognised as income or expense in profit or loss, except to the extent that the tax arises from a business combination or a transaction which is recognised directly in equity. Deferred tax arising from a business combination is adjusted against goodwill on acquisition.

2.20 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated.

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax discount rate that reflects the current market assessment of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised in the consolidated income statement as finance expense.

Changes in the estimated timing or amount of the expenditure or discount rate are recognised in profit or loss when the changes arise.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.21 Employee compensation

Employee benefits are recognised as an expense, unless the cost qualifies to be capitalised as an asset.

(a) Post-employment benefits

The Group operates both defined benefit and defined contribution post-employment benefit plans in accordance with local conditions and practices in the countries in which it operates.

(i) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The Group's contributions are recognised as employee compensation expense when they are due.

(ii) Defined benefit plans

Defined benefit plans are post-employment benefit pension plans other than defined contribution plans. Defined benefit plans typically define the amount of benefit that an employee will receive on or after retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognised in the statement of financial position in respect of a defined benefit pension plan is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets, together with adjustments for unrecognised past-service costs. The defined benefit obligation is determined with reference to actuarial valuations issued by independent actuaries using the attained age method which will yield the same actuarial liability amount as the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yields of high quality corporate bonds that are denominated in the currency in which the benefits will be paid, and have tenures approximating to that of the related post-employment benefit obligations. The resulting defined benefit asset or liability is presented separately as other non-current asset or liability.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income in the period when they arise. The experience adjustments are not to be classified to profit or loss in a subsequent period.

Past service costs are recognised immediately in profit or loss.

(b) Employee share-based compensation

The Group operates an equity-settled, share-based compensation plan. The value of the employee services received in exchange for the grant of share awards is recognised as an expense with a corresponding increase in the share-based compensation reserve over the vesting period. The total amount to be recognised over the vesting period is determined by reference to the fair value of the share awards granted on grant date. Non-market vesting conditions are included in the estimation of the number of shares under share awards that are expected to vest on the vesting date. At each reporting date, the Group revises its estimates of the number of shares under award that are expected to vest on the vesting date and recognises the impact of the revision of the estimates in profit or loss, with a corresponding adjustment to the share-based compensation reserve, over the remaining vesting period.

When the share awards are vested, the related balance previously recognised in the share-based compensation reserve are credited either to share capital account, when new ordinary shares are issued, or to the "treasury shares" account, when treasury shares are re-issued to the employees.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.22 Currency translation

(a) Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements are presented in Singapore Dollars ("presentation currency"), which is the functional currency of the Group.

(b) Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency exchange differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the reporting date are recognised in profit or loss. However, in the consolidated financial statements, currency translation differences arising from net investment in foreign operations, and any fair value changes on the effective portion of derivative financial instruments designated and qualifying as net investment hedge are recognised in other comprehensive income and accumulated in the foreign currency translation reserve.

When a foreign operation is disposed of, a proportionate share of the accumulated currency translation differences is reclassified to profit or loss, as part of the gain or loss on disposal.

All foreign exchange gains and losses impacting profit or loss are presented in the income statement within "other gains - net".

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

(c) Translation of Group entities' financial statements

The results and statement of financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(i) assets and liabilities are translated at the closing exchange rates at the reporting date;

(ii) income and expenses are translated at average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of the transactions); and

(iii) all resulting currency translation differences are recognised in other comprehensive income and accumulated in the foreign currency translation reserve. These currency translation differences are reclassified to profit or loss on disposal or partial disposal with loss of control of the foreign operation.

Goodwill and fair value adjustments arising on the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and translated at the closing rates at the reporting date.

Notes to the Financial Statements
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.23 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to senior management, whose members are responsible for allocating resources and assessing performance of the operating segments.

2.24 Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents include cash on hand, deposits with financial institutions which are subject to an insignificant risk of change in value and bank overdraft, if any. For cash subjected to restriction, assessment is made on the economic substance of the restriction and whether they meet the definition of cash and cash equivalents.

2.25 Share capital and treasury shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

When any entity within the Group purchases the Company's ordinary shares ("treasury shares"), the carrying amount which includes the consideration paid and any directly attributable transaction cost is presented as a component within equity attributable to the Company's equity holders, until they are cancelled, sold or reissued.

When treasury shares are subsequently cancelled, the costs of treasury shares are deducted against the share capital account if the shares are purchased out of capital of the Company, or against the retained profits of the Company if the shares are purchased out of earnings of the Company.

When treasury shares are subsequently sold or reissued pursuant to an employee share option scheme, the cost of treasury shares is reversed from the treasury share account and the realised gain or loss on sale or reissue, net of any directly attributable incremental transaction costs and related income tax, is recognised in the capital reserve.

2.26 Dividends to the Company's shareholders

Dividends to the Company's shareholders are recognised when the dividends are approved for payment.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

3. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

In preparing these financial statements and applying the Group's accounting policies as described in Note 2, management has applied judgements and made certain assumptions and estimations. Estimates, assumptions and judgements are based on historical experience and other factors and continually evaluated, including expectations of future events that are believed to be reasonable under the circumstances.

(a) *Volatility of the geoeconomics and geopolitical climate resulting in higher inflation risks and supply chain disruptions*

The volatility of the geoeconomics and geopolitical climate resulted in inflationary pressures and supply chain disruptions. While there had been greater construction activities in the financial year ended 31 March 2023, the progress of the Engineering & Construction contracts of the Group was affected by disruptions in the supply chain and a tight labour supply. These factors, and coupled with rising material costs, have resulted in additional costs (associated with project resumption, prolongation and acceleration) to complete the projects, and project delays beyond the contracted dates of completion, leading to the delayed recognition of construction revenue.

The Group has considered the market conditions as at 31 March 2023 in making estimates and judgements on the recoverability of assets and provision of liabilities as at that date. The significant estimates and judgements applied on revenue recognition and provision for onerous contracts relating to the Group's Engineering & Construction contracts are disclosed in Note 3(b).

As at the date these financial statements are authorised for issuance, the Group continues to face challenges arising from the effects of the pandemic and the volatility of the geoeconomics and geopolitical climate. Accordingly, the Group cannot reasonably ascertain the full extent of the probable impact arising from these challenges.

(b) *Revenue recognition of Engineering & Construction Contracts under Real Estate segment*

(i) *Estimated total contract sum and project costs*

As disclosed in Note 2.2(a)(i), revenue on Engineering & Construction contracts is recognised over time using the input method. Under the input method, management has to estimate the total contract sum and contract costs to be incurred up to the completion date of the projects ("costs-to-complete").

Significant judgement and assumptions are applied when estimating the total contract sum and the total contract costs which affect the accuracy of revenue recognition based on the percentage-of-completion of the ongoing projects at 31 March 2023.

The estimation of total contract sum includes variation orders where management had determined that there was sufficient basis to claim from customers but pending final agreement with the customers. In making this assessment, management has relied on the term of the contracts with customers and official instructions issued by customers to carry out the variation orders.

In making estimation of the value of variation orders to be included into the total contract sum, management has applied the contracted Schedule of Rates with subcontractors or quotations from subcontractors, on the basis that it is highly probable to recover from customers the cost of performing these variation orders.

If the estimated value of the variation orders that are considered recoverable decreases by 5% from management's estimates (with the total contract cost remaining unchanged), the Group's revenue and profit before income tax will decrease by approximately $395,000.

In estimating total cost-to-complete, management has applied its past experience of completing similar projects, as well as quotations from and contracts with suppliers and sub-contractors. These estimations are also made with due consideration of the physical surveys of the construction in-progress and circumstances and relevant events that were known to management at the date of these financial statements. Construction projects are inherently complex and involve uncertainties that may not be apparent to management at 31 March 2023. Management has made provision for contingency on each project to address these inherent risks.

In addition, management has taken into consideration the cost increase arising from the pandemic and the volatility of the geoeconomics and geopolitical climate.

3. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS (cont'd)

(b) Revenue recognition of Engineering & Construction Contracts under Real Estate segment (cont'd)

(i) Estimated total contract sum and project costs (cont'd)

Management has assessed for one on-going Engineering & Construction contracts where the total construction costs have exceeded the total contract sum, resulting in a provision for onerous contracts of $3,348,000 as at 31 March 2023.

For on-going projects as at 31 March 2023, if the estimated contract costs to be incurred from 31 March 2023 to the completion date is higher/lower by 5% from management's estimates, the Group's revenue and profit before tax would have been lower/higher by $4,360,000 and $4,641,000 respectively.

(ii) Estimation of customers' claim on liquidated damages for delay in completion of projects

Customers have a right to claim for liquidated damages under the contractual terms of the Engineering & Construction contracts if contractual obligations, including completion of the project by a specific date, are not fulfilled.

Management re-evaluates the probability of liquidated damages claims from customers by considering whether there are or may be significant delays in the progress of the projects and whether there are significant defects that could not be rectified by the Group. The determination of the probability of claims are based on the circumstances and relevant events that were known to management at the date of these financial statements.

In the estimation of liquidated damages payable to the Group's customers in respect of delay in completion of Engineering & Construction contracts as at 31 March 2023, the Group had taken into account direct and indirect delays caused by the COVID-19 pandemic, assessment of delays that may be attributable to the Group, changing instructions including variation orders from the customers and evidence of ongoing negotiations and physical occupancy by the customers. The management has also taken into consideration the contractual rights which afforded relief in force majeure events which are beyond the control of the Group and the application of COVID-19 (Temporary Measures) Act 2020 ("COTMA"), which provides temporary reliefs due to the inability to perform contractual obligations, where the inability was caused to a material extent by the COVID-19 pandemic.

(c) Estimation of sub-contractors' claim on variation orders

Payment claims from sub-contractors are subject to physical surveys of construction performed, verification to agreed schedule and pricing in contracts and consideration of other relevant circumstances and events by the Group before payments are made. As at 31 March 2023, the Group had payment claims from sub-contractors which were disputed by the Group and not recognised in the financial statements, taking into account relevant counter-claims to the sub-contractors (if any) and information known and available to management at the date of these financial statements.

(d) Estimation of customers' claim on liquidated damages for delay in completion of projects

Customers have a right to claim for liquidated damages under the contractual terms of the Energy Engineering contracts if contractual obligations, including completion of the project and delivery of plants by a specific date, are not fulfilled.

Management re-evaluates the probability of liquidated damages claims from customers by considering whether there are or may be significant delays in the progress of the projects and whether there are significant defects that could not be rectified by the Group. The determination of the probability of claims are based on the circumstances and relevant events that were known to management at the date of these financial statements.

(e) Valuation of investment securities

Investment securities are stated at their fair values based on valuations performed, using valuation methods that involve certain estimates. Valuation methods used are discounted cash flow approach, market approach, income capitalisation approach and asset based valuation approach. The significant inputs to the valuation methods would be credit-adjusted discount rate, latest transaction price, capitalisation rate and discount for lack of control. The key assumptions used to determine the fair value of these investment securities are provided in Note 37(f).

APPENDIX 7 – COMPANY'S LETTER TO SHAREHOLDERS

BOUSTEAD PROJECTS LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No. 199603900E)

Board of Directors

John Lim Kok Min (Chairman and Independent Non-Executive Director)

Wong Yu Wei (Huang Youwei) (Executive Deputy Chairman)

Chu Kok Hong @ Choo Kok Hong (Managing Director)

Tam Chee Chong (Independent Non-Executive Director)

Chong Lit Cheong (Independent Non-Executive Director)

Professor Yong Kwet Yew (Independent Non-Executive Director)

Registered Office

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

28 November 2023

To : The Shareholders of Boustead Projects Limited ("**Shareholders**")

Dear Sir/Madam

DIRECTED DELISTING OF BOUSTEAD PROJECTS LIMITED (THE "COMPANY", AND TOGETHER WITH ITS SUBSIDIARIES, THE "GROUP") PURSUANT TO RULE 724(2) OF THE LISTING MANUAL OF THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED ("LISTING MANUAL") AND EXIT OFFER BY BOUSTEAD SINGAPORE LIMITED (THE "OFFEROR") PURSUANT TO RULES 1306 AND 1309 OF THE LISTING MANUAL

*Unless otherwise defined herein, all capitalised terms in this letter from the Company to the Shareholders ("**Company's Letter to Shareholders**") shall have the same meanings as attributed to them in the Exit Offer Letter dated 28 November 2023 issued by the Offeror to the Shareholders.*

1. INTRODUCTION

1.1 Background

The Offeror had previously launched, on 6 February 2023, the Previous Offer for all the Shares other than those Shares already owned, controlled or agreed to be acquired by the Offeror, its related corporations and their respective nominees and parties acting in concert with it as at the date of the Previous Offer in accordance with Rule 15 of the Code. The Previous Offer closed on 27 March 2023 at 5.30pm (Singapore time).

As at the close of the Previous Offer, as the Company had ceased to meet the free float requirements under Rule 723 of the Listing Manual, the Company had requested for the SGX-ST to suspend the trading of the Shares with effect from 9.00am on 28 March 2023.

The Company had announced on 4 April 2023 that it had applied for, and on 10 April 2023 obtained from SGX RegCo, a three (3) month extension commencing from 27 March 2023 (the date of the close of the Previous Offer) to comply with Rule 724 of the Listing Manual as the Offeror had informed the Company that the Offeror was exploring various options. Subsequently, the Company announced on 23 June 2023 that it had applied for, and on 26 June 2023 obtained from SGX RegCo, a further three (3) month extension commencing from 27 June 2023 to comply with the said Rule 724 as the Offeror had informed the Company that the Offeror was continuing to explore various options.

1.2 Notice of Compliance

On 26 September 2023, the Offeror and the Company each received the NOC from SGX RegCo. An extract of the NOC setting out SGX RegCo's directions in respect of the Offeror and the Company is reproduced below:

"*As at the date of this notification, the Offeror and the Company have not complied with Listing Rule 723. Pursuant to Listing Rule 1405(1)(j), the Exchange hereby directs:*

(a) *the Company to be delisted pursuant to Listing Rule 724(2) ("**Delisting**") if its free float is not restored to at least 10% on or before 26 September 2023; and*

(b) *pursuant to Listing Rule 1306, the Offeror and/or the Company to make an exit offer to the Company's shareholders, in compliance with Listing Rule 1309 ("**Exit Offer**"). In particular, the Exit Offer must be fair and reasonable, and include a cash alternative as the default alternative. The IFA must also opine that the Exit Offer is fair and reasonable.*"

1.3 Update Announcement

In the Update Announcement made on 17 October 2023 ("**Update Announcement Date**"), the Offeror announced that it was in the midst of discussions with the Company regarding the proposal for the Exit Offer, and that it intended to comply with SGX RegCo's directives in the NOC. The Offeror also announced that as the Update Announcement had raised the possibility that an offer might be made for the Offer Shares, the SIC had required the Offeror to clarify its intentions by 5.00pm of the 28th day from the date of the Update Announcement by either: (i) announcing a firm intention to make an offer for the Offer Shares in accordance with Rule 3.5 of the Code, or (ii) announcing that it does not intend to make an offer for the Offer Shares, in which case the Update Announcement would be treated as a statement to which Rule 33.1(c) of the Code applies. Under the Code, the offer period has commenced from the Update Announcement Date.

1.4 Joint Announcement

On 14 November 2023, the Offeror and the Company jointly announced, in the Joint Announcement, that the Offeror had presented to the directors of the Company (the "**Directors**") the Delisting Proposal to make an exit offer to the Shareholders, pursuant to Rules 1306 and 1309 of the Listing Manual, in connection with the Directed Delisting in accordance with Rule 724(2) of the Listing Manual and the NOC.

1.5 Exit Offer and Exit Offer Letter

Under the Delisting Proposal, the Offeror will make the Exit Offer in cash to acquire all the Offer Shares, in accordance with Section 139 of the SFA, the Listing Manual and the Code. The terms and conditions of the Exit Offer are set out in the Exit Offer Letter.

The approval of the Independent Offeror Shareholders is required for the acceptance of the Exit Offer by the Interested Persons. However, the Exit Offer is independent of the outcome of the voting on the IPT Resolution.

Shareholders are advised to read the terms and conditions of the Exit Offer set out in the Exit Offer Letter carefully and in its entirety.

1.6 Company's Letter to Shareholders

This Company's Letter to Shareholders contains, among others, information on the Company, the extracts of the advice of PrimePartners Corporate Finance Pte. Ltd., the independent financial adviser to the Independent Directors (as defined in paragraph 2.1 below) in relation to the financial terms of the Exit Offer in compliance with Rule 1309 of the Listing Manual and Rule 24.1 of the Code, and the recommendation of the Independent Directors to the Shareholders in relation to the Exit Offer.

Please read this Company's Letter to Shareholders including, but not limited to, the IFA Letter (as defined in paragraph 2.1 below) carefully and in its entirety, and together with the rest of the Exit Offer Letter.

1.7 No Shareholders' Approval Required

Shareholders are to note that NO extraordinary general meeting will be convened by the Company for the purpose of the Directed Delisting and Shareholders' approval is NOT required for the Directed Delisting. In addition, Shareholders' attention is drawn to the sections headed "COMPULSORY ACQUISITION" and "IMPLICATIONS OF THE DIRECTED DELISTING FOR COMPANY SHAREHOLDERS" set out respectively in paragraphs 6 and 7 of the Exit Offer Letter.

2. ADVICE OF INDEPENDENT FINANCIAL ADVISER TO THE INDEPENDENT DIRECTORS

2.1 Independent Financial Adviser

PrimePartners Corporate Finance Pte. Ltd. has been appointed as the independent financial adviser ("**IFA**") to advise Mr. John Lim Kok Min, Mr. Chu Kok Hong @ Choo Kok Hong, Mr. Tam Chee Chong, Mr. Chong Lit Cheong and Professor Yong Kwet Yew, being the Directors who are considered independent for the purposes of providing a recommendation to the Shareholders in relation to the Exit Offer (collectively, the "**Independent Directors**"). The letter from the IFA setting out its advice to the Independent Directors in relation to the financial terms of the Exit Offer is set out in **Annex A** to this Company's Letter to Shareholders ("**IFA Letter**"). Shareholders are advised to read and consider the IFA Letter in its entirety.

2.2 The IFA's Advice to the Independent Directors

Information relating to the advice of the IFA to the Independent Directors and the key factors it has taken into consideration have been extracted from paragraph 9 of the IFA Letter and reproduced below, and all terms and expressions used in the extract below shall bear the same meanings as attributed to them in the IFA Letter unless otherwise stated. **Shareholders are advised to read the following extract in conjunction with and in the context of the full text of the IFA Letter. Shareholders should read and consider carefully all the considerations relied upon by the IFA, in arriving at its advice to the Independent Directors.**

"***9 OPINION***

In arriving at our opinion in respect of the Exit Offer, we have considered the following key considerations (which should be read in conjunction with, and in the context of, the full text of this letter):

Factors in favour of the Exit Offer Price:

(a) The Exit Offer Price of S$1.18 is within our final estimated valuation range for the Shares of between S$1.18 and S$1.42;

(b) In respect of the trading prices of the Shares:

- *The Exit Offer Price is within the range of the daily closing price of the Shares over the Lookback Period, which is between a low of S$0.770 per Share and a high of S$1.370 per Share;*
- *The Exit Offer Price represents premia of 6.88%, 32.73%, 45.86%, 50.13% and 51.09% over the VWAP of the Shares for the 2-year, 1-year, 6-month, 3-month and 1-month periods, prior to and including the Previous VGO Last Full Traded Day;*
- *Following the Previous VGO Announcement Date and up to the close of the Previous VGO, the Shares were traded between S$0.910 and S$0.990 which were below the Exit Offer Price of S$1.18; and*
- *The Exit Offer Price represents a premium of 23.56% to the last transacted price of the Shares of S$0.955 prior to the Suspension Date;*

(c) During the 2-year period prior to the Previous VGO Announcement Date, the ADTV of the Shares for the 2-year, 1-year, 6-month, 3-month and 1-month periods prior to and including the Previous VGO Last Full Traded Day, was low, representing 0.16%, 0.05%, 0.03%, 0.05% and 0.01% of the free float of the Shares respectively;

(d) In respect of the historical trailing P/NAV ratio of the Shares:

- *For the 1-month, 3-month, 6-month, 1-year and 2-year periods prior to and including the Previous VGO Last Full Traded Day, the implied P/NAV of 0.92 times is above the average historical trailing P/NAV of the Shares of 0.64 times, 0.64 times, 0.67 times, 0.71 times and 0.80 times respectively;*
- *For the period after the Previous VGO Last Full Traded Day up to close of the Previous VGO, the implied P/NAV of 0.92 times is above the average historical trailing P/NAV of the Shares of 0.74 times;*

- *At the close of the Previous VGO, the implied P/NAV of 0.92 times is higher than the historical trailing P/NAV of the Shares of 0.76 times; and*
- *For the period from the Suspension Date and up to the Latest Practicable Date, the implied P/NAV of 0.92 times is above the average historical trailing P/NAV of the Shares of 0.75 times;*

(e) *In respect of the historical trailing P/E ratio of the Shares:*

- *For the 1-month and 3-month periods prior to and including the Previous VGO Last Full Traded Day, the implied P/E of 20.91 times is above the historical trailing P/E of the Shares of 18.87 times and 19.24 times respectively; and*
- *For the period from the Suspension Date and up to the Latest Practicable Date, the implied P/E of 20.91 times is above the average historical trailing P/E of the Shares of 20.68 times;*

(f) *In respect of the Comparable Companies:*

- *The implied EV/EBITDA ratio of the Company of 9.79 times is above the range of the EV/EBITDA ratios of the Comparable Companies of between 0.91 times and 1.08 times;*
- *The implied P/E ratio of the Company of 20.91 times is above the range of the P/E ratios of the Comparable Companies of between 1.83 times and 7.24 times;*
- *The implied P/NAV ratio of the Company of 0.92 times is above the range of the P/NAV ratios of the Comparable Companies of between 0.20 times and 0.69 times;*
- *The implied P/RNAV ratio of the Company of 0.63 times is within the range of the P/NAV ratios of the Comparable Companies and higher than both the mean and median P/NAV ratios of 0.44 times and 0.46 times respectively; and*
- *The implied average LTM P/E ratio based on the Exit Offer Price of 22.21 times is above the range of the P/E ratios of the Comparable Companies of between 1.83 times and 7.24 times;*

(g) *In respect of the Precedent Privatisation Transactions:*

- *The premium of approximately 51.1% implied by the Exit Offer Price over the 1-month VWAP of the Shares up to and including the Previous VGO Last Full Traded Day is within the range and is higher than the mean and median premia of 38.5% and 26.2% respectively as implied by the respective offer prices over the 1-month VWAP of the shares with respect to the Precedent Privatisation Transactions;*
- *The premium of approximately 50.1% implied by the Exit Offer Price over the 3-month VWAP of the Shares up to and including the Previous VGO Last Full Traded Day is within the range and is higher than the mean and the median premia of 39.8% and 28.8% respectively as implied by the respective offer prices over the 3-month VWAP of the shares with respect to the Precedent Privatisation Transactions; and*
- *The premium of approximately 45.9% implied by the Exit Offer Price over the 6-month VWAP of the Shares up to and including the Previous VGO Last Full Traded Day is within the range and is higher than the mean and the median premia of 39.9% and 28.0% respectively as implied by the respective offer prices over the 6-month VWAP of the shares with respect to the Precedent Privatisation Transactions;*

(h) *In respect of the Precedent Comparable Transactions:*

- *The premium of approximately 23.6% implied by the Exit Offer Price over the last transacted price of the Shares prior to the Suspension Date is above the range of the premia as implied by the respective offer prices paid over the last transacted market prices of the shares on their respective last trading day with respect to the Precedent Comparable Transactions on SGX-ST and Bursa Malaysia;*

- *The premium of approximately 51.1% implied by the Exit Offer Price over the 1-month VWAP of the Shares up to and including the Previous VGO Last Full Traded Day is above the range of the premia as implied by the respective offer prices over the 1-month VWAP of the shares with respect to the Precedent Comparable Transactions on SGX-ST and Bursa Malaysia;*

- *The premium of approximately 50.1% implied by the Exit Offer Price over the 3-month VWAP of the Shares up to and including the Previous VGO Last Full Traded Day is above the range of the premia as implied by the respective offer prices over the 3-month VWAP of the shares with respect to the Precedent Comparable Transactions on SGX-ST and Bursa Malaysia;*

- *The premium of approximately 45.9% implied by the Exit Offer Price over the 6-month VWAP of the Shares up to and including the Previous VGO Last Full Traded Day is above the range of the premia as implied by the respective offer prices over the 6-month VWAP of the shares with respect to the Precedent Comparable Transactions on SGX-ST and Bursa Malaysia;*

- *The premium of approximately 32.7% implied by the Exit Offer Price over the 1-year VWAP of the Shares up to and including the Previous VGO Last Full Traded Day is above the range of the premia as implied by the respective offer prices over the 1-year VWAP of the shares with respect to the Precedent Comparable Transactions on SGX-ST and Bursa Malaysia;*

- *The implied P/NAV ratio of the Company of 0.92 times is above the range of P/NAV or P/NTA ratios of the Precedent Comparable Transactions on SGX-ST of between 0.34 times and 0.57 times; and*

- *The implied P/RNAV ratio of the Company of 0.63 times is above the range of P/RNAV ratio of the Precedent Comparable Transactions on SGX-ST of between 0.33 times and 0.52 times;*

(i) The dividend yield (based on the dividends declared for FY2023) of the Company based on the Exit Offer Price is approximately 1.19%, which is lower than the mean and median dividend yields of the Comparable Companies at approximately 3.74% and 3.41% respectively;

(j) In respect of the Previous VGO:

- *The Exit Offer Price of S$1.18 is approximately 24.2% higher than the Final VGO Offer Price; and*

- *The P/NAV and P/RNAV multiples implied by the Exit Offer Price are higher than the corresponding multiples as implied by the Final VGO Offer Price of the Previous VGO;*

(k) Since the Suspension Date, the trading of Shares had been suspended pursuant to Rule 1303(1) of the Listing Manual for more than six (6) months;

(l) The Exit Offer is made in compliance with the Delisting Notification from the SGX-ST and the delisting of the Company will proceed by the close of the Exit Offer regardless of the final acceptance level of the Exit Offer; and

(m) As at the Latest Practicable Date, apart from the Exit Offer being made by the Offeror, no alternative offer or proposal has been received by the Company.

Factors against the Exit Offer Price:

(a) Based on the Group's NAV per Share of approximately S$1.28 as at 30 September 2023, the Exit Offer Price represents a discount of approximately 8.1% and values the Group at a P/NAV ratio of approximately 0.92 times;

(b) Based on the Group's RNAV per Share of approximately S$1.89 as at 30 September 2023, the Exit Offer Price represents a discount of approximately 37.5% and values the Group at a P/RNAV ratio of approximately 0.63 times;

(c) In respect of the historical trailing P/E ratio of the Shares:

- *For the 6-month, 1-year and 2-year periods prior to and including the Previous VGO Last Full Traded Day, the implied P/E of 20.91 times is below the average historical trailing P/E of the Shares of 21.65 times, 40.36 times and 34.93 times respectively;*

- *For the period after the Previous VGO Last Full Traded Day up to the close of the Previous VGO, the implied P/E of 20.91 times is below the average historical trailing P/E of the Shares of 21.88 times; and*

- *At the close of the Previous VGO, the implied P/E of 20.91 times is lower than the historical trailing P/E of the Shares of 22.21 times;*

(d) In respect of the Precedent Privatisation Transactions:

- *The premium of approximately 23.6% implied by the Exit Offer Price over the last transacted price of the Shares prior to the Suspension Date is within the range and is lower than the mean premium of 34.3% but higher than the median premium of 19.9% as implied by the respective offer prices paid over the last transacted market prices of the shares on their respective last trading day with respect to the Precedent Privatisation Transactions;*

- *The premium of approximately 32.7% implied by the Exit Offer Price over the 1-year VWAP of the Shares up to and including the Previous VGO Last Full Traded Day is within the range and is lower than the mean premium of 40.8% but is higher than the median premium of 29.4% as implied by the respective offer prices over the 1-year VWAP of the shares with respect to the Precedent Privatisation Transactions; and*

- *The implied P/NAV and implied P/RNAV ratios of the Company of 0.92 times and 0.63 times respectively are within the range of P/NAV or P/NTA ratios of the Precedent Privatisation Transactions of between 0.35 times and 5.86 times, and lower than the mean and median P/NAV or P/NTA ratios of the Precedent Privatisation Transactions of 1.47 times and 0.96 times respectively;*

(e) In respect of the Asset Intensive Precedent Privatisation Transactions:

- *The premium of approximately 23.6% implied by the Exit Offer Price over the last transacted price of the Shares prior to the Suspension Date is within the range and is lower than the mean and median premia of 50.3% and 34.6% respectively as implied by the respective offer prices paid over the last transacted market prices of the shares on their respective last trading day with respect to the Asset Intensive Precedent Privatisation Transactions;*

- *The premium of approximately 51.1% implied by the Exit Offer Price over the 1-month VWAP of the Shares up to and including the Previous VGO Last Full Traded Day is within the range and is lower than the mean and median premia of 54.3% and 51.5% respectively as implied by the respective offer prices over the 1-month VWAP of the shares with respect to the Asset Intensive Precedent Privatisation Transactions;*

- *The premium of approximately 50.1% implied by the Exit Offer Price over the 3-month VWAP of the Shares up to and including the Previous VGO Last Full Traded Day is within the range and is lower than the mean and median premia of 56.2% and 54.6% respectively as implied by the respective offer prices over the 3-month VWAP of the shares with respect to the Asset Intensive Precedent Privatisation Transactions;*

- *The premium of approximately 45.9% implied by the Exit Offer Price over the 6-month VWAP of the Shares up to and including the Previous VGO Last Full Traded Day is within the range and is lower than the mean and median premia of 57.2% as implied by the respective offer prices over the 6-month VWAP of the shares with respect to the Asset Intensive Precedent Privatisation Transactions;*

- *The premium of approximately 32.7% implied by the Exit Offer Price over the 1-year VWAP of the Shares up to and including the Previous VGO Last Full Traded Day is within the range and is lower than the mean and median premia of 54.8% and 40.8% respectively as implied by the respective offer prices over the 1-year VWAP of the shares with respect to the Asset Intensive Precedent Privatisation Transactions; and*

- *The implied P/NAV and P/RNAV ratios of 0.92 times and 0.63 times respectively are within the range of between 0.73 times and 2.01 times. The implied P/NAV is lower than the mean P/NAV or P/NTA ratio of 1.02 times but higher than the median P/NAV or P/NTA ratio of 0.89 times. The implied P/RNAV ratio is lower than the mean and median P/NAV or P/NTA ratios of 1.02 times and 0.89 times respectively;*

(f) In respect of the Precedent Comparable Transactions:

- *The implied P/NAV ratio of the Company of 0.92 times is within the range of the implied P/NAV ratios of the Precedent Comparable Transactions on Bursa Malaysia and below the mean of 0.99 times but above the median of 0.88 times; and*
- *The implied P/RNAV ratio of the Company of 0.63 times is below the range of the implied P/NAV ratios of the Precedent Comparable Transactions on Bursa Malaysia of between 0.84 times and 1.25 times;*

(g) The Exit Offer Price of S$1.18 represents a discount of approximately 12.6% to the target price of S$1.35 of the latest broker research report available; and

(h) We also note from the commentary in the 1H2024 financial results announcement by the Company that, barring any unforeseen circumstances and disruptions the Group expects to deliver a firm performance in FY2024 having considered the continued challenges faced by E&C business including volatile raw material price and shortage of skilled labour, progress in Real Estate business and growing fund management capabilities, a relatively healthy order backlog and steady financial position.

*For the purposes of evaluating the Exit Offer, we have adopted the approach that the terms "fair" and "reasonable" are regarded as two different concepts. The term "fair" relates to an opinion on the value of the offer price compared against the value of the securities subject to the offer (the "**Securities**"), and an offer is "fair" if the price offered is equal to or greater than the value of the Securities.*

In considering whether an offer is "reasonable", other matters as well as the value of the Securities are considered. Such matters include, but are not limited to, existing voting rights in the company held by the offeror and its concert parties and the market liquidity of the Securities.

Having considered the foregoing factors, we are of the view that the Exit Offer is fair, taking into consideration, in particular, the following:

(a) The Exit Offer Price of S$1.18 is within our final estimated valuation range for the Shares of between S$1.18 and S$1.42;

(b) The premia implied by the Exit Offer Price over the Company's historical VWAP (i.e. at the close of the Previous VGO, 1-month, 3-month, 6-month, 1-year and 2-year period up to and including the Previous VGO Last Full Traded Day) are within the range of the Precedent Privatisation Transactions and Asset Intensive Precedent Privatisation Transactions;

(c) The implied P/NAV and P/RNAV ratios of the Company are within the range of P/NAV or P/NTA ratios of the Precedent Privatisation Transactions and Asset Intensive Precedent Privatisation Transactions; and

(d) The implied P/NAV ratio is above the range of the P/NAV ratios of the Comparable Companies and the implied P/RNAV ratio is within the range of the P/NAV ratios of the Comparable Companies and higher than both the mean and median P/NAV ratios of the Comparable Companies.

We are of the view that the Exit Offer is reasonable, taking into consideration, in particular, the following:

(a) The Exit Offer Price of S$1.18 is at a premium to the historical traded prices of the Shares over the 2-year, 1-year, 6-month, 3-month and 1-month periods prior to and including the Previous VGO Last Full Traded Day and closing price of the Shares of S$0.955 prior to the Suspension Date;

(b) *The dividend yield (based on the dividends declared for FY2023) of the Company based on the Exit Offer Price is approximately 1.19%, which is lower than the mean and median dividend yields of the Comparable Companies at 3.74% and 3.41% respectively. The STI ETF, being an alternative equity instrument, also provides a better dividend yield. This suggests that Shareholders who accept the Exit Offer may potentially experience an increase in dividend income if they reinvest the proceeds from the Exit Offer in the shares of the STI ETF or the Comparable Companies;*

(c) *Since the Suspension Date, the trading of Shares has been suspended pursuant to Rule 1303(1) of the Listing Manual for more than six (6) months;*

(d) *The Exit Offer is made in compliance with the Delisting Notification from the SGX-ST and the delisting of the Company will proceed by the close of the Exit Offer regardless of the final acceptance level of the Exit Offer. Any remaining Shareholders who have not accepted the Exit Offer in respect of all their Offer Shares may encounter difficulties exiting their investment in the Company; and*

(e) *As at the Latest Practicable Date, apart from the Exit Offer being made by the Offeror, no alternative offer or proposal has been received by the Company.*

In conclusion, we are of the opinion that the financial terms of the Exit Offer are fair and reasonable. Based on our opinion, we advise the Recommending Directors to recommend that Shareholders accept the Exit Offer."

3. INDEPENDENT DIRECTORS' RECOMMENDATION

3.1 Independence of the Directors

The Independent Directors, namely Mr. John Lim Kok Min, Mr. Chu Kok Hong @ Choo Kok Hong, Mr. Tam Chee Chong, Mr. Chong Lit Cheong and Professor Yong Kwet Yew, are required to make a recommendation to Shareholders in respect of the Exit Offer.

The SIC has ruled that Yu Wei is exempted from the requirement to make a recommendation to the Shareholders on the Exit Offer, as he is the son of FF Wong, a director and substantial shareholder of the Offeror, and faces an irreconcilable conflict of interest in doing so, being a concert party of the Offeror.

Nevertheless, all of the Directors (including, for the avoidance of doubt, Yu Wei) are jointly and severally responsible for the accuracy of the facts stated or opinions expressed in documents and advertisements issued by, or on behalf of, the Company in connection with the Exit Offer.

3.2 Recommendation of the Independent Directors

The Independent Directors, have reviewed the terms of the Exit Offer and have carefully considered the advice of the IFA in the IFA Letter set out in **Annex A** to this Company's Letter to Shareholders. The Independent Directors **concur** with the advice of the IFA in respect of the Exit Offer. Accordingly, the Independent Directors recommend that Shareholders **ACCEPT** the Exit Offer in respect of the Offer Shares owned by them.

Shareholders who wish to retain all or part of their investment in the Shares are advised to take into consideration the implications of holding Shares in an unlisted or delisted company (as set out in paragraph 7 of the Exit Offer Letter).

Shareholders are advised to read the Independent Directors' recommendation set out in this paragraph, the IFA Letter set out in Annex A to this Company's Letter to Shareholders, the Valuation Reports (as defined in paragraph 7.7 below) set out in Annex F to this Company's Letter to Shareholders and other relevant information set out in this Company's Letter to Shareholders carefully before deciding whether to accept or reject the Exit Offer. Shareholders should note that the IFA's advice to the Independent Directors and the recommendation of the Independent Directors should not be relied upon by any Shareholder as the sole basis for deciding whether or not to accept the Exit Offer. Shareholders are also urged to read the Exit Offer Letter carefully.

In rendering the above advice and giving the above recommendation, both the IFA and the Independent Directors have not had regard to the general or specific investment objectives, financial situation, risk profiles, tax status or position or particular needs and constraints or other circumstances of any individual Shareholder. As different Shareholders would have different objectives and profiles, the Independent Directors recommend that any individual Shareholder who may require specific advice in relation to his or her investment objectives or portfolio should consult his or her stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

4. DISCLOSURE OF INTERESTS AND DEALINGS

4.1 Interests of the Company in Offeror Securities

As at the Latest Practicable Date, neither the Company nor its subsidiaries have any direct or deemed interests in (a) shares in the capital of the Offeror ("**Offeror Shares**"), (b) securities which carry voting rights in the Offeror, or (c) convertible securities, warrants, options and derivatives in respect of the Offeror Shares or securities which carry voting rights in the Offeror (collectively, the "**Offeror Securities**").

4.2 Dealings in Offeror Securities by the Company

As at the Latest Practicable Date, the Company has not dealt for value in any Offeror Securities during the period commencing three (3) months prior to the Update Announcement Date and ending on the Latest Practicable Date.

4.3 Interests of the Directors in Offeror Securities

Save as disclosed below and in the Exit Offer Letter, as at the Latest Practicable Date, none of the Directors has any direct or deemed interest in any of the Offeror Securities.

	Direct Interest		Deemed Interest	
Name	**No. of Offeror Shares**	**%(1)**	**No. of Offeror Shares**	**%(1)**
John Lim Kok Min	579,890	0.12	-	-
Wong Yu Wei (Huang Youwei)	125,765	0.03	-	-
Chu Kok Hong @ Choo Kok Hong(2)	243,432	0.05	5,478	-
Tam Chee Chong	-	-	-	-
Chong Lit Cheong	-	-	-	-
Professor Yong Kwet Yew	-	-	-	-

Notes:

(1) Based on the issued share capital of the Offeror comprising 477,473,329 Offeror Shares (excluding 22,593,900 treasury shares) at the Latest Practicable Date.

(2) Mr. Chu Kok Hong @ Choo Kok Hong is deemed interested in 5,478 Offeror Shares, representing less than 0.01% of the total issued Offeror Shares, held through a nominee account.

4.4 Dealings in Offeror Securities by the Directors

None of the Directors has dealt for value in any Offeror Securities during the period commencing three (3) months prior to the Update Announcement Date and ending on the Latest Practicable Date.

4.5 Interests of the Directors in Company Securities

Save as disclosed below, as at the Latest Practicable Date, none of the Directors has any direct or deemed interests in any (a) Shares, (b) securities which carry voting rights in the Company, or (c) convertible securities, warrants, options (including any options granted under any employee share scheme of the Company) or derivatives in respect of the Shares or other securities which carry voting rights in the Company (collectively, the "**Company Securities**").

	Direct Interest		Deemed Interest	
Name	No. of Shares	%(1)	No. of Shares	%(1)
John Lim Kok Min	50,000	0.02	-	-
Wong Yu Wei (Huang Youwei)(2)	18,671	-	1,833,843	0.59
Chu Kok Hong @ Choo Kok Hong)	500,000	0.16	-	-
Tam Chee Chong	50,000	0.02	-	-
Chong Lit Cheong	50,000	0.02	-	-
Professor Yong Kwet Yew	50,000	0.02	-	-

Notes:

(1) Based on the issued share capital of the Company comprising 313,260,631 Shares (excluding 6,739,369 treasury shares) at the Latest Practicable Date.

(2) Mr. Wong Yu Wei (Huang Youwei) has a direct interest in 18,671 Shares, representing less than 0.01% of the total issued Shares. Mr. Wong Yu Wei (Huang Youwei) is deemed interested in 1,833,843 Shares, representing 0.59% of the total issued Shares, held through a nominee account jointly held by Mr. Wong Yu Wei (Huang Youwei) and his spouse.

4.6 Dealings in Company Securities by the Directors

None of the Directors has dealt for value in any Company Securities during the period commencing three (3) months prior to the Update Announcement Date and ending on the Latest Practicable Date.

4.7 Offeror Securities owned or controlled by the IFA

As at the Latest Practicable Date, none of the IFA or any funds whose investments are managed by the IFA on a discretionary basis owns or controls any Offeror Securities.

4.8 Dealings in Offeror Securities by the IFA

During the period commencing three (3) months prior to the Update Announcement Date and ending on the Latest Practicable Date, none of the IFA or any funds whose investments are managed by the IFA on a discretionary basis has dealt for value in the Offeror Securities.

4.9 Company Securities owned or controlled by the IFA

As at the Latest Practicable Date, none of the IFA or any funds whose investments are managed by the IFA on a discretionary basis owns or controls any Company Securities.

4.10 Dealings in Company Securities by the IFA

During the period commencing three (3) months prior to the Update Announcement Date and ending on the Latest Practicable Date, none of the IFA or any funds whose investments are managed by the IFA on a discretionary basis has dealt for value in the Company Securities.

4.11 Intentions of the Directors in respect of their Shares

As at the Latest Practicable Date, in respect of the Directors who have a beneficial interest in Shares:

(a) Mr. John Lim Kok Min intends to accept the Exit Offer in respect of 50,000 Shares (being the total number of Shares held by Mr. John Lim Kok Min in the Company);

(b) if the Offeror Shareholders' Approval is obtained at the Offeror EGM for the IPT Resolution, Yu Wei intends to accept the Exit Offer in respect of 1,852,514 Shares (being the total number of Shares held by Yu Wei in the Company). If the Offeror Shareholders' Approval is not obtained at the Offeror EGM for the IPT Resolution, Yu Wei intends to reject the Exit Offer in respect of 1,852,514 Shares (being the total number of Shares held by Yu Wei in the Company);

(c) Mr. Chu Kok Hong @ Choo Kok Hong intends to accept the Exit Offer in respect of 500,000 Shares (being the total number of Shares held by Mr. Chu Kok Hong @ Choo Kok Hong in the Company);

(d) Mr. Tam Chee Chong intends to accept the Exit Offer in respect of 50,000 Shares (being the total number of Shares held by Mr. Tam Chee Chong in the Company);

(e) Mr. Chong Lit Cheong intends to accept the Exit Offer in respect of 50,000 Shares (being the total number of Shares held by Mr. Chong Lit Cheong in the Company); and

(f) Professor Yong Kwet Yew intends to accept the Exit Offer in respect of 50,000 Shares (being the total number of Shares held by Professor Yong Kwet Yew in the Company).

4.12 Directors' Service Contracts

As at the Latest Practicable Date:

(a) there are no service contracts between any of the Directors or proposed directors with the Company or any of its subsidiaries which have more than 12 months to run and which are not terminable by the employing company within the next 12 months without paying any compensation; and

(b) there are no such contracts entered into or amended during the period commencing six (6) months prior to the Update Announcement Date and ending on the Latest Practicable Date.

4.13 Arrangements affecting Directors

Save as disclosed in this Company's Letter to Shareholders, as at the Latest Practicable Date:

(a) it is not proposed that any payment or other benefit shall be made or given to any Director or director of any other corporation which is by virtue of Section 6 of the Companies Act deemed to be related to the Company, as compensation for loss of office or otherwise in connection with the Exit Offer;

(b) there are no agreements or arrangements made between any Director and any other person in connection with or conditional upon the outcome of the Exit Offer; and

(c) none of the Directors has a material personal interest, whether direct or indirect, in any material contract entered into by the Offeror.

5. GENERAL INFORMATION

5.1 History and Principal Activities of the Company

The Company is a company incorporated in Singapore on 29 May 1996 and listed on the Mainboard of the SGX-ST on 30 April 2015. The Company is a leading provider of innovative eco-sustainable real estate solutions with a regional presence across Singapore, China, Malaysia and Vietnam. The Group's businesses comprise the following:

(a) Engineering & Construction: Provision of turnkey Engineering & Construction services.

(b) Real Estate: Developing, owning, managing, leasing and sale of properties, and real estate fund management.

(c) HQ Activities: Management of financial assets and other investments.

5.2 Directors of the Company

The names, addresses and designations of the Directors as at the Latest Practicable Date are set out below:

Name	Address	Description
Mr. John Lim Kok Min	c/o 82 Ubi Avenue 4, #07-01 Edward Boustead Centre, Singapore 408832	Chairman and Independent Non-Executive Director
Mr. Wong Yu Wei (Huang Youwei)	c/o 82 Ubi Avenue 4, #07-01 Edward Boustead Centre, Singapore 408832	Executive Deputy Chairman

Name	Address	Description
Mr. Chu Kok Hong @ Choo Kok Hong	c/o 82 Ubi Avenue 4, #07-01 Edward Boustead Centre, Singapore 408832	Managing Director
Mr. Tam Chee Chong	c/o 82 Ubi Avenue 4, #07-01 Edward Boustead Centre, Singapore 408832	Independent Non-Executive Director
Mr. Chong Lit Cheong	c/o 82 Ubi Avenue 4, #07-01 Edward Boustead Centre, Singapore 408832	Independent Non-Executive Director
Professor Yong Kwet Yew	c/o 82 Ubi Avenue 4, #07-01 Edward Boustead Centre, Singapore 408832	Independent Non-Executive Director

6. SHARE CAPITAL

6.1 Number and Class of Shares

The Company has only one class of shares, being the Shares. The Shares are quoted and listed on the Mainboard of the SGX-ST. Trading in the Shares has been suspended since 28 March 2023.

The issued and paid-up share capital of the Company as at the Latest Practicable Date is S$9,504,730.83, comprising 313,260,631 Shares (excluding 6,739,369 Shares held in treasury).

6.2 Capital, Dividends and Voting Rights

The rights of Shareholders in respect of capital, dividends and voting are contained in the constitution of the Company, as amended and modified from time to time (the "**Constitution**"). An extract of the relevant provisions in the Constitution relating to the rights of Shareholders in respect of capital, dividends and voting has been reproduced in **Annex B** to this Company's Letter to Shareholders. The Constitution is available for inspection at the registered address of the Company at 82 Ubi Avenue 4, #07-01 Edward Boustead Centre, Singapore 408832. Capitalised terms and expressions not defined in the extracts have the meanings ascribed to them in the Constitution and/or the Companies Act.

6.3 Number of Shares Issued since the End of the Last Financial Year

As at the Latest Practicable Date, the Company has not issued any new Shares since the end of FY2023, being the last financial year of the Company.

6.4 Convertible Instruments

As at the Latest Practicable Date, the Company has not issued any instruments convertible into, rights to subscribe for, or options in respect of, securities being offered for or which carry voting rights affecting the Shares that are outstanding as at the Latest Practicable Date.

7. SUMMARY OF FINANCIAL INFORMATION

7.1 Consolidated Statements of Comprehensive Income

A summary of the audited consolidated statements of comprehensive income of the Group for FY2021, FY2022 and FY2023 and the unaudited consolidated statements of comprehensive income of the Group for HY2024 is set out below.

	Audited FY2021 S$'000	Audited FY2022 S$'000	Audited FY2023 S$'000	Unaudited HY2024 S$'000
Revenue	301,405	339,089	283,976	170,227
Cost of sales	(283,838)	(325,216)	(258,028)	(149,560)
Gross profit	17,567	13,873	25,948	20,667
Interest income	3,348	7,203	9,813	6,348
Other (losses)/gains - net	132,868	4,275	9,778	(265)
Impairment loss on financial asset	(1,527)	(452)	-	-
Expenses				
- Selling and distribution	(3,360)	(3,342)	(2,692)	(1,424)
- Administrative	(16,171)	(19,695)	(13,150)	(8,062)
- Finance	(3,221)	(1,370)	(2,400)	(448)
Share of (loss)/profit of associates and joint ventures	11,060	13,349	(825)	(6,247)
Profit before income tax	140,564	13,841	26,472	10,569
Income tax expense	(8,922)	(2,510)	(7,995)	(3,572)
Total profit	**131,642**	**11,331**	**18,477**	**6,997**
Other comprehensive income/(loss):				
Items that may be reclassified subsequently to profit or loss:				
Share of other comprehensive income/(loss) of an associate and joint ventures	-	353	(365)	1,053
Currency translation differences arising from consolidation	(560)	262	(2,850)	(945)
Items that will not be reclassified subsequently to profit or loss:				
Financial asset, at fair value through other comprehensive income				
- Fair value (loss)/gain	106	240	(3,517)	(1,543)
Other comprehensive income/(loss), net of tax	**(454)**	**855**	**(6,732)**	**(1,435)**
Total comprehensive income	**131,188**	**12,186**	**11,745**	**5,562**
Profit attributable to:				
Equity holders of the Company	131,688	11,336	18,350	6,997
Non-controlling interests	(46)	(5)	127	-
	131,642	11,331	18,477	6,997
Total comprehensive income attributable to:				
Equity holders of the Company	131,234	12,191	11,618	5,562
Non-controlling interests	(46)	(5)	127	-
	131,188	12,186	11,745	5,562

	Audited FY2021 S$'000	Audited FY2022 S$'000	Audited FY2023 S$'000	Unaudited HY2024 S$'000
Earnings per share for profit attributable to equity holders of the Company (cents per share)				
- Basic / Diluted	42.3	3.6	5.9	2.2
Net dividends per share (cents per share) (1)	0.8	15.4	1.0	1.4

Note:

(1) The dividends under net dividends per share refer to ordinary and special dividends which were paid in FY2021, FY2022, FY2023 and HY2024 respectively.

The above summary should be read together with the annual reports of the Company for FY2021, FY2022 and FY2023 and relevant financial statements, copies of which are available for inspection at the registered office of the Company at 82 Ubi Avenue 4, #07-01 Edward Boustead Centre, Singapore 408832 during normal business hours.

The audited financial statements of the Group for FY2023 and the unaudited financial information of the Group for HY2024 are set out in fuller detail in **Annex C** and **Annex D** of this Company's Letter to Shareholders, respectively.

7.2 Statements of Financial Position

A summary of the audited consolidated statements of financial position of the Group as at 31 March 2023 and the unaudited consolidated statements of financial position of the Group as at 30 September 2023 is set out below.

	Audited as at 31 March 2023 S$'000	Unaudited as at 30 September 2023 S$'000
Current Assets		
Cash and cash equivalents	177,705	254,818
Trade receivables	102,204	74,668
Other receivables and prepayments	62,358	22,463
Finance lease receivables	476	484
Contract assets	16,302	9,140
	359,045	361,573
Non-Current Assets		
Trade receivables	26,708	31,644
Other receivables and prepayments	85,601	85,369
Investment securities	28,144	26,601
Property, plant and equipment	981	805
Rights-of-use assets	1,852	1,573
Finance lease receivables	20,485	20,239
Investment properties	48,662	70,597
Intangible assets	98	95
Investments in associates	6,235	5,551
Investments in joint ventures	199,331	205,178
Deferred income tax assets	11,960	10,550
	430,057	458,202
Total Assets	789,102	819,775

	Audited as at 31 March 2023 S$'000	Unaudited as at 30 September 2023 S$'000
Current Liabilities		
Trade and other payables	148,054	130,406
Lease liabilities	1,049	1,051
Income tax liabilities	18,237	19,312
Contract liabilities	130,457	130,005
Borrowings	623	629
	298,420	281,403
Non-Current Liabilities		
Trade and other payables	53,817	62,110
Lease liabilities	32,696	32,225
Borrowings	1,066	39,780
Deferred income tax liabilities	2,108	2,086
	89,687	136,201
Total Liabilities	388,107	417,604
Net Assets	400,995	402,171
Equity		
Capital and reserves attributable to equity holders of the Company		
Share capital	15,000	15,000
Treasury shares	(5,495)	(5,495)
Retained profits	387,462	390,073
Other reserves	4,028	2,593
	400,995	402,171
Total equity	400,995	402,171

The above summary should be read together with the annual report for FY2023, the audited financial statements of the Group for FY2023, which is set out in **Annex C** of this Company's Letter to Shareholders, and the unaudited financial information of the Group for HY2024, which is set out in **Annex D** of this Company's Letter to Shareholders, and the related notes thereto.

7.3 Significant Accounting Policies

A summary of the significant accounting policies of the Group is set out in Note 2 to the audited financial statements of the Group for FY2023, which are reproduced in **Annex C** of this Company's Letter to Shareholders.

Save as disclosed in this Company's Letter to Shareholders and publicly available information on the Group (including but not limited to that contained in the audited financial statements of the Group for FY2023), there are no significant accounting policies or any points from the notes to the financial statements which are of major relevance for the interpretation of the accounts.

7.4 Changes in Accounting Policies

Save as disclosed in this Company's Letter to Shareholders and in publicly available information on the Group (including without limitation the announcements, financial statements and annual reports released by the Company on SGXNET), as at the Latest Practicable Date, there is no change in the accounting policy of the Group which will cause the figures disclosed in this Company's Letter to Shareholders not to be comparable to a material extent.

Copies of the annual report of the Company for FY2023 and the unaudited financial information of the Group for HY2024 are available on the SGX-ST website at www.sgx.com or for inspection at the registered address of the Company at 82 Ubi Avenue 4, #07-01 Edward Boustead Centre, Singapore 408832 during normal office hours for the period during which the Exit Offer remains open for acceptance.

7.5 Material Changes in Financial Position

Save for information disclosed in this Company's Letter to Shareholders and publicly available information on the Group (including without limitation the announcements, financial statements and annual reports released by the Company on SGXNET and the unaudited financial information of the Group for HY2024 as announced on 14 November 2023 and set out in **Annex D** of this Company's Letter to Shareholders), there are no known material changes in the financial position of the Group as at the Latest Practicable Date since 31 March 2023, being the date of the Company's last published audited financial statements laid before Shareholders in general meeting.

7.6 Material Change in Information

Save as disclosed in this Company's Letter to Shareholders and save for the information relating to the Company and the Exit Offer that is publicly available, there has been no material change in any information previously published by or on behalf of the Company during the period commencing from the Update Announcement Date and ending on the Latest Practicable Date.

7.7 Valuation of the Subject Properties

As at the Latest Practicable Date, the Company, its joint venture companies, the Boustead Industrial Fund and its other associates own, or otherwise hold through investment securities, the properties at the locations as set out in **Annex E** to this Company's Letter to Shareholders (the "**Subject Properties**").

The Company has commissioned independent valuations in connection with the Exit Offer or already obtained valuation reports, valuation certificates and/or valuation summaries of the Subject Properties ("**Valuation Reports**") from the following independent valuers appointed by the Company for the purposes of carrying out a valuation of the Subject Properties:

(a) Jones Lang LaSalle Property Consultant Pte Ltd;

(b) Teho Property Consultants Pte. Ltd.;

(c) Knight Frank Pte Ltd;

(d) CBRE WTW Valuation & Advisory Sdn Bhd;

(e) VAS Valuation Co., Ltd;

(f) 江苏铭诚土地房地产评估测绘工程咨询有限公司; and

(g) Colliers Appraisal and Advisory Services Co., Ltd.,

(collectively, the "**Valuers**").

As disclosed in the Valuation Reports, the basis of valuation is market value. Copies of the Valuation Reports are set out in **Annex F** to this Company's Letter to Shareholders. The Valuation Reports in respect of the Subject Properties are also available for inspection at the registered address of the Company at 82 Ubi Avenue 4, #07-01 Edward Boustead Centre, Singapore 408832.

Under Rule 26.3 of the Code, the Company is required, *inter alia*, to make an assessment of any potential tax liability which would arise if the Subject Properties, which are the subject of a valuation given in connection with the Exit Offer, were to be sold at the amount of the valuation.

Based on information provided to the Company by the respective Valuers, in a hypothetical scenario where the Subject Properties are sold on an "as is" basis, the Group may incur potential tax liabilities[1] of approximately S$31.86 million. The aforesaid potential tax liabilities (if any) might crystallise as and when the Company disposes of its interests in the Subject Properties.

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1 Potential tax liabilities are estimated based on the corporate tax rates of the jurisdictions where the respective Subject Proprerties is located, and applied to the revaluation surplus which is deemed to be hypothetical profits attributable to the Group assuming the sale of the Subject Proprerties in the same financial period, subject to compliance with the relevant tax rules and regulations.

8. MATERIAL CONTRACTS WITH INTERESTED PERSONS

As at the Latest Practicable Date, save as disclosed in publicly available information on the Group (including without limitation the announcements, financial statements and annual reports released by the Company on SGXNET), neither the Company nor any of its subsidiaries has entered into material contracts with persons who are Interested Persons (as defined below) (other than those entered into in the ordinary course of business) during the period beginning three (3) years before the Update Announcement Date and ending on the Latest Practicable Date.

As defined in the Note on Rule 24.6 of the Code and read with the Note on Rule 23.12 of the Code, an "**Interested Person**", in relation to a company, is:

(a) a director, chief executive officer, or substantial shareholder of the company;

(b) the immediate family of a director, the chief executive officer, or a substantial shareholder (being an individual) of the company;

(c) the trustees, acting in their capacity as such trustees, of any trust of which a director, the chief executive officer or a substantial shareholder (being an individual) and his immediate family is a beneficiary;

(d) any company in which a director, the chief executive officer or a substantial shareholder (being an individual) together and his immediate family together (directly or indirectly) have an interest of 30% or more;

(e) any company that is the subsidiary, holding company or fellow subsidiary of the substantial shareholder (being a company); or

(f) any company in which a substantial shareholder (being a company) and any of the companies listed in (e) above together (directly or indirectly) have an interest of 30% or more.

9. MATERIAL LITIGATION

As at the Latest Practicable Date, save as disclosed in publicly available information on the Group (including without limitation the announcements, financial statements and annual reports released by the Company on SGXNET):

(a) neither the Company nor any of its subsidiaries is engaged in any material litigation or arbitration proceedings, as plaintiff or defendant, which might materially and adversely affect the financial position of the Company and its subsidiaries, taken as a whole; and

(b) the Directors are not aware of any material litigation, claims or proceedings or any facts likely to give rise to any such material litigation, claims or proceedings, which might materially and adversely affect the financial position of the Group, taken as a whole.

10. THE OFFEROR'S INTENTIONS FOR THE COMPANY

Paragraph 5 of the Exit Offer Letter sets out the Offeror's intentions in relation to the Company, the full text of which have been extracted from the Exit Offer Letter and are set out in italics below. All terms and expressions used in the extract below shall have the same meanings as those defined in the Exit Offer Letter, unless otherwise stated. **Shareholders are advised to read the extract below carefully.**

"*The Company is a principal subsidiary of the Offeror. The Offeror intends for the Company to continue to develop and grow the existing businesses of the Company and its subsidiaries. The Offeror and the Company will continue to review, from time to time, the operations of the Company and its subsidiaries as well as the Company's strategic options. The Offeror retains the flexibility at any time to further consider any options or opportunities in relation to the Company which may present themselves and which the Offeror may regard to be in the interests of the Offeror and/or the Company.*

Save as disclosed above, the Offeror has no current intentions to (i) introduce any major changes to the existing business of the Company, (ii) re-deploy the fixed assets of the Company, or (iii) discontinue the employment of the existing employees of the Company or its subsidiaries, in each case, other than in the ordinary and usual course of business.

As set out in paragraph 1.5 above, subject to compliance with Rule 1309 of the Listing Manual, the Company will be delisted from the Official List of the SGX-ST, ***regardless of the final level acceptance of the Exit Offer****. Accordingly, the Offeror believes that this Exit Offer is a viable exit alternative for Company Shareholders who do not wish to remain as a shareholder of a non-listed public company. Notwithstanding the aforesaid, Company Shareholders are advised to consider the advice and opinion of the Company IFA (defined below) which will be set out in the Company's Letter to Shareholders which will be appended to the Exit Offer Letter. Company Shareholders should note that neither the Offeror nor the Company is legally obligated to acquire the Offer Shares following the close of the Exit Offer save in respect of the obligations under Section 215(3) of the Companies Act 1967 of Singapore (the "****Companies Act****") which enables Company Shareholders who have not accepted the Exit Offer to require the Offeror to acquire their Shares at the Exit Offer Price when the requisite thresholds as set out under Section 215 of the Companies Act are met.*"

11. THE HY2024 BPL RESULTS

As the HY2024 BPL Results are unaudited interim financial results announced during the offer period (which for the purposes of Rule 25 of the Code commenced on the Update Announcement Date and ends on the date the Exit Offer is declared to have closed), and before the Exit Offer has been publicly recommended by the board of Directors (the "**Board**"), the HY2024 BPL Results constitute a "profit forecast" under Rule 25 of the Code. The condensed interim financial statements of the Group for the six months financial period ended 30 September 2023 have been reviewed by PricewaterhouseCoopers LLP, the auditors of the Company (the "**Auditors**") for the purpose of complying with Rule 25 of the Code. In addition, the HY2024 BPL Results have been examined by the IFA in accordance with Rule 25 of the Code. The review reports of the Auditors and the IFA are set out in **Annex D** to this Company's Letter to Shareholders (under Appendix A and B respectively).

12. DIRECTORS' RESPONSIBILITY STATEMENT

The recommendation of the Independent Directors to Shareholders set out in paragraph 3.2 of this Company's Letter to Shareholders is the sole responsibility of the Independent Directors. Save for the foregoing, the Directors (including any Director who may have delegated detailed supervision of this Company's Letter to Shareholders) confirm that they have taken all reasonable care and have made all reasonable enquiries to ensure that, to the best of their knowledge and after due and careful consideration, the facts stated and the opinions expressed in this Company's Letter to Shareholders (other than those relating to the Offeror, parties acting in concert or deemed to be acting in concert with the Offeror, the Exit Offer and the IFA Letter) are fair and accurate and that there are no other material facts not contained in this Company's Letter to Shareholders, the omission of which would make any statement in this Company's Letter to Shareholders misleading.

Where any information in this Company's Letter to Shareholders has been extracted or reproduced from published or otherwise publicly available sources (including, without limitation, the Update Announcement, the Joint Announcement, the Exit Offer Letter, the IFA Letter and the Valuation Reports) or obtained from the Offeror, the sole responsibility of the Directors has been to ensure through reasonable enquiries that such information is accurately extracted from such sources, or as the case may be, accurately reflected or reproduced in this Company's Letter to Shareholders.

In respect of the IFA Letter and the Valuation Reports, the responsibility of the Directors has been to ensure that the facts stated with respect to the Group are, to the best of their knowledge and belief, fair and accurate in all material respects.

The Directors jointly and severally accept full responsibility accordingly.

13. CONSENTS

The IFA has given and has not withdrawn its written consent to the issue of this Company's Letter to Shareholders with the inclusion of its name in this Company's Letter to Shareholders, the IFA Letter in **Annex A** of this Company's Letter to Shareholders and the IFA's review report relating to the HY2024 BPL Results set out in **Annex D** of this Company's Letter to Shareholders (under Appendix B), and all references thereto in the form and context in which they appear in this Company's Letter to Shareholders.

The Auditors have given and have not withdrawn their written consent to the issue of this Company's Letter to Shareholders with the inclusion of their name in this Company's Letter to Shareholders, the independent auditors' report in relation to the audited financial statements of the Group for FY2023 in **Annex C** of this Company's Letter to Shareholders and the Auditors' review report relating to the condensed interim financial statements of the Group for the six months financial period ended 30 September 2023 set out in **Annex D** of this Company's Letter to Shareholders (under Appendix A), and all references thereto in the form and context in which they appear in this Company's Letter to Shareholders.

The Valuers have given and have not withdrawn their written consent to the issue of this Company's Letter to Shareholders with the inclusion of their names in this Company's Letter to Shareholders and the Valuation Reports set out in **Annex F** of this Company's Letter to Shareholders, and all references thereto in the form and context in which they appear in this Company's Letter to Shareholders.

14. DOCUMENTS FOR INSPECTION

Copies of the following documents are available for inspection at the registered address of the Company at 82 Ubi Avenue 4, #07-01 Edward Boustead Centre, Singapore 408832 during normal business hours for the period during which the Exit Offer remains open for acceptance:

(a) the Constitution;

(b) the annual reports of the Company for FY2021, FY2022 and FY2023;

(c) the IFA Letter as set out in **Annex A** to this Company's Letter to Shareholders;

(d) the audited financial statements of the Group for FY2023 and its accompanying notes as set out in **Annex C** to this Company's Letter to Shareholders;

(e) the unaudited financial information of the Group for HY2024 and its accompanying notes as set out in **Annex D** to this Company's Letter to Shareholders;

(f) the Valuation Reports as set out in **Annex F** to this Company's Letter to Shareholders; and

(g) the letters of consent referred to in paragraph 13 of this Company's Letter to Shareholders.

15. ADDITIONAL INFORMATION

The attention of the Shareholders is also drawn to the Annexes which form part of this Company's Letter to Shareholders.

Yours faithfully
For and on behalf of the Board

Mr. John Lim Kok Min
Chairman and Independent Non-Executive Director
28 November 2023

Annex A

IFA LETTER

PRIMEPARTNERS CORPORATE FINANCE PTE. LTD.

16 Collyer Quay
#10-00 Collyer Quay Centre
Singapore 049318

28 November 2023

To: The Recommending Directors of Boustead Projects Limited (the "**Company**")
(being directors considered to be independent in respect of the Exit Offer as defined below)
82 Ubi Avenue 4,
#07-01 Edward Boustead Centre,
Singapore 408832

Dear Sirs

INDEPENDENT FINANCIAL ADVICE TO THE RECOMMENDING DIRECTORS (AS DEFINED HEREIN) IN RESPECT OF THE UNCONDITIONAL CASH EXIT OFFER ("EXIT OFFER") BY BOUSTEAD SINGAPORE LIMITED (THE "OFFEROR") TO ACQUIRE ALL THE ISSUED AND PAID-UP ORDINARY SHARES (EXCLUDING TREASURY SHARES) (THE "SHARES") IN THE CAPITAL OF BOUSTEAD PROJECTS LIMITED (THE "COMPANY") OTHER THAN THOSE SHARES ALREADY OWNED, CONTROLLED OR AGREED TO BE ACQUIRED BY THE OFFEROR AS AT THE DATE OF THE EXIT OFFER ("OFFER SHARES") IN CONNECTION WITH THE DIRECTED DELISTING OF THE COMPANY FROM THE OFFICIAL LIST OF THE MAINBOARD OF THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED (THE "SGX-ST") ("DIRECTED DELISTING")

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*Unless otherwise defined or the context otherwise requires, all terms used herein shall have the same meaning attributed to them in the letter from the Company to the Shareholders (as defined herein) dated 28 November 2023 (the "**Company's Letter to Shareholders**").*

1 INTRODUCTION

1.1 Previous Voluntary Unconditional General Offer by the Offeror ("Previous VGO")

By way of background, the Offeror had, on 6 February 2023 ("**Previous VGO Announcement Date**"), launched a voluntary unconditional cash offer of S$0.90 (the "**Initial VGO Offer Price**") for all the Shares in the Company, other than those Shares already owned, controlled or agreed to be acquired by the Offeror, its related corporations and their respective nominees and parties acting in concert with it as at the date of the Previous VGO in accordance with Rule 15 of the Singapore Code on Take-overs and Mergers (the "**Code**"). The final offer price of the Previous VGO was S$0.95 (the "**Final VGO Offer Price**") as set out in the announcement by the Offeror dated 22 February 2023 (the "**Final VGO Offer Price Revision Date**"). The Previous VGO closed at 5.30 pm (Singapore time) on 27 March 2023. As at the close of the Previous VGO, the Offeror announced that the total number of (i) Shares owned, controlled or agreed to be acquired by the Offeror and parties acting in concert with it, and (ii) valid acceptances of the Previous VGO, amount to an aggregate of 299,158,020 Shares, representing approximately 95.50% of the total number of Shares.

Accordingly, the Company had ceased to meet the free float requirements under Rule 723 of the Listing Manual at the close of the Previous VGO, and the Company had requested for SGX-ST to suspend the trading of the Shares with effect from 9.00 am on 28 March 2023 ("**Suspension Date**").

The Company had announced on 4 April 2023 that it had applied for, and on 10 April 2023 obtained from Singapore Exchange Regulation Pte. Ltd. ("**SGX RegCo**"), a three (3)-month extension commencing from 27 March 2023 (the date of the close of the Previous VGO) to comply with Rule 724 of the Listing Manual as the Offeror had informed the Company that the Offeror was exploring various options. Subsequently, the Company announced on 23 June 2023 that it had applied for, and on 26 June 2023 obtained from SGX RegCo, a further three (3)-month extension commencing from 27 June 2023 as the Offeror had informed the Company that the Offeror was continuing to explore various options.

1.2 Notice of Compliance and Delisting ("Delisting Notification")

As of 26 September 2023, the Offeror and the Company each received the Delisting Notification whereby the SGX RegCo had, pursuant to Rule 1405(1)(j) of the Listing Manual directed:

(a) the Company to be delisted pursuant to Rule 724(2) of the Listing Manual if its free float is not restored to at least 10% on or before 26 September 2023; and

(b) pursuant to Rule 1306 of the Listing Manual, the Offeror and/or the Company to make an exit offer to the Company's shareholders, in compliance with Rule 1309 of the Listing Manual. In particular, the Exit Offer must be fair and reasonable, and include a cash alternative as the default alternative. The independent financial adviser must also opine that the Exit Offer is fair and reasonable.

1.3 The Exit Offer

On 14 November 2023 ("**Joint Announcement Date**"), the Company and the Offeror issued a joint announcement ("**Joint Announcement**"), jointly announcing that the Offeror has presented to the Directors (as defined below) a formal proposal ("**Delisting Proposal**") to make an Exit Offer to the shareholders of the Company ("**Shareholders**") pursuant to Rules 1306 and 1309 of the Listing Manual, in connection with the Directed Delisting in accordance with Rule 724(2) of the Listing Manual and the Delisting Notification. Under the Delisting Proposal, the Offeror will make an Exit Offer to acquire all the Offer Shares for cash, in accordance with Section 139 of the Securities and Futures Act 2001 of Singapore, the Listing Manual and the Code. The terms of the Exit Offer are set out in the Exit Offer Letter.

As at the Joint Announcement Date, the Company is a principal subsidiary of the Offeror and the Offeror and its concert parties owned 299,158,020 Shares representing approximately 95.50% of the total number of issued Shares of the Company. As at the Joint Announcement Date, the Company has an issued and paid-up share capital of approximately S$9,505,000[1], comprising 313,260,631 Shares.

The Exit Offer is unconditional in all respects. The Offeror reserves the right to revise the terms of the Exit Offer in accordance with the Code.

1.4 Our Role as Independent Financial Adviser to the Exit Offer

Pursuant to Rule 1309 of Listing Manual, PrimePartners Corporate Finance Pte. Ltd. ("**PPCF**") has been appointed as independent financial adviser ("**IFA**") to advise the directors of the Company (the "**Directors**") who are considered independent in respect of the Exit Offer (the "**Recommending Directors**") for the purpose of making their recommendation to the Shareholders in relation to the Exit Offer.

This letter sets out, *inter alia*, our views and evaluation of the financial terms of the Exit Offer and our opinion thereon and forms part of the Company's Letter to Shareholders providing, *inter alia*, details of the Exit Offer and the recommendation of the Recommending Directors to be electronically despatched to the Shareholders in relation to the Exit Offer and the Directed Delisting.

[1] Rounded to the nearest thousand.

2 TERMS OF REFERENCE

We have been appointed to advise the Recommending Directors on the financial terms of the Exit Offer in compliance with the provisions of the Code. We have confined our evaluation of the financial terms of the Exit Offer and have not considered the commercial risks and/or commercial merits of the Exit Offer. In addition, we have not been requested to, and we do not express any advice or give any opinion on the merits of the Exit Offer relative to any other alternative transaction. We were not involved in the negotiations pertaining to the Exit Offer nor were we involved in the deliberations leading up to the decision to put forth the Exit Offer to the Shareholders.

Our terms of reference do not require us to evaluate or comment on the rationale for, or the strategic or long-term merits of the Exit Offer or on the prospects of the Company and its subsidiaries (the "**Group**") or the method and terms by which the Exit Offer is made or any other alternative methods by which the Exit Offer may be made. We have not relied on any financial projections or forecasts in respect of the Group in our evaluation of the financial terms of the Exit Offer. We are not required to express, and we do not express any view herein on the growth prospects, financial position, and earnings potential of the Group. Such evaluations and comments remain the sole responsibility of the Directors, although we may draw upon their views or make such comments in respect thereof (to the extent deemed necessary or appropriate by us) in arriving at our opinion as set out in this letter.

We are not authorised to solicit, and we have not solicited, any indications of interest from any third party with respect to the Shares. We are therefore not addressing the relative merits of the Exit Offer as compared to any alternative transaction that may be available to the Company, or as compared to any alternative offer that might otherwise be available in the future.

In the course of our evaluation of the financial terms of the Exit Offer, we have relied on, and assumed without independent verification, the accuracy and completeness of published information relating to the Company. We have also relied to a considerable extent on information provided and representations made, including relevant financial analyses and estimates, by the management of the Group (the "**Management**"), the Directors and the Company's professional advisers. We have not independently verified such information, or any representation or assurance made by them, whether written or verbal, and accordingly cannot and do not make any representation or warranty, express or implied, in respect of, and do not accept any responsibility for, the accuracy, completeness or adequacy of such information, representation or assurance. We have nevertheless made such reasonable enquiries and exercised our judgement as we deemed necessary and have found no reason to doubt the reliability of the information.

We have relied upon the assurances of the Directors that upon making all reasonable inquiries and to the best of their respective knowledge, information and belief, all material information in connection with the Exit Offer and the Company has been disclosed to us, that such information is true, complete and accurate in all material respects and that there is no other information or fact, the omission of which would cause any information disclosed to us or the facts of or in relation to the Company stated in the Company's Letter to Shareholders to be inaccurate, incomplete or misleading in any material respect. The Directors jointly and severally accept responsibility accordingly.

Our analysis and opinion as set out in this letter is based upon market, economic, industry, monetary and other conditions in effect on, and the information provided to us as at 21 November 2023 (the "**Latest Practicable Date**"). Such conditions may change significantly over a relatively short period of time. We assume no responsibility to update, revise or reaffirm our opinion considering any subsequent development after the Latest Practicable Date that may affect our opinion contained herein. The Shareholders should further take note of any announcement(s) relevant to their consideration of the Exit Offer which may be released by the Company and/or the Offeror after the Latest Practicable Date.

We have not made any independent evaluation or appraisal of the assets and liabilities including, without limitation, the Group's investments properties, investment securities and properties held through the Group's subsidiaries, associates, and joint ventures. In compliance with the Code and in connection with the Exit Offer, the Company had commissioned qualified valuers (the "**Valuers**") to carry out an independent valuation of the Group's (i) investment properties; (ii) properties held through investment securities; (iii) properties owned by joint venture companies; and (iv) properties owned by associates. Copies of the valuation reports, valuation summary or certificates ("**Valuation Reports**") for the aforementioned properties of the Group (collectively, the "**Appraised Properties**") are attached in Annex F to the Company's Letter to Shareholders.

We are not experts in the evaluation or appraisal of the Appraised Properties concerned and we have placed sole reliance on the independent valuations conducted by the Valuers for such appraisal and have not made any independent verification of the contents thereof and the assumptions adopted by the Valuers. In particular, we do not assume any responsibility to enquire about the basis of the valuation contained in their Valuation Reports or if the contents thereof have been prepared and/or included in the Exit Offer Letter and the Company's Letter to Shareholders in accordance with all applicable regulatory requirements and professional standards including the Code and the International Valuation Standards.

In rendering our opinion, we have not had regard to the specific investment objectives, financial situation, tax position, risk profiles or unique needs and constraints of any individual shareholder. As each shareholder would have different investment objectives and profiles, we would advise the Recommending Directors to recommend that any individual shareholder who may require specific advice in relation to his investment objectives or portfolio should consult his stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately. As such, our opinion should not be the sole basis for deciding whether to accept the Exit Offer.

The Offeror and the Company has been separately advised by its own advisers in the preparation of the Exit Offer Letter and the Company's Letter to Shareholders (other than this letter) respectively. Accordingly, we take no responsibility for and express no views, express or implied, on the contents of the Exit Offer Letter and the Company's Letter to Shareholders (other than this letter).

This letter is prepared as required under Rule 1309 of the Listing Manual as well as the Code and addressed to the Recommending Directors for their benefit and deliberation of the Exit Offer. The recommendations made to the Shareholders in relation to the Exit Offer shall remain the responsibility of the Recommending Directors.

Our opinion in respect of the Exit Offer, as set out in paragraph 9 of this letter, should be considered in the context of the entirety of this letter, the Exit Offer Letter and the Company's Letter to Shareholders.

3 THE EXIT OFFER

A hardcopy notification letter containing the instructions for the electronic retrieval of the Exit Offer Letter (including the Company's Letter to Shareholders), setting out, *inter alia*, the terms and conditions of the Exit Offer, has been despatched to the Shareholders. The principal terms and conditions of the Exit Offer as set out below, has been extracted from paragraph 3 of the Exit Offer Letter. **Shareholders are advised to read the terms and conditions of the Exit Offer set out in the Exit Offer Letter carefully.**

3.1 Offer Shares

The Exit Offer will be extended to all the Offer Shares on the terms and subject to the conditions set out in the Exit Offer Letter.

3.2 Exit Offer Price

As stated in paragraph 3.1 of the Exit Offer Letter, the consideration for the Offer Shares is:

For each Offer Share: S$1.18 in cash (the "Exit Offer Price")

The closing price of the Shares on 27 March 2023, being the date on which the Shares were last traded on SGX-ST prior to the suspension of the trading of the Shares, was S$0.955. The Exit Offer Price represents a premium of approximately 23.6% over the closing price of the Shares on 27 March 2023. Further, based on the audited consolidated financial statements of the Company for the financial year ended 31 March 2023, the Exit Offer Price represents 20.0 times and 0.9 times of the earnings per Share and the net asset value per Share, respectively.

3.3 No Encumbrances

As stated in paragraph 3.2 of the Exit Offer Letter, the Offer Shares are to be acquired (i) fully paid; (ii) free from all claims, charges, equities, mortgages, liens, pledges, encumbrances, rights of pre-emption and other third-party rights and interests of any nature whatsoever ("**Encumbrances**"); and (iii) together with all rights, benefits, entitlements and advantages attached thereto as at the Joint Announcement Date, and thereafter attaching thereto, including but not limited to the right to receive and retain all dividends, rights, other distributions and/or return of capital (if any) declared, paid or made by the Company in respect of the Offer Shares (collectively, the "**Distributions**") on or after the Joint Announcement Date.

3.4 Adjustment for Distributions

The Exit Offer Price has been determined on the basis that the Offer Shares will be acquired with the right to receive any Distribution that may be declared, paid or made by the Company on or after the Joint Announcement Date.

Accordingly, in the event any Distribution is or has been declared, paid or made by the Company in respect of the Offer Shares on or after the Joint Announcement Date, the Exit Offer Price payable to a Shareholder who validly accepts or has validly accepted the Exit Offer (the "**Accepting Shareholder**") shall be reduced by an amount which is equal to the amount of such Distribution, depending on when the settlement date in respect of the Offer Shares tendered in acceptance of the Exit Offer by such Accepting Shareholder falls, as follows:

(a) if such settlement date falls on or before the record date for the determination of entitlements to the Distribution (the "**Record Date**"), the Exit Offer Price shall remain unadjusted for each Offer Share, as the Offeror will receive the Distribution in respect of such Offer Share from the Company; or

(b) if such settlement date falls after the Record Date, the Exit Offer Price for each Offer Share shall be reduced by an amount which is equal to the amount of the Distribution in respect of each Offer Share, as the Offeror will not receive the Distribution in respect of such Offer Share from the Company.

3.5 Unconditional Offer

The Exit Offer will not be subject to any conditions and will be unconditional in all respects.

3.6 Warranty

Acceptance of the Exit Offer (if and when made) by a holder of Offer Shares will be deemed to constitute an unconditional and irrevocable warranty by such Shareholder that each Offer Share in respect of which the Exit Offer (if and when made) is accepted is sold by him as, or on behalf of, the beneficial owner(s) thereof, fully paid and free from all Encumbrances, and together with all rights, benefits, entitlements and advantages attached thereto as at the Joint Announcement Date and thereafter attaching thereto, including but not limited to the right to receive and retain all Distributions in respect of the Offer Shares on or after the Joint Announcement Date.

3.7 No Options Proposal

Based on the latest information available to the Offeror, there are no outstanding options to subscribe for new Shares granted under any employee share scheme of the Company ("**Options**") as at the Latest Practicable Date. Accordingly, the Offeror will not make an offer to acquire any Options.

3.8 Irrevocable Undertakings

The information on Irrevocable Undertakings as set out below in italics has been extracted from paragraph 3.7 of the Exit Offer Letter. Unless otherwise defined, all terms and expressions used in the extract below shall have the same meanings as those defined in the Exit Offer Letter.

*"**3.7 Irrevocable Undertakings.** The Offeror has obtained irrevocable undertakings ("**Irrevocable Undertakings**") from each of the Undertaking Shareholders.*

*In the event the Offeror Shareholders' Approval **is obtained** at the Offeror EGM for the IPT Resolution, pursuant to the Irrevocable Undertakings provided by the Interested Persons, subject to the terms and conditions therein, the Interested Persons have each undertaken, inter alia, to:*

(a) accept, or procure that their nominees (as applicable) accept, the Exit Offer, in respect of all the Offer Shares owned or controlled, directly or indirectly, or agreed to be acquired by each of them, prior to the close of the Exit Offer;

(b) elect, or procure that their nominees elect (as applicable) to, receive the cash consideration six (6) months after the close of the Exit Offer pursuant to a non-interest-bearing promissory note from the Offeror in respect of such number of Offer Shares tendered for acceptance of the Exit Offer; and

(c) waive their rights to receive any settlement or payment in connection with their acceptance of the Exit Offer within the time period prescribed under Rule 30 of the Code (i.e. seven (7) Business Days after the receipt of valid acceptances).

*If the Offeror Shareholders' Approval **is not obtained** at the Offeror EGM for the IPT Resolution, pursuant to the Irrevocable Undertakings, the Interested Persons have each undertaken to **reject** or procure the rejection (through non-acceptance) of the Exit Offer in respect of all the Offer Shares owned or controlled, directly or indirectly, or agreed to be acquired by each of them, prior to the close of the Exit Offer.*

*In respect of Ngien Cheong's Irrevocable Undertaking, he has undertaken, inter alia, to (i) accept, or procure the acceptance of, the Exit Offer, in respect of all the Offer Shares owned or controlled, directly or indirectly, or agreed to be acquired by him, prior to the close of the Exit Offer, (ii) elect, or procure the election to, receive the cash consideration six (6) months after the close of the Exit Offer pursuant to a non-interest-bearing promissory note from the Offeror in respect of such number of Offer Shares tendered for acceptance of the Exit Offer and (iii) waive his rights to receive any settlement or payment in connection with his acceptance of the Exit Offer within the time period prescribed under Rule 30 of the Code (together with the amount waived by the Interested Persons in accordance with paragraph 3.7(c) above, the "**Waived Amount**").*

Ngien Cheong's Irrevocable Undertaking shall terminate, lapse and cease to have any further force and effect (save for certain surviving provisions) upon the earlier of the following:

(a) the Exit Offer being withdrawn for any reason other than a breach of any of his obligations under his Irrevocable Undertaking; and

(b) the date of receipt of the payment of the cash consideration pursuant to the terms of his Irrevocable Undertaking.

The Irrevocable Undertakings for the Interested Persons shall terminate, lapse and cease to have any further force and effect (save for certain surviving provisions) upon the earlier of the following:

(a) the Exit Offer being withdrawn for any reason other than a breach of any Undertaking Shareholder's obligation under the Irrevocable Undertakings;

(b) in the event the Offeror Shareholders' Approval is not obtained at the Offeror EGM for the IPT Resolution, the close of the Exit Offer; and

(c) in the event the Offeror's Shareholders' Approval is obtained at the Offeror EGM for the IPT Resolution, the date of receipt of the payment of the cash consideration pursuant to the terms of the Irrevocable Undertakings.

Save for the Irrevocable Undertakings, as at the Latest Practicable Date, neither the Offeror nor any Undertaking Shareholder has received any undertaking from any other party to accept or reject the Exit Offer.

Further, the Offeror is required to pay to the relevant Undertaking Shareholder pursuant to the terms of the promissory note, the cash consideration payable to such Undertaking Shareholder pursuant to the acceptance of the Exit Offer at the end of the six (6) month period from the close of the Exit Offer. The promissory note is interest-free, and the cash consideration for the Exit Offer will be paid, in full by the issuer of the promissory note (i.e. the Offeror) to the holders of the promissory note (i.e. each Undertaking Shareholder) at the end of the six (6) month period from the close of the Exit Offer."

3.9 Further Details of the Exit Offer

Further details of the Exit Offer are set out in Appendix 1 to the Exit Offer Letter, including details on (i) the duration of the Exit Offer; (ii) the settlement of the consideration for the Exit Offer; (iii) the requirements relating to the announcement(s) of the level of acceptances of the Exit Offer; and (iv) the right of withdrawal of acceptances of the Exit Offer.

4 INFORMATION ON THE COMPANY

The information on the Company as set out below in italics has been extracted from paragraph 9 of the Exit Offer Letter. Unless otherwise defined, all terms and expressions used in the extract below shall have the same meanings as those defined in the Exit Offer Letter.

"9. INFORMATION ON THE COMPANY

9.1 Introduction. *The Company is a company incorporated in Singapore on 29 May 1996 and listed on the Mainboard of the SGX-ST on 30 April 2015. The Company is a leading provider of innovative eco-sustainable real estate solutions with a regional presence and two (2) core business segments: (i) E&C, comprising turnkey engineering, full-fledged integrated digital delivery, and project and construction management encompassing design-and-build; and (ii) real estate, comprising real estate development, asset and leasing management, and fund management.*

9.2 Share Capital. *As at the Latest Practicable Date, the Company has an issued and paid-up share capital of S$9,505,000 [2] (excluding treasury shares) comprising 313,260,631 Shares.*

9.3 Company Directors. *As at the Latest Practicable Date, the Company Directors are:*

(a) Mr. John Lim Kok Min (Chairman & Independent Non-Executive Director);

(b) Yu Wei (Executive Deputy Chairman);

[2] Rounded to the nearest thousand.

(c) Mr. Chu Kok Hong @ Choo Kok Hong (Managing Director);

(d) Mr. Tam Chee Chong (Independent Non-Executive Director);

(e) Mr. Chong Lit Cheong (Independent Non-Executive Director); and

(f) Professor Yong Kwet Yew (Independent Non-Executive Director).

***Appendix 4** to this Exit Offer Letter sets out additional information on the Company. Information on the Company is also available from its website at www.bousteadprojects.com."*

5 INFORMATION ON THE OFFEROR

The information on the Offeror as set out below in italics have been extracted from paragraph 8 of the Exit Offer Letter. Unless otherwise defined, all terms and expressions used in the extract below shall have the same meanings as those defined in the Exit Offer Letter.

"8. INFORMATION ON THE OFFEROR

***8.1 Introduction.** The Offeror is a company incorporated in Singapore on 18 June 1975 and listed on the Mainboard of SGX-ST on 17 October 1975. The Offeror is a progressive global infrastructure-related engineering and technology group with four (4) core business segments: (i) Energy Engineering; (ii) Real Estate; (iii) Geospatial; and (iv) Healthcare. FF Wong, Chairman & Group Chief Executive Officer ("**CEO**") is a controlling shareholder of the Offeror and is deemed interested in approximately 43.10% of the total number of BSL Shares (as defined below).*

***8.2 Share Capital.** As at the Latest Practicable Date, the Offeror has an issued and paid-up share capital of S$56,973,000[3] (excluding treasury shares) comprising 477,473,329 ordinary shares (the "**BSL Shares**").*

***8.3 Shareholding in the Company.** As at the Latest Practicable Date, the Offeror directly holds 236,526,412 Shares representing approximately 75.50% of the total number of the Shares. FF Wong has an aggregate deemed interest in 94.79% of the Shares (including Shares held by the Offeror), of which he is deemed interested in 19.28% of the Shares held through nominees.*

*In addition, FF Wong and his son, Mr. Wong Yu Loon ("**Yu Loon**"), in their capacities as directors of the Offeror, have abstained from all decisions and deliberations in connection with the making of the Exit Offer (including the Previous Offer), including the terms thereof.*

***8.4 Offeror Directors.** As at the Latest Practicable Date, the Offeror Directors are:*

(a) FF Wong (Chairman & Group Chief Executive Officer);

(b) Yu Loon (Executive Director & Deputy Group Chief Executive Officer);

(c) Mr. Mak Lye Mun (Lead Independent Director);

(d) Dr. Tan Khee Giap (Independent Non-Executive Director); and

(e) Mr. Liak Teng Lit (Independent Non-Executive Director).

***Appendix 3** to this Exit Offer Letter sets out additional information on the Offeror. Information on the Offeror is also available from its website at www.boustead.sg."*

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[3] Rounded to the nearest thousand.

6 RATIONALE FOR THE DIRECTED DELISTING AND EXIT OFFER AND THE OFFEROR'S INTENTIONS IN RELATION TO THE COMPANY

6.1 Rationale for the Directed Delisting and Exit Offer

The information on the rationale of the Exit Offer as set out below in italics have been extracted from paragraph 4 of the Exit Offer Letter. Unless otherwise defined, all terms and expressions used in the extract below shall have the same meanings as those defined in the Exit Offer Letter.

*"**4. RATIONALE FOR THE DIRECTED DELISTING AND EXIT OFFER***

The Offeror believes that the Exit Offer will be beneficial to all stakeholders of both the Company and the Offeror for the following reasons:

***4.1 Opportunity for Company Shareholders to Fully Realise their Investment in View of the Directed Delisting and at a Premium Without Incurring Brokerage Costs.** The Exit Offer provides an opportunity for holders of the Offer Shares who wish to realise their investment in view of the Directed Delisting to do so without incurring brokerage fees and at a premium to the last traded price per Share of S$0.955 as quoted on the SGX-ST on 27 March 2023 (the "**Last Trading Day**") prior to the suspension of trading of the Shares on 28 March 2023 and at a premium to the final offer price of the Previous Offer of S$0.95. The Exit Offer Price represents a premium of approximately:*

(a) 23.6% over the last traded price per Share as quoted on the SGX-ST on the Last Trading Day;

*(b) 24.1% over the volume weighted average price ("**VWAP**") of the Shares for the 1-month period prior to and including the Last Trading Day;*

(c) 25.7% over the VWAP of the Shares for the 3-month period prior to and including the Last Trading Day;

(d) 26.6% over the VWAP of the Shares for the 6-month period prior to and including the Last Trading Day; and

(e) 26.9% over the VWAP of the Shares for the 12-month period prior to and including the Last Trading Day.

***4.2 Illiquid Investment.** As the Shares in the Company have been suspended from the Official List of the SGX-ST since 28 March 2023, there has been no trading of Shares in the Company since the aforesaid date. The holders of the Offer Shares can quickly and totally exit their investment in the Company without incurring brokerage fees, in an Exit Offer that is unconditional in all respects. Following the Directed Delisting of the Company from the Official List of the SGX-ST pursuant to the directions of SGX RegCo, any remaining Company Shareholders who have not accepted the Exit Offer in respect of all their Offer Shares may encounter difficulties exiting their investment in the Company as the Shares in the Company shall cease to be listed on the Official List of the SGX-ST.*

***4.3 Simplification and Optimisation of the Group's Organisational Structure.** The proposed acquisition by the Offeror of all the Offer Shares in the Company by way of the Exit Offer and the Directed Delisting of the Company from the Official List of the SGX-ST (the "**Proposed Transaction**") is in line with the Offeror's overarching intentions and its ongoing strategic reviews and objective to streamline its investments, businesses, operations and the corporate structure of the Offeror's group of companies (including the Offeror and the Company) (the "**Group**").*

The Proposed Transaction will allow the Offeror to simplify the Group's structure and reduce organisational complexity, providing the Offeror with greater control and flexibility to mobilise and optimise its resources across its businesses. The simplified

Group structure will allow for a sharper focus in operations and increase competitiveness, enhancing shareholder value.

4.4 ***Compliance Costs relating to Listing Status.*** *The Offeror is of the view that in maintaining the Company's listing status, the Company incurs additional compliance and associated costs. If the Company is delisted, the Company will be able to (i) dispense with costs associated with complying with listing and other regulatory requirements; (ii) streamline human resources required for such compliance; and (iii) reallocate resources to other value-added activities.*

4.5 ***No New Capital Raised since Listing.*** *The Company has not needed to raise any new equity on the SGX-ST since it was listed on 30 April 2015. It is expected that any new capital requirements of the Company can be met either by the Company's internal financial resources and/or the Offeror's access to financial resources including the Offeror's ability to raise new equity on the SGX-ST.*

4.6 ***Strengthening the Group and the Offeror's Resilience.*** *Given the Company's pro forma accretive earnings per Share and net tangible asset per Share, and the Company's significant contribution to the Offeror's financial position (the Company continues to be the Group's largest division by revenue and asset base), a potential 100.0% re-merger following the Directed Delisting of the Company strengthens the Group and Offeror, and the Group's balance sheet. The Company's underlying recurring income platforms provide greater income stability to balance other divisions within the Group. The Company's green building solutions (such as Super Low Energy, Zero Energy and Positive Energy Buildings) and strategic alliances in that sector are advanced and able to bridge the Group's approach to building an Industry 4.0 approach and addressing climate action, complementing tailwinds for the Geospatial Division and counterbalancing long-term headwinds faced by the Energy Engineering Division. Greater cross-division collaboration is expected, particularly with regards to the applications of various division technology initiatives that can address both short-term and long-term business challenges and also result in climate action. The Company also benefits from the Group's strength and resilience, and borrows strongly from the trusted brand equity and balance sheet reputation of the Group."*

6.2 The Offeror's intentions in relation to the Company

The information on the Offeror's intentions for the Company as set out below in italics has been extracted from paragraph 5 of the Exit Offer Letter. Unless otherwise defined, all terms and expressions used in the extract below shall have the same meanings as those defined in the Exit Offer Letter.

"5. THE OFFEROR'S INTENTIONS IN RELATION TO THE COMPANY

The Company is a principal subsidiary of the Offeror. The Offeror intends for the Company to continue to develop and grow the existing businesses of the Company and its subsidiaries. The Offeror and the Company will continue to review, from time to time, the operations of the Company and its subsidiaries as well as the Company's strategic options. The Offeror retains the flexibility at any time to further consider any options or opportunities in relation to the Company which may present themselves and which the Offeror may regard to be in the interests of the Offeror and/or the Company.

Save as disclosed above, the Offeror has no current intentions to (i) introduce any major changes to the existing business of the Company, (ii) re-deploy the fixed assets of the Company, or (iii) discontinue the employment of the existing employees of the Company or its subsidiaries, in each case, other than in the ordinary and usual course of business.

As set out in paragraph 1.5 above, subject to compliance with Rule 1309 of the Listing Manual, the Company will be delisted from the Official List of the SGX-ST, ***regardless of the final level acceptance of the Exit Offer****. Accordingly, the Offeror believes that this Exit Offer is a viable exit alternative for Company Shareholders who do not wish to* *remain as a shareholder of a non-listed public company. Notwithstanding the aforesaid, Company Shareholders are advised to consider the advice and opinion of the Company IFA (defined below) which will be set out in the Company's Letter to Shareholders which will be appended to the Exit Offer Letter. Company Shareholders should note that neither the Offeror nor the Company is legally obligated to acquire the Offer Shares following the close of the Exit Offer save in respect of the obligations under Section 215(3) of the Companies Act 1967 of Singapore (the "**Companies Act**") which enables Company Shareholders who have not accepted the Exit Offer to require the Offeror to acquire their Shares at the Exit Offer Price when the requisite thresholds as set out under Section 215 of the Companies Act are met."*

7 ASSESSMENT OF THE FINANCIAL TERMS OF THE EXIT OFFER

In assessing the fairness and reasonableness of the financial terms of the Exit Offer, we have considered the following factors which we consider to be pertinent and to have a significant bearing on our assessment of the Exit Offer:

(a) Historical market price performance and trading activity of the Shares;

(b) Historical financial performance and financial position of the Group;

(c) Analysis of the Group's net asset value ("**NAV**") per Share and revalued NAV ("**RNAV**") per Share;

(d) Historical trailing price-to-NAV ("**P/NAV**") and price-to-earnings ("**P/E**") ratios of the Shares;

(e) Valuation ratios of selected companies listed on the SGX-ST that are broadly comparable to the Company;

(f) Comparison with cash exit offers made by companies pursuant to directed delisting by the SGX-ST;

(g) Selected precedent privatisation transactions on SGX-ST;

(h) Precedent comparable transactions involving public listed companies that are broadly comparable to the Company;

(i) Estimated valuation of the Shares;

(j) Analyst's estimate and price target for the Company;

(k) Distribution track record of the Company; and

(l) Comparison against the Previous VGO made for the Shares.

The following is a brief description of the widely used valuation measures considered in our evaluation:

Valuation ratios	General descriptions
EV/EBITDA	"**EV**" or "**enterprise value**" is the sum of the company's market capitalisation, preferred equity, minority interests, short and long-term debt less its cash and equivalents. "**EBITDA**" stands for historical earnings before interest, tax, depreciation and amortisation expenses, including of shares of associates' and joint ventures' income and excluding exceptional items. The "**EV/EBITDA**" ratio illustrates the market value of the company's business relative to its historical pre-tax operating cash flow performance, without regard to the company's capital structure. The EV/EBITDA is an earnings-based valuation methodology.

Valuation ratios	General descriptions
P/E	"**P/E**" or "**price-to-earnings**" illustrates the market price of a company's shares relative to its earnings per share. The P/E ratio is affected by, *inter alia*, the capital structure of a company, its tax position as well as its accounting policies relating to depreciation and intangible assets.
P/NAV	"**P/NAV**" or "price-to-NAV" illustrates the comparison between a company's stock price or market value versus the book value of the company's total shareholders' common equity as indicated on its balance sheet. Comparisons of companies using their book NAVs are affected by differences in their respective accounting policies, in particular their depreciation and asset valuation policies. The P/NAV approach is meaningful as it shows the extent to which the value of each share is backed by both tangible and intangible assets and would be relevant in the event that the company or group decides to realise or convert the use of all or most of its assets. P/NAV shows the extent to which the value of each share is backed by assets and represents an asset-based relative valuation methodology.
P/RNAV	"**P/RNAV**" or "**price-to-RNAV**" illustrates the extent that the value of each share is backed by assets, taking into account their market or realisable values which have been revalued. RNAV is typically used to revalue property-related assets that are held by property investors and developers, which may be carried in the accounts at either historical cost or on a revalued basis, depending on the relevant accounting standards adopted.
P/NTA	"**P/NTA**" or "**price-to-NTA**" refers to the ratio of a company's share price divided by net tangible assets ("**NTA**") per share. The ratio represents an asset-based relative valuation which takes into consideration the book value or NTA backing of a company. The NTA of a company provides an estimate of its value assuming a hypothetical sale of all its tangible assets and repayment of its liabilities and obligations, with the balance being available for distribution to its shareholders. It is an asset-based valuation methodology and this approach is meaningful to the extent that it measures the value of each share that is attached to the net tangible assets of the company.

We have also considered other relevant considerations which have a significant bearing on our assessment as set out in paragraph 8 of this letter.

The figures, underlying financial and market data used in our analysis, including securities prices, trading volumes, free float data and foreign exchange rates have been extracted from S&P Capital IQ, Bloomberg L.P., Monetary Authority of Singapore, SGXNet and other public filings as at the Latest Practicable Date or as provided by the Company where relevant. PPCF makes no representation or warranties, express or implied, as to the accuracy or completeness of such information.

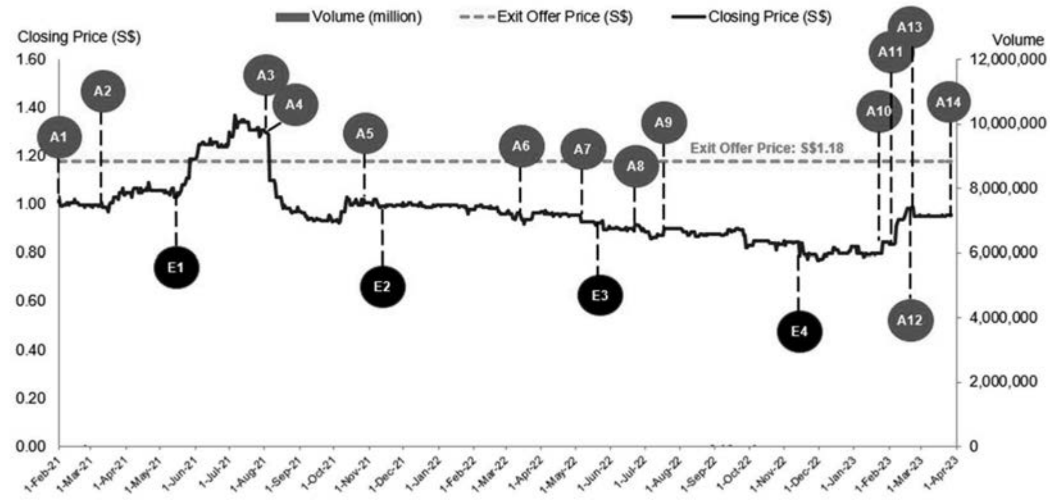
7.1 Historical market price performance and trading activity of the Shares

The last transacted date of the Shares prior to the Previous VGO Announcement Date was on 1 February 2023 ("**Previous VGO Last Full Traded Day**"). The trading of the Shares was suspended on the Suspension Date.

For the purpose of our analysis, we have compared the Exit Offer Price against the historical market price performance of the Shares and considered the historical trading volume of the Shares from 1 February 2021 to the Suspension Date, being the lookback period prior to the suspension of trading (the "**Lookback Period**").

We set out below the daily closing price and daily trading volume of the Shares for the Lookback Period. We have also marked certain dates in the chart where significant events have occurred.

Daily closing price and daily trading volume of the Shares for the Lookback Period up to the Suspension Date



Sources: Bloomberg L.P. and the Company's announcements on the SGXNet

Earnings announcements:

E1. **25 May 2021.** The Group announced its full year financial results for the financial year ended 31 March ("**FY**") 2021. The Group's revenue decreased by approximately 29.3% from approximately S$426.2 million in FY2020 to approximately S$301.4 million in FY2021. However, net profit after tax increased by approximately 495.0% from approximately S$22.1 million in FY2020 to approximately S$131.6 million in FY2021.

E2. **11 November 2021.** The Group announced its financial results for the 6-month ended 30 September 2021 ("**1H2022**"). Revenue increased by approximately 104.2% from approximately S$87.7 million in 1H2021 to approximately S$179.1 million in 1H2022. The Group recorded a profit after tax of approximately S$5.9 million in 1H2022 as compared to a loss after tax of approximately S$2.3 million in 1H2021.

E3. **25 May 2022.** The Group announced its full year financial results for FY2022. The Group's revenue increased by approximately 12.5% from approximately S$301.4 million in FY2021 to approximately S$339.1 million in FY2022. However, its net profit after tax decreased by approximately 91.4% from approximately S$131.6 million in FY2021 to approximately S$11.3 million in FY2022.

E4. **10 November 2022.** The Group announced its financial results for the 6-month ended 30 September 2022 ("**1H2023**"). The Group's revenue decreased by approximately 34.3% from approximately S$179.1 million in 1H2022 to approximately S$117.7 million in 1H2023. However, its net profit after tax increased by approximately 29.9% from approximately S$5.9 million in 1H2022 to approximately S$7.7 million in 1H2023.

Other significant events or announcements:

A1. **1 February 2021**. The Company announced that its wholly-owned subsidiary, BP-Vietnam Development Pte Ltd ("**BP-VD**") had, on 29 January 2021 entered into a sale and purchase agreement with Mr Bui Duc Manh to acquire 8,575,000 issued ordinary shares in KTG Industrial Bac Ninh Development Joint Stock Company (the "**Target**"), representing 49.0% of the issued and paid-up share capital of the Target. The Target is the sole owner and developer of two (2) land lots located within the Yen Phong Industrial Zone in Bac Ninh, Vietnam.

A2. **4 March 2021.** The Company announced the completion of the Proposed Initial Subscription[4] and Proposed Divestment[5] in connection with the establishment of Boustead Industrial Fund, a private business trust sponsored by the Company ("**Boustead Industrial Fund**" or "**BIF**"). Boustead Industrial Fund is a private business trust with an investment mandate to invest in, administer and manage certain investments in logistics, business parks and industrial properties.

A3. **4 August 2021.** The Company announced that its wholly-owned subsidiary, Boustead Projects E&C Pte Ltd ("**BP E&C**"), has received a summon to appear at the State Courts of Singapore on 27 August 2021 to answer to 79 charges under the Air Navigation Act 1966 and subsidiary legislation promulgated thereunder Chapter 6 of Singapore ("**ANA**").

A4. **5 August 2021.** The ex-date for the final dividend of S$0.009 per share and a special dividend of S$0.145 per Share declared for FY2021.

A5. **3 November 2021.** The Company announced that its E&C subsidiaries in Singapore, Malaysia and Vietnam have been awarded a pipeline of contracts and variations collectively valued at about S$75 million since the start of FY2022. This raised the Group's order backlog to approximately S$426 million.

A6. **29 March 2022.** The Company announced that BP E&C pleaded guilty to 10 charges at a hearing held at the State Courts of Singapore on 28 March 2022. These charges related to the use of unmanned drones by BP E&C at two (2) of its construction sites. For the 10 charges, BP E&C was imposed with fines of a total amount of S$94,000, with the 69 remaining charges mentioned in the Company's announcement dated 4 August 2021, taken into consideration for the purposes of sentencing.

A7. **5 May 2022.** The Company announced that its wholly-owned subsidiary BP-VD has entered into a strategic collaboration arrangement with Khai Toan Joint Stock Company ("**KTG**") to acquire, develop and own a portfolio of logistics and industrial properties in Vietnam ("**Strategic Collaboration**"). Pursuant to the Strategic Collaboration, BP-VD will own the properties in Vietnam via acquiring and holding 60.0% of the issued and paid-up share capital in KTG & Boustead Joint Stock Company ("**KBJSC**"), which will be transferred from KTG at a consideration of approximately US$28.2 million. KBJSC is the 100% parent company of KTG & Boustead Industrial Logistics Joint Stock Company ("**KBIL**"), which owns the initial portfolio of six (6) logistics and industrial properties through special purpose vehicles ("**KBIL SPVs**") where the properties held by the KBIL SPVs have a total market value of approximately US$84.2 million.

A8. **24 June 2022.** The 50% owned joint venture company, Bideford House Pte Ltd ("**Purchaser**"), of the Company's wholly-owned subsidiary, BP-Real Estate Investment Pte Ltd, has completed the acquisition of a property situation at 28 & 30 Bideford Road, Singapore 229922 for a consideration of approximately S$515 million. The consideration will be funded by the Purchaser via external bank financing as well as shareholders' loans.

A9. **18 July 2022.** The Company announced that BP E&C has been awarded a record contract valued at approximately S$300 million by a Fortune 500 corporation to design and build an integrated manufacturing, logistics and office facility in Singapore. This has boosted the Group's order backlog to approximately S$523 million.

A10. **30 January 2023.** The Company announced that Boustead Industrial Fund has entered into a put and call option agreement to acquire a property at 26 Tai Seng Street, Singapore 534057 ("**Tai Seng Property**"), at a purchase price of approximately S$98.8 million, which was negotiated on a willing-buyer and willing-seller basis.

A11. **6 February 2023.** The Offeror announced the Previous VGO with the Initial VGO Offer Price of S$0.90 in cash for each Share.

A12. **22 February 2023.** A trading halt was announced by the Company and the Offeror announced the revision of the Initial VGO Offer Price to S$0.95, being the Final VGO Offer Price, in cash for each Share.

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[4] The initial subscription of (i) new units in the Boustead Industrial Fund for the Company to hold a 25.0% effective interest in units in the Boustead Industrial Fund; and (ii) up to S$59.0 million in aggregate principal amount of 7.0% Notes due 2031 issued by Perpetual (Asia) Limited (in its capacity as trustee of Boustead Industrial Fund), representing 25.0% of the aggregate principal amount of Notes issued.

[5] The sale of (i) 11 properties directly held by the Company and/or together with joint venture partners; and (ii) the Company's interests in three (3) special purpose vehicles to Boustead Industrial Fund.

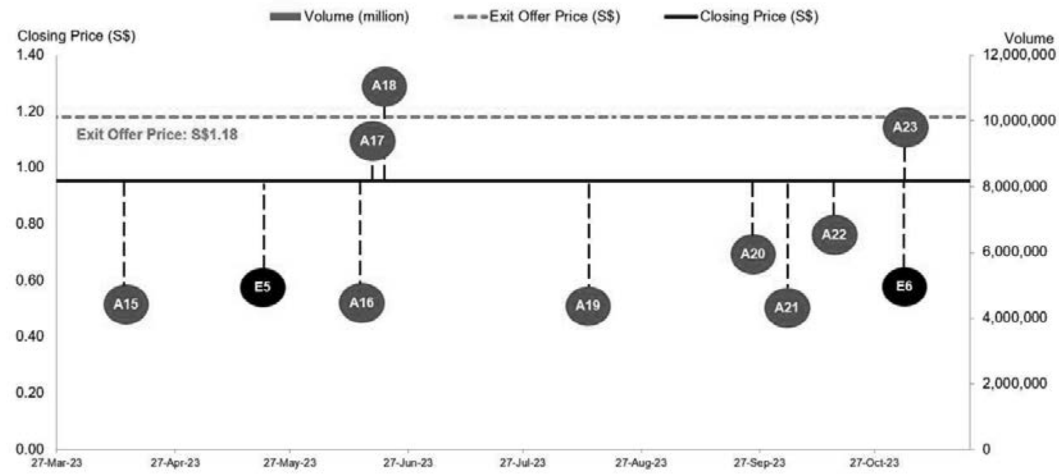
A13. **23 February 2023.** Following the announcement of the Final VGO Offer Price and lifting of the trading halt, the Offeror acquired 18,251,500 Shares, representing 5.83% of the Shares at a price of S$0.95 per Share, on 23 February 2023.

A14. **27 March 2023.** The Offeror announced that the Previous VGO has closed and is no longer open for acceptance. The total number of (i) Shares owned, controlled or agreed to be acquired by the Offeror and parties acting in concert with it, and (ii) valid acceptances of the Previous VGO, amount to an aggregate of 299,158,020 Shares, representing approximately 95.50% of the total number of Shares. The Company no longer meets the free float requirement prescribed by Rule 723 of the Listing Manual and the Company has requested for SGX-ST to suspend the trading of the Shares with effect from 9.00 am on 28 March 2023, being the market day after the close of the Previous VGO.

Based on the chart above, we note that in the Lookback Period, the Shares had generally traded below the Exit Offer Price, except for the period between June 2021 until July 2021. The Share price eventually converged to the Final VGO Offer Price in February 2023. The Exit Offer Price represents a premium of 41.32% to the last transacted Share price of S$0.835 on the Previous VGO Last Full Traded Day, and a premium of 23.6% to the last transacted Share price of S$0.955 on the close of the Previous VGO (prior to the Suspension Date).

We have also set out below the daily closing price and daily trading volume of the Shares for the period from Suspension Date to the Joint Announcement Date and up to the Latest Practicable Date (the "**Subsequent Periods**").

Daily closing price and daily trading volume of the Shares for the Subsequent Periods



Sources: Bloomberg L.P. and the Company's announcements on the SGXNet

Earnings announcements:

E5. **25 May 2023.** The Group announced its full year financial results for FY2023. The Group's revenue decreased by approximately 16.3% from approximately S$339.1 million in FY2022 to S$284.0 million in FY2023. However, its net profit after tax increased by approximately 63.1% from approximately S$11.3 million in FY2022 to S$18.5 million in FY2023.

E6. **14 November 2023.** The Group announced its financial results for the 6-month ended 30 September 2023 ("**1H2024**"). The Group's revenue increased by approximately 44.6% from approximately S$117.7 million in 1H2023 to approximately S$170.2 million in 1H2024. However, its net profit after tax decreased by approximately 8.7% from approximately S$7.7 million in 1H2023 to approximately S$7.0 million in 1H2024.

Significant events or announcements:

A15. **11 April 2023.** The Company announced the completion of the acquisition of the Tai Seng Property by Boustead Industrial Fund.

A16. **23 June 2023.** The Company announced that they 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 meters (in gross floor area) logistics and manufacturing facility at 36 Tuas Road, Singapore 638505 ("**36 Tuas Road**") with two accredited investors.

A17. **26 June 2023.** The Company announced that SGX RegCo advised that, pursuant to Rule 724(2) of the Listing Manual, SGX RegCo has no objection to granting the Company a further three (3)-month period till 26 September 2023, for the Company to continue to explore options that will enable the Company to comply with listing rule requirements.

A18. **27 June 2023.** The Company announced that its subsidiary, BP E&C was served with a notice of arbitration by the liquidator of Technics Steel Pte. Ltd. (in liquidation).

A19. **3 August 2023.** The ex-date for the final dividend of S$0.007 per Share and a special dividend of S$0.007 per Share declared for FY2023.

A20. **26 September 2023.** The Company announced the receipt of the Delisting Notification from the SGX RegCo directing the Company to be delisted pursuant to Rule 724(2) of the Listing Manual if its free float is not restored to at least 10% on or before 26 September 2023 and, pursuant to Rule 1306 of the Listing Manual, the Offeror and/or the Company to make an exit offer to the Shareholders in compliance with Rule 1309 of the Listing Manual.

A21. **3 October 2023**. The Company announced that they have sought from SGX RegCo an extension of time until the release of the announcement of the unaudited financial results for the 6-month period ended 30 September 2023 ("**1H2024**") to provide SGX RegCo with an exit offer proposal ("**Extension**"). SGX RegCo has no objection to the Company's application for the Extension, subject to the Company providing a progress update on its compliance with the Delisting Notification within two weeks from the date of granting the Extension.

A22. **17 October 2023**. The Company announced that (i) they are in discussions with the Offeror regarding the exit offer proposal; and (ii) in line with the Offeror's intent as set out in the Offeror's announcement on the same day that the Company intends to take the necessary actions to implement the transactions contemplated by the SGX RegCo's directives as set out in the Delisting Notification.

A23. **14 November 2023.** The Company and the Offeror issued the Joint Announcement, jointly announced that the Offeror has presented the Delisting Proposal to the Directors to make an exit offer of S$1.18 for each Offer Share, to the Shareholders, pursuant to Rules 1306 and 1309 of the Listing Manual, in connection with the Directed Delisting from the Official List of the SGX-ST in accordance with Rule 724(2) of the Listing Manual and the Delisting Notification.

We have set out below the premium over or discount as implied by the Exit Offer Price to the historical VWAP and historical trading volume of the Shares during the Lookback Period (from 1 February 2021 (being the beginning of the Lookback Period) up to the last transacted date on 27 March 2023, being the close of the Previous VGO (prior to the Suspension Date).

Premium/(discount) implied by the Exit Offer Price to VWAP (1)							
	VWAP(1) (S$)	**Premium / (discount) of Exit Offer Price over VWAP (%)**	**Highest closing price (S$)**	**Lowest closing price (S$)**	**No. of traded days(2)**	**Average daily trading volume ("ADTV")(3)**	**ADTV as a percentage of free float(3) (%)**
2-year period prior to the Previous VGO Announcement Date(4)							
2-year VWAP	1.104	6.88	1.370	0.770	503	136,966	0.16(5)
1-year VWAP	0.889	32.73	1.000	0.770	250	40,024	0.05(5)
6-month VWAP	0.809	45.86	0.900	0.770	127	26,647	0.03(5)
3-month VWAP	0.786	50.13	0.850	0.770	63	39,202	0.05(5)
1-month VWAP	0.781	51.09	0.845	0.785	21	10,414	0.01(5)
Previous VGO Last Full Traded Day	0.835	41.32	0.835	0.790	-	1,700	0.00(5)

Premium/(discount) implied by the Exit Offer Price to VWAP [(1)]							
	VWAP[(1)] (S$)	Premium / (discount) of Exit Offer Price over VWAP (%)	Highest closing price (S$)	Lowest closing price (S$)	No. of traded days[(2)]	Average daily trading volume ("ADTV")[(3)]	ADTV as a percentage of free float[(3)] (%)
From the Previous VGO Announcement Date up to the close of the Previous VGO							
From Previous VGO Announcement Date up to the Final VGO Offer Price Revision Date	0.925	27.57	0.990	0.910	12	1,539,508	1.79[(5)]
After the Final VGO Offer Price Revision Date up to the close of the Previous VGO	0.950	24.21	0.955	0.950	23	1,202,388	1.40[(5)]
Last transacted date prior to the Suspension Date	0.953	23.82	0.955	0.955	-	146,200	1.06[(6)]

Source: Bloomberg L.P and PPCF calculations

Notes:

(1) VWAP is calculated based on the aggregate daily turnover value of the Shares and aggregate daily traded volume of the Shares for the relevant trading days for each relevant period as obtained from Bloomberg L.P. and Capital IQ, excluding off-market transactions.

(2) Traded days refer to the number of days on which the Shares were traded on the SGX-ST during that relevant period.

(3) The ADTV of the Shares is calculated based on the total volume of Shares traded during the relevant periods, divided by the number of market days (excluding days with full day trading halts on the Shares) during that relevant period.

(4) As the trading of the Shares has been suspended since 28 March 2023, the discount/premium of the Exit Offer Price to the respective VWAPs during the Lookback Period are computed based on the respective periods prior to the Previous VGO Last Full Traded Day, being the last undisturbed trading day that excludes the influence of the Previous VGO announcement.

(5) Free float during the Lookback Period refers to approximately 85,833,404 Shares based on the free float of approximately 27.4% of the issued Shares, held by the public (as defined under the Listing Manual of the SGX-ST) as disclosed in the Company's annual report for FY2022.

(6) Free float at the close of Previous VGO refers to approximately 13,769,611 Shares based on the free float of approximately 4.4% of the issued Shares, held by the public (as defined under the Listing Manual of the SGX-ST) as disclosed in the Company's annual report for FY2023.

We note that the last transacted date of the Shares prior to the Suspension Date was on 27 March 2023 (being the close of the Previous VGO), and the last transacted price was S$0.955. There has been no movement in the share price since as the Shares were suspended for more than six (6) months since the Suspension Date pursuant to Rule 1303(1) of the Listing Manual. Accordingly, it is not meaningful to compute the VWAP during the Subsequent Periods for comparison with the Exit Offer Price.

Based on the above, we note the following in relation to the trading prices of the Shares:

(a) The Exit Offer Price is within the range of the daily closing price of the Shares over the Lookback Period, which is between a low of S$0.770 per Share and a high of S$1.370 per Share;

(b) The Exit Offer Price represents premia of 6.88%, 32.73%, 45.86%, 50.13% and 51.09% over the VWAP of the Shares for the 2-year, 1-year, 6-month, 3-month and 1-month periods, prior to and including the Previous VGO Last Full Traded Day;

(c) Following the Previous VGO Announcement Date and up to the Final VGO Offer Price Revision Date, we note that the Shares were traded between S$0.910 and S$0.990. Between the period after the Previous VGO Announcement Date up to and including 14 February 2023, the Shares had traded above the Initial VGO Offer Price of S$0.900 between S$0.910 to S$0.945. From 15 February 2023 up to the Final VGO Offer Price Revision Date, the Shares traded between a range of between S$0.955 and S$0.990 per Share, which were below the Exit Offer Price of S$1.18;

(d) Following the Final VGO Offer Price Revision Date up to the close of the Previous VGO, we noted that the Shares traded mostly between S$0.950 to S$0.955. This was mainly attributable to market acquisitions by the Offeror and the Offeror's concert parties during the aforesaid period; and

(e) The Exit Offer Price represents a premium of 23.56% to the last transacted price of the Shares of S$0.955 prior to the Suspension Date.

We note the following regarding the trading liquidity of the Shares:

(a) During the 2-year period prior to the Previous VGO Announcement Date, the ADTV of the Shares for the 2-year, 1-year, 6-month, 3-month and 1-month periods prior to and including the Previous VGO Last Full Traded Day, was low, representing 0.16%, 0.05%, 0.03%, 0.05% and 0.01% of the free float of the Shares respectively;

(b) Subsequent to the Previous VGO Announcement Date and up to and including the Final VGO Offer Price Revision Date, the trading liquidity of the Shares rose significantly to an ADTV of approximately 1.5 million, representing approximately 1.79% of the Company's free float;

(c) Subsequent to the Final VGO Offer Price Revision Date and up to the close of the Previous VGO, the trading liquidity of the Shares rose to an ADTV of approximately 1.2 million, representing approximately 1.40% of the Company's free float. This was mainly attributable to market acquisitions by the Offeror and the Offeror's concert parties during the aforesaid period; and

(d) Since the Suspension Date, the trading of Shares has been suspended pursuant to Rule 1303(1) of the Listing Manual.

Shareholders should note that the trading of Shares has been suspended since the Suspension Date pursuant to Rule 1303(1) of the Listing Manual following the close of the Previous VGO. Shareholders are advised that the historical trading performance of the Shares should not, in any way, be relied upon as an indication or a promise of its future trading performance.

We wish to highlight that the market valuation of shares traded on a stock exchange may be affected by, *inter alia*, its relative liquidity, the size of its free float, the extent of research coverage, the investor interest it attracts, the prevailing economic conditions, economic outlook and the general market sentiment at a given point in time.

7.2 Historical financial performance and financial position of the Group

7.2.1 Financial performance of the Group

For the purpose of evaluating the financial terms of the Exit Offer, we have considered the Group's audited consolidated financial statements for FY2021, FY2022, and FY2023 and the unaudited consolidated financial statements for 1H2023 and 1H2024. A summary of the statements of comprehensive income of the Group for FY2021, FY2022, 1H2023, FY2023 and 1H2024 is set out in the table below. The following summary of the statements of comprehensive income should be read in conjunction with the full text of the audited financial statements set out in the Group's annual reports and the unaudited financial results announcements of the Group in respect of the relevant financial years or periods including the notes thereto.

The Group's businesses comprise the following:

(a) Provision of turnkey engineering and construction services ("**E&C**");

(b) Developing, owning, managing, leasing and sale of properties, and real estate fund management ("**Real Estate**"); and

(c) Management of financial assets and other investments ("**HQ Activities**").

Selected items from statements of comprehensive income					
(S$'000)	**FY2021 (Audited)**	**FY2022 (Audited)**	**FY2023 (Audited)**	**1H2023 (Unaudited)**	**1H2024 (Unaudited)**
Revenue	**301,405**	**339,089**	**283,976**	**117,729**	**170,227**
Profit before income tax ("PBT")	**140,564**	**13,841**	**26,472**	**10,595**	**10,569**
PBT margin	*46.6%*	*4.1%*	*9.3%*	*9.0%*	*6.2%*
Profit after tax ("PAT")	**131,642**	**11,331**	**18,477**	**7,664**	**6,997**
PAT margin	*43.7%*	*3.3%*	*6.5%*	*6.5%*	*4.1%*
Profit attributable to equity holders of the Company	**131,688**	**11,336**	**18,350**	**7,666**	**6,997**
Profit margin (excluding non-controlling interests)	*43.7%*	*3.3%*	*6.5%*	*6.5%*	*4.1%*

Revenue and profit/(loss) before tax of the Group by business segments					
(S$'000)	**FY2021 (Audited)**	**FY2022 (Audited)**	**FY2023 (Audited)**	**1H2023 (Unaudited)**	**1H2024 (Unaudited)**
Revenue					
E&C	**264,713**	**324,509**	**269,846**	**109,102**	**165,198**
Percentage of revenue	*87.8%*	*95.7%*	*95.0%*	*92.7%*	*97.0%*
Real Estate	**36,692**	**14,580**	**14,130**	**8,627**	**5,029**
Percentage of revenue	*12.2%*	*4.3%*	*5.0%*	*7.3%*	*3.0%*
HQ Activities	**-**	**-**	**-**	**-**	**-**
Percentage of revenue	-	-	-	-	-
Total revenue	**301,405**	**339,089**	**283,976**	**117,729**	**170,227**
Profit/(loss) before income tax					
E&C	**4,008**	**(6,512)**	**10,273**	**2,498**	**11,657**
Percentage of profit/(loss)	*2.9%*	*(47.0)%*	*38.8%*	*23.6%*	*110.3%*
Real Estate	**137,083**	**17,924**	**13,805**	**6,639**	**(2,670)**
Percentage of profit/(loss)	*97.5%*	*129.5%*	*52.1%*	*62.7%*	*(25.3%)*

HQ Activities	**(527)**	**2,429**	**2,394**	**1,458**	**1,582**
Percentage of profit/(loss)	*(0.4)%*	*17.5%*	*9.0%*	*13.7%*	*15.0%*
Total PBT	**140,564**	**13,841**	**26,472**	**10,595**	**10,569**

Revenue of the Group by geographical segments					
(S$'000)	**FY2021 (Audited)**	**FY2022 (Audited)**	**FY2023 (Audited)**	**1H2023 (Unaudited)**	**1H2024 (Unaudited)**
Singapore	**226,691**	**263,900**	**239,004**	**99,381**	**139,383**
Percentage of revenue	*75.2%*	*77.8%*	*84.2%*	*84.4%*	*81.9%*
Malaysia	**67,501**	**64,013**	**36,243**	**12,888**	**30,285**
Percentage of revenue	*22.4%*	*18.9%*	*12.8%*	*10.9%*	*17.8%*
Socialist Republic of Vietnam	**3,734**	**4,556**	**5,299**	**3,747**	**-**
Percentage of revenue	*1.2%*	*1.3%*	*1.9%*	*3.2%*	*-*
Other countries	**3,479**	**6,620**	**3,430**	**1,713**	**559**
Percentage of revenue	*1.2%*	*2.0%*	*1.2%*	*1.5%*	*0.3%*
Total revenue	**301,405**	**339,089**	**283,976**	**117,729**	**170,227**

Sources: The Company's annual reports for FY2021, FY2022, FY2023 and the Company's unaudited financial results announcement for 1H2024.

Notes:

(1) Any discrepancies in the tables above between the total sum of amounts listed and the totals thereof are due to rounding. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

1H2024 as compared to 1H2023

For 1H2024, overall revenue was 44.6% higher year-on-year at S$170.2 million, mainly attributable to higher revenue contributions from the E&C Business, in line with a higher order backlog of E&C projects carried forward at the end of FY2023. However, this was partially offset by lower revenue contributions from the Real Estate Business due to lower rental income following the sale of its wholly-owned subsidiary, Boustead Projects Land (Vietnam) Co. Ltd ("**BPLV**") (holding Boustead Industrial Park) to KBJSC, the joint venture in Vietnam, during 2H2023.

The Group's gross profit for 1H2024 was 84.6% higher year-on-year at S$20.7 million, mainly attributable to higher revenue from the E&C Business, variations from ongoing projects as well as cost savings achieved.

The Group's PBT for 1H2024 is similar to 1H2023 at S$10.6 million. There was higher gross profit from the E&C Business and interest income and lower finance expenses, offset by a share of loss of associates and joint ventures and other losses, and higher overhead expenses.

FY2023 as compared to FY2022

For FY2023, overall revenue was 16.3% lower year-on-year at S$284.0 million, mainly attributable to lower revenue recognition from projects under the Group's E&C in 1H2023 arising from a lower order backlog carried forward from FY2022, and lower contribution from the Real Estate business.

The Group's gross profit for FY2023 was 87.0% higher year-on-year at S$25.9 million, mainly due to improved cost management partially offset by the retention in rental revenue.

The Group's PBT for FY2023 was 91.3% higher year-on-year at S$26.5 million, mainly due to (i) increase in other gains due to the gain of approximately S$8.3 million from the gain on disposal of BPLV to the joint venture, KBJSC; (ii) increase in Gross Profit mainly due to improved cost management; and (iii) absence of loss on disposal of property, plant and equipment of approximately S$3.0 million that did not recur in FY2023.

Review of the Group's business segments

We noted above that the Group's earnings were subject to significant fluctuations from year-to-year. We have summarised the key factors leading to the fluctuation in the Group's earnings especially during the periods from FY2021 up to 1H2024 based on the business segments of the Group:

E&C business

(a) From FY2021 to 1H2024, the E&C business had contributed an average of 93.9% of revenue to the Company. The revenue of E&C business has been negatively affected mainly by COVID-19 in FY2021, FY2022 and FY2023. In FY2022, revenue has increased approximately S$59.8 million or 22.6% to S$324.5 million, which is still approximately 17.2% lower than the revenue in FY2020 of S$391.9 million. In FY2023, revenue has decreased approximately S$54.7 million or 16.8% to S$269.8 million as compared to FY2022. The E&C business is expected to rebound in FY2024 as the Group recorded revenue of S$165.2 million in 1H2024 which is approximately S$56.1 million or 51.4% higher as compared to 1H2023; and

(b) The impact of COVID-19 had also led to lower margins, due to an order backlog of E&C projects that had resulted in executing projects with margins secured previously that did not take into account escalated costs arising from inflation, labour shortage and supply chain disruptions. The PBT margins for FY2021 was significantly lower at approximately 1.5% compared to FY2020. In FY2022, the E&C business incurred a loss resulting in a loss before tax margin of approximately 2.0% mainly due to reduced revenue from the leaner order backlog of E&C projects and less favourable margins secured prior to COVID-19. In FY2023, the PBT margins recovered slightly to approximately 3.8%. In 1H2024, the E&C business has recorded a PBT of approximately S$11.7 million which was higher than 1H2023 by approximately S$9.2 million and recorded a PBT margin of approximately 7.1%.

Real Estate business

(a) The PBT attributable to Real Estate business has been fluctuating significantly in the recent years with PBT recorded of approximately S$137.1 million, S$17.9 million and S$13.8 million, representing approximately 97.5%, 129.5% and 52.1% of the Group's PBT for FY2021, FY2022 and FY2023 respectively. In 1H2024, the Real Estate business incurred a loss before tax of approximately S$2.7 million mainly due to lower rental income following the sale of BPLV (holding Boustead Industrial Park) to KBJSC, a joint venture in Vietnam, during 2H2023; and

(b) The key event in FY2021 was the launch of the Boustead Industrial Fund to invest in, administer and manage certain investments in logistics, business parks and industrial properties. In that year, the Real Estate business PBT increased significantly by approximately 1636.3% or S$129.2 million from approximately S$7.9 million in FY2020 to approximately S$137.1 million in FY2021 mainly due to one-off gain arising from BIF's value-unlocking transaction ("**BIF Value-Unlocking Gain**").

Order book backlog

Based on the announcements released by the Company, we note the following order book backlog that comprises unrecognised project revenue remaining at the end of the financial year plus the total value of new orders secured since the previous financial year. The table set out the order book backlog announced by the Company as at the end of FY2021, FY2022, 1H2023, FY2023 and 1H2024:

Financial Year	Announcement Date	Order Book Backlog (S$' million)	Details of Announcement
FY2021	25 May 2021	351	The Company announced that S$178 million of new contracts were secured during FY2021, bringing the Group's order backlog to S$351 million.
FY2022	25 May 2022	235	The Group announced that the current order backlog stood at S$235 million.
1H2023	10 November 2022	452	The Group had secured S$320 million in new contracts since the start of FY2023, including the aforementioned S$300 million, taking the order backlog to S$452 million.
FY2023	25 May 2023	402	The Group announced that S$401 million of new contracts were secured in FY2023, dominated by a record S$300 million design-and-build contract for an integrated manufacturing, logistics and office facility in Singapore.
1H2024	14 November 2023	281	The Group announced that the order backlog stands at a relatively healthy level of S$281 million which includes a variation order for the record design-and-build contract for an integrated manufacturing, logistics and office facility in Singapore.

Sources: The Company's unaudited financial results announcements for FY2021, FY2022, 1H2023, FY2023 and 1H2024

We understand from the Management that the new orders secured are typically recognised as revenue over the next 18 months to 24 months. Based on the Company's public announcement as at 14 November 2023, the total outstanding value of construction works yet to be reported as revenue remains at approximately S$281 million.

7.2.2 Financial position of the Group

The unaudited statement of financial position of the Group as at 30 September 2023 is set out in the table below. The following statement of financial position of the Group should be read in conjunction with the full text of the unaudited financial results announcement of the Group for 1H2024.

(S$'000)	As at 30 September 2023 (Unaudited)
Non-current assets	
Trade receivables	31,644
Other receivable and prepayments	85,369
Investment securities	26,601
Property, plant and equipment	805
Rights-of-use assets	1,573
Finance lease receivables	20,239
Investment properties	70,597
Intangible assets	95

(S$'000)	As at 30 September 2023 (Unaudited)
Investments in associates	5,551
Investments in joint ventures	205,178
Deferred income tax assets	10,550
	458,202
Current assets	
Cash and cash equivalents	254,818
Trade receivables	74,668
Other receivables and prepayments	22,463
Finance lease receivables	484
Contract assets	9,140
	361,573
Total assets	**819,775**
Non-current liabilities	
Trade and other payables	62,110
Lease liabilities	32,225
Borrowings	39,780
Deferred income tax liabilities	2,086
	136,201
Current liabilities	
Trade and other payables	130,406
Lease liabilities	1,051
Income tax liabilities	19,312
Contract liabilities	130,005
Borrowings	629
	281,403
Total liabilities	**417,604**
Net assets	**402,171**
Equity	
Capital and reserves attributable to equity holders of the Company	
Share capital	15,000
Treasury shares	(5,495)
Retained profits	390,073
Other reserves	2,593
Total equity	**402,171**

Source: The Company's unaudited financial results announcement for 1H2024.

Segment Assets Breakdown				
(S$'000)	As at 31 March 2021 (Audited)	As at 31 March 2022 (Audited)	As at 31 March 2023 (Audited)	As at 30 September 2023 (Unaudited)
Segment assets				
E&C				
Segment assets	**146,964**	**184,057**	**272,640**	**290,538**
Investment in associates	**4,671**	**5,659**	**5,883**	**5,551**
Total segment assets	**151,635**	**189,716**	**278,523**	**296,089**
Percentage of total assets	*20.9%*	*28.2%*	*35.3%*	*36.1%*
Real Estate				
Segment assets	**148,924**	**200,364**	**171,794**	**164,235**
Investment in associates	**-**	**-**	**352**	**-**
Investment in joint ventures	**70,123**	**54,886**	**199,331**	**205,178**
Loan to an associate	**13,791**	**12,658**	**11,664**	**11,288**
Notes issued by an associate	**59,000**	**72,750**	**85,250**	**85,250**
Total segment assets	**291,838**	**340,638**	**468,391**	**465,951**
Percentage of total assets	*40.3%*	*50.6%*	*59.4%*	*56.8%*
HQ Activities				
Segment assets	**241,809**	**274,612**	**353,743**	**366,736**
Investment securities	**31,421**	**93,938**	**28,144**	**26,601**
Total segment assets	**273,230**	**368,550**	**381,887**	**393,337**
Percentage of total assets	*37.7%*	*54.8%*	*48.4%*	*48.0%*
Deferred income tax assets (Group)	**8,190**	**9,618**	**11,960**	**10,550**
Inter-segment Elimination	**-**	**(235,858)**	**(351,659)**	**(346,152)**
Total assets of main business segments	**724,893**	**672,664**	**789,102**	**819,775**

Sources: The Company's annual reports for FY2021, FY2022, FY2023 and the Company's financial results announcement for 1H2024.

Non-current assets (excluding financial assets and deferred income tax assets) by geographical locations				
(S$'000)	As at 31 March 2021 (Audited)	As at 31 March 2022 (Audited)	As at 31 March 2023 (Audited)	As at 30 September 2023 (Unaudited)
Singapore	**129,316**	**105,300**	**202,415**	**222,147**
Percentage of non-current assets	*76.7%*	*69.9%*	*78.7%*	*78.3%*
Malaysia	**150**	**64**	**404**	**52**
Percentage of non-current assets	*0.09%*	*0.04%*	*0.16%*	*0.02%*
Socialist Republic of Vietnam	**36,508**	**42,491**	**52,079**	**59,342**
Percentage of non-current assets	*21.6%*	*28.2%*	*20.2%*	*20.9%*
Other countries	**2,717**	**2,744**	**2,426**	**2,340**
Percentage of non-current assets	*1.6%*	*1.8%*	*0.9%*	*0.8%*
Total non-current assets of the Group	**168,691**	**150,599**	**257,324**	**283,881**

Sources: The Company's annual reports for FY2021, FY2022, FY2023 and the Company's financial results announcement for 1H2024.

Assets

As at 30 September 2023, the Group has total assets of S$819.8 million comprising non-current assets of S$458.2 million and current assets of S$361.6 million, representing 55.9% and 44.1% of total assets respectively.

The non-current assets of the Group comprised mainly (i) investments in joint ventures of S$205.2 million, representing 25.0% of total assets, which are joint ventures of the Group are established to hold properties for rental income mainly in Singapore and Vietnam, and also to provide real estate consultancy and management services; (ii) other receivables and prepayments of S$85.4 million, representing 10.4% of total assets, which mainly relates to the notes issued by Boustead Industrial Fund; (iii) investment properties of S$70.6 million, representing 8.6% of total assets, comprising the investment properties owned directly by the Group for rental generation purpose in Singapore and People's Republic of China, which includes buildings and other costs and right-of-use assets; (iv) investment securities of S$26.6 million, representing 3.2% of total assets, relating to equity interest in a company that holds a mixed-used property project located in Tongzhou District, Beijing, The People's Republic of China ("**PRC**"); (v) trade receivables of S$31.6 million, representing 3.9% of total assets which relates to retention sum receivables from non-related parties; (vi) finance lease receivables of S$20.2 million, representing 2.5% of total assets, relating to the Group's sub-lease of its right-of-use of a leasehold land. Further details of the properties held by the Group and the independent valuation that was commissioned on the Appraised Properties is found in paragraph 7.3.2 of this letter.

The current assets of the Group comprised mainly (i) cash and cash equivalents of S$254.8 million, representing 31.1% of total assets; (ii) trade receivables of S$74.7 million, representing 9.1% of total assets; (iii) other receivables and prepayments of S$22.5 million, representing 2.7% of total assets; (iv) contract assets of S$9.1 million, representing 1.1% of total assets; and (v) finance lease receivables of S$0.5 million, representing 0.1% of total assets.

Liabilities

As at 30 September 2023, the Group has total liabilities of S$417.6 million comprising non-current liabilities of S$136.2 million and current liabilities of S$281.4 million, representing 32.6% and 67.4% of total liabilities respectively.

The liabilities of the Group comprised mainly trade and other payables of S$192.5 million, lease liabilities of S$33.3 million and contract liabilities of S$130.0 million, representing 46.1%, 8.0% and 31.1% of total liabilities respectively.

As at 30 September 2023, the Group's financial position remained healthy, with cash and cash equivalents of S$254.8 million and total equity of S$402.2 million.

7.2.3 Cash flows of the Group

A summary of the consolidated statements of cash flows of the Group for FY2021, FY2022, FY2023 and 1H2024 is set out in the table below. The following summary consolidated statements of cash flows should be read in conjunction with the full text of the results announcements and annual reports of the Group in respect of the relevant financial years or periods including the notes thereto.

Summary Consolidated Statements of Cash Flows (S$'000)	**FY2021 (Audited)**	**FY2022 (Audited)**	**FY2023 (Audited)**	**1H2024 (Unaudited)**
Net cash provided by operating activities	36,696	9,444	17,247	65,028
Net cash provided by/(used in) investing activities	256,718	(51,566)	(44,331)	(20,160)
Net cash (used in)/provided by financing activities	(123,921)	(42,189)	(6,003)	33,330
Net increase/(decrease) in cash and cash equivalents	**169,493**	**(84,311)**	**(33,087)**	**78,198**

Sources: The Company's annual reports for FY2021, FY2022 and FY2023 and Company's financial results announcement for 1H2024.

1H2024

Net cash provided by operating activities for 1H2024 amounted to S$65.0 million, which was supported by an operating cash flow before changes in working capital of S$12.2 million, a positive change in working capital of S$51.2 million and interest received of S$2.8 million. The net cash inflow is partially offset by income tax paid and interest paid of S$1.1 million and S$16,000 respectively.

Net cash used in investing activities for 1H2024 amounted to S$20.2 million, mainly due to the investments in a joint venture and redevelopment of 36 Tuas Road, partially offset by proceeds from disposal of a subsidiary, dividends and interest received from BIF and other associates and joint ventures, and repayment of a loan from a joint venture.

Net cash from financing activities for 1H2024 amounted to S$33.3 million, mainly due to the drawdown of the Group's borrowings to finance the redevelopment of 36 Tuas Road. The net cash from financing activities is partially offset by (i) the dividends paid to equity holders of the Company, (ii) principal and interest payments of lease liabilities, and (iii) the repayment of the Group's borrowings.

FY2023

During FY2023, the Group recorded net cash provided by operating activities of S$17.2 million which was supported by operating cash flow before changes in working capital of S$14.7 million, changes in working capital of S$7.7 million and net interest received of S$2.4 million, while being partially offset by an income tax paid of S$7.6 million.

Net cash used in investing activities for FY2023 amounted to S$44.3 million, mainly due to the acquisition of 28 & 30 Bideford Road, subscription of notes issued by BIF, investments in associates and loan to a joint venture, partially offset by dividends and interest on notes received from BIF, other associates and joint venture.

Net cash used in financing activities for FY2023 amounted to S$6.0 million, mainly due to dividends paid to equity holders of the Company, and principal and interest payments of lease liabilities.

As a result of the above cash movements, the Group's net cash and cash equivalents decreased by S$33.1 million.

7.2.4 Material Post Balance Sheet Events after 30 September 2023

Since the end of 1H2024 as at 30 September 2023 and up to the Latest Practicable Date, there are no material post balance sheet events that would require adjustments to be made to the Group's NAV.

7.3 Analysis of the Group's NAV per Share and RNAV per Share

The Group's net assets extracted from its unaudited consolidated statement of financial position as at 30 September 2023 are set out below:

	Unaudited As at 30 September 2023 (S$'000)	**Contribution to Total Assets**
Current assets		
Cash and cash equivalents	254,818	31.1%
Trade receivables	74,668	9.1%
Other receivables and prepayments	22,463	2.7%
Finance lease receivables	484	0.1%
Contract assets	9,140	1.1%
Total current assets	**361,573**	**44.1%**

Non-current assets		
Trade receivables	31,644	3.9%
Other receivables and prepayments	85,369	10.4%
Investment securities	26,601	3.2%
Property, plant and equipment	805	0.1%
Right of use assets	1,573	0.2%
Finance lease receivables	20,239	2.5%
Investment properties	70,597	8.6%
Intangible assets	95	0.0%
Investment in associates	5,551	0.7%
Investment in joint ventures	205,178	25.0%
Deferred income tax asset	10,550	1.3%
Total non-current assets	**458,202**	**55.9%**
Total assets	**819,775**	
Total liabilities	**417,604**	
Net assets	**402,171**	

The net asset backing of the Group is measured by its NAV, NTA or RNAV. We noted that the Group's intangible assets pertain to club membership of approximately S$0.1 million, which is not considered to be material against the Group's total assets. Accordingly, we have only considered using RNAV and NAV per Share in our analysis, as the Company's NAV and NTA should not be materially different.

Shareholders should note that the analysis based on the NAV/RNAV of the Group only provides an estimate of the value of the Group based on a hypothetical scenario involving the sale of all its assets in an orderly manner over a reasonable period of time and does not take into account or consideration other variables such as the hypothetical sale of assets in a non-orderly manner or over a short period of time, time value of money, market conditions, legal and professional fees, liquidation costs, contractual obligations, regulatory requirements and availability of potential buyers, all of which could theoretically lower the NAV or NTA that can be realised. While the asset base of the Group can be a basis for valuation, such a valuation does not necessarily imply a realisable market value as the market value of the assets and liabilities may also vary depending on prevailing market and economic conditions.

Given the asset-intensive nature of the Group's business model and activities, we have focused on the asset-based valuation approach (as opposed to other valuation approaches) for the purpose of evaluating the financial terms of the Exit Offer.

7.3.1 NAV per Share

	As at 30 September 2023 (Unaudited)
NAV attributable to owners of the parent (S$'000)	**402,171**
Number of issued Shares as at the Latest Practicable Date	313,260,631
NAV per Share (S$)	**1.28**
Exit Offer Price (S$)	**1.18**
P/NAV ratio as implied by the Exit Offer Price	**0.92 times**
Discount of Exit Offer Price over the NAV per Share	**8.1%**

Based on the total number of 313,260,631 issued Shares as at the Latest Practicable Date and the NAV of approximately S$402.2 million, the NAV per Share is approximately S$1.28. The Exit Offer Price represents a discount of approximately S$0.10 or 8.1% to the latest reported NAV per Share of the Group as at 30 September 2023 and values the Group at a P/NAV ratio of approximately 0.92 times.

7.3.2 RNAV per Share

In our evaluation of the financial terms of the Exit Offer, we have considered the carrying values of the assets of the Group as at 30 September 2023 to assess if any material assets should be revalued or adjusted for the purpose of our assessment of the Exit Offer Price as compared to the NAV of the Group or whether there are any factors which have not been otherwise disclosed in the financial statements of the Group that may have a material impact on the NAV of the Group as at 30 September 2023.

In view of the significant properties and properties related investments held by the Group, which represented more than 30.0% of its total assets as at 30 September 2023, the Company had commissioned the Valuers to carry out an independent valuation of the Appraised Properties in October and November 2023. The purpose of the independent valuation is to determine the revaluation surplus or deficit arising from the independent valuation of the Appraised Properties, as compared to the carrying values of the Appraised Properties as at 30 September 2023. We have also enquired Management on the potential tax liability (if any) which would arise if the Appraised Properties were to be sold at the revalued amounts in a hypothetical scenario and accounted for this in our assessment of the net revaluation surplus or deficit, which would impact the RNAV of the Group. In the computation of the revaluation surplus as set out in this section, we have relied and included on the appropriate adjustments based on Management's inputs and our discussions with the Management.

Based on the Valuation Reports, the independent valuations have been prepared on the basis of "Market Value", defined as the estimated amount for which an asset or liability should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction, after proper marketing, where the parties had each acted knowledgeably, prudently and without compulsion. In arriving at their opinion of the market value of the Appraised Properties, the Valuers had adopted the generally accepted valuation approaches to value the Appraised Properties, which has been described in the respective Valuation Reports. Copies of the Valuation Reports of the Appraised Properties are attached in Annex F to the Company's Letter to Shareholders, on which we have placed sole reliance of such valuations.

We recommend the Recommending Directors to advise Shareholders to read the Valuation Reports carefully, in particular, the terms of reference, key assumptions and critical factors.

(a) Revaluation Surplus of the Investment Properties

The aggregate net book value of the investment properties is approximately S$70.6 million as at 30 September 2023, representing approximately 8.6% of the carrying amount of the total assets of the Group as at 30 September 2023.

Based on the book value of the investment properties as at 30 September 2023 and their market value or fair value (as the case may be) based on the respective Valuation Reports, we have computed the revaluation surplus of the investment properties as set out below:

Address	Valuer/Valuation Methodology	Adjusted Book Value or Carrying Value as at 30 September 2023 (S$'000)(1)	Market Value / Fair Value based on the Valuation Reports (S$'000)	Total Revaluation Surplus (S$'000)(2)
31 Tuas South Ave 10	Teho Property Consultants Pte. Ltd. ("**Teho**") / Discounted cash flow analysis, capitalisation of Income approach and market comparison method	7,000	20,200	13,200
36 Tuas Road	Teho / Market comparison method and residual method	27,387	35,800	8,413

No. 3, No. 7 and No. 8 Xin Mei Road Plot 117, Wuxi New District Wuxi Jiangsu	江苏铭诚土地房地产评估测绘工程咨询有限公司 / Cost approach and income approach(3)	1,804	4,502(4)	2,698
Total revaluation surplus				24,312
Less: Potential tax liabilities(5)				(4,349)
Net revaluation surplus				**19,963**

Sources: Valuation Reports and Management

Notes:

(1) For properties that are required to pay annual land rent, the right-of-use assets relating to leasehold lands have been excluded from the carrying amount or book value of the respective properties as at 30 September 2023.

(2) The revaluation surplus is the difference between the market value of each property and the respective book values as at 30 September 2023.

(3) The valuer has considered the direct comparison method for comparative properties, discounted cash flow method and capitalisation approach in deriving the valuation. We have assumed the average of (i) cost approach and (ii) income approach as set out in the valuation report to derive the market value to derive the revaluation surplus of these properties.

(4) Converted based on the valuation of RMB24,020,050 using the foreign exchange rate as extracted from S&P Capital IQ S$1.00:RMB5.3349 on 20 October 2023, being the valuation date.

(5) Potential tax liabilities are estimated based on the corporate tax rates of the jurisdictions where the respective property is located, and applied to the revaluation surplus which is deemed to be hypothetical profits attributable to the Group assuming the sale of the properties in the same financial period, subject to compliance with the relevant tax rules and regulations.

In assessing the revaluation surplus of the investment properties, we have considered whether there are any potential tax liabilities on the revaluation surplus which may affect the NAV of the Group, assuming the investment properties are to be sold at the valuation amount in a hypothetical scenario. The potential tax liabilities arising from the above revaluation surplus amounts to approximately S$4.3 million.

(b) Revaluation Surplus of the Properties owned by Joint Venture Companies and Associates

The Group has engaged independent valuers to carry out an assessment of the valuation of the properties owned by joint venture companies and associates on 20 October 2023 and 8 November 2023 respectively.

Based on the book or carrying values of the properties owned by joint ventures and associates as at 30 September 2023 and their market value or fair value (as the case may be) based on the respective Valuation Reports, we have computed the revaluation surplus of the properties as set out below:

Address	Valuer/Valuation Methodology	Adjusted Book Value / Carrying Value as at 30 September 2023(1) (S$'000)	Market Value / Fair Value based on the Valuation Reports (S$'000)	Total Revaluation Surplus(2) (S$'000)	Revaluation Surplus Attributable to the Company (S$'000)
Portfolio of properties under Boustead Industrial Fund (3)	Jones Lang LaSalle Property Consultants Pte Ltd ("**JLL**") / Discounted cash flow analysis and income capitalisation method	620,842	699,900	79,058	19,764
29 Media Circle Alice @ Mediapolis(4)	JLL / Discounted cash flow analysis and income capitalisation method	152,525	209,000	56,475	28,802
11 Seletar Aerospace Link(5)	JLL / Discounted cash flow analysis and income capitalisation method	6,663	12,000	5,337	2,015

84 Boon Keng Road(6)	JLL / Discounted cash flow analysis and income capitalisation method	14,386	30,000	15,614	9,720
98 Tuas Bay Drive(7)	JLL / Discounted cash flow analysis and income capitalisation method	11,706	17,400	5,694	2,904
8 & 12 Seletar Aerospace Heights(8)	JLL / Discounted cash flow analysis	55,199	75,000	19,801	10,098
1 One-north Crescent(9)	JLL / Discounted cash flow analysis and income capitalisation method	75,285	111,000	35,715	10,036
6 Tampines Industrial Avenue 5(10)	JLL / Discounted cash flow analysis and income capitalisation method	71,321	100,000	28,679	14,626
10 Tukang Innovation Drive(11)	JLL / Discounted cash flow analysis and income capitalisation method	31,143	58,000	26,857	16,987
28 & 30 Bideford Road(12)	Knight Frank Pte Ltd / Capitalisation method	565,164	575,000	9,836	4,918
Tam Phuoc B Industrial Park(13)	VAS Valuation Co., Ltd ("**VAS**") / Capitalisation approach and discounted cash flow analysis approach	6,908	7,873(14)	965	579
Nhon Trach Textile Industrial Park(13)	VAS / Capitalisation approach and discounted cash flow analysis	17,204	20,303(15)	3,098	1,859
Nhon Trach Textile 3A Industrial Park(13)	VAS / Capitalisation approach and discounted cash flow analysis	11,106	11,602(16)	496	298
Nhon Trach Textile 3B Industrial Park(13)	VAS / Direct comparison approach and residual approach	10,338	10,775(17)	437	262
Yen Phuong 1 Industrial Park(13)	VAS / Capitalisation approach and discounted cash flow analysis	9,843	14,364(18)	4,521	2,713
Yen Phuong 2 Industrial Park(13)	VAS / Capitalisation approach and discounted cash flow analysis	22,911	30,798(19)	7,887	4,732
Yen Phuong 2C Industrial Park(13)	VAS / Capitalisation method, discounted cash flow analysis and direct comparison approach	56,141	64,363(20)	8,222	4,933
Road No. 3, Nhon Trach II Industrial Park – Nhon Phu, Phu Hoi Commune, Nhon Trach District, Dong Nai Province(13)	VAS / Capitalisation approach, residual approach and discounted cash flow analysis	27,385	61,182(21)	33,797	20,278
Total revaluation surplus					155,523
Less: Potential tax liabilities(22)					(27,509)
Net revaluation surplus					**128,015**

Sources: Valuation Reports and Management

Notes:

(1) For properties that are required to pay annual land rent, the right-of-use assets relating to leasehold lands have been excluded from the carrying amount or book value of the respective properties as at 30 September 2023.

(2) The revaluation surplus is the difference between the market value of each property and the respective carrying value as at 30 September 2023.

(3) The Group has an effective interest of 25.0% in Boustead Industrial Fund which holds a portfolio of properties. Accordingly, the revaluation surplus has been presented based on the amount attributable to the owners of the Group.

(4) The Group has an effective interest of 51.0% in BP-Dojo LLP which holds the property. Accordingly, the revaluation surplus has been presented based on the amount attributable to the Group.

(5) The Group has a total effective interest of 37.75% in this property through (i) 25.5% direct interest in BP-SF Turbo LLP which holds the property; and (ii) 12.25% indirect interest held via Boustead Industrial Fund. Accordingly, the revaluation surplus has been presented based on the amount attributable to the Group.

(6) The Group has a total effective interest of 62.25% in this property through (i) 50.0% direct interest in BP-CA3 LLP which holds the property; and (ii) 12.25% indirect interest held via Boustead Industrial Fund. Accordingly, the revaluation surplus has been presented based on the amount attributable to the Group.

(7) The Group has an effective interest of 51.0% in BP-AMC LLP which holds the property. Accordingly, the revaluation surplus has been presented based on the amount attributable to the Group.

(8) The Group has an effective interest of 51.0% in BP-BBD2 Pte. Ltd. which holds the property. Accordingly, the revaluation surplus has been presented based on the amount attributable to the Group.

(9) The Group has a total effective interest of 28.1% in this property through (i) 25.75% direct interest in Snakepit-BP LLP which holds the property; and (ii) 2.35% indirect interest held via Snakepit-BP 1 Pte. Ltd. Accordingly, the revaluation surplus has been presented based on the amount attributable to the Group.

(10) The Group has an effective interest of 51.0% in BP-TPM LLP which holds the property. Accordingly, the revaluation surplus has been presented based on the amount attributable to the Group.

(11) The Group has a total effective interest of 63.25% in this property through (i) 51.0% direct interest in BP-TN Pte. Ltd. which holds the property; and (ii) 12.25% indirect interest held via Boustead Industrial Fund. Accordingly, the revaluation surplus has been presented based on the amount attributable to the Group.

(12) The Group has an effective interest of 50.0% in Bideford House Pte. Ltd. which holds the property. Accordingly, the revaluation surplus has been presented based on the amount attributable to the owners of the Group. The computation of the revaluation surplus takes into account the post-balance sheet event adjustment in relation to the Bideford Capital Contribution (as defined and explained earlier in paragraph 7.3.2 of this letter).

(13) The Group has a total effective interest of 60.0% in these Vietnamese properties as the Company has a 60.0% interest in KBJSC that has a 100% of KBIL, which in turn holds the special purpose vehicles that owns the respective Vietnamese property. Accordingly, the revaluation surplus has been presented based on the amount attributable to the owners of the Group.

(14) Converted based on the valuation of VND140,800,000,000 as set out in the valuation report using the foreign exchange rate as extracted from S&P Capital IQ S$1.00:VND17,884.49 on 20 October 2023, being the valuation date.

(15) Converted based on the valuation of VND363,100,000,000 as set out in the valuation report using the foreign exchange rate as extracted from S&P Capital IQ S$1.00:VND17,884.49 on 20 October 2023, being the valuation date.

(16) Converted based on the valuation of VND207,500,000,000 as set out in the valuation report using the foreign exchange rate as extracted from S&P Capital IQ S$1.00:VND17,884.49 on 20 October 2023, being the valuation date.

(17) Converted based on the valuation of VND192,700,000,000 as set out in the valuation report using the foreign exchange rate as extracted from S&P Capital IQ S$1.00:VND17,884.49 on 20 October 2023, being the valuation date.

(18) Converted based on the valuation of VND256,900,000,000 as set out in the valuation report using the foreign exchange rate as extracted from S&P Capital IQ S$1.00:VND17,884.49 on 20 October 2023, being the valuation date.

(19) Converted based on the valuation of VND550,800,000,000 as set out in the valuation report using the foreign exchange rate as extracted from S&P Capital IQ S$1.00:VND17,884.49 on 20 October 2023, being the valuation date.

(20) Converted based on the valuation of VND1,151,100,000,000 as set out in the valuation report using the foreign exchange rate as extracted from S&P Capital IQ S$1.00:VND17,884.49 on 20 October 2023, being the valuation date.

(21) Converted based on the valuation of VND1,094,200,000,000 as set out in the valuation report using the foreign exchange rate as extracted from S&P Capital IQ S$1.00:VND17,884.49 on 20 October 2023, being the valuation date.

(22) Potential tax liabilities are estimated based on the corporate tax rates of the jurisdictions where the respective property is located, and applied to the revaluation surplus which is deemed to be hypothetical profits attributable

to the Group assuming the sale of the properties in the same financial period, subject to compliance with the relevant tax rules and regulations.

In assessing the revaluation surplus of the properties owned by joint venture companies and Boustead Industrial Fund, we have considered whether there are any potential tax liabilities on the revaluation surplus which may affect the NAV of the Group, assuming these properties are to be sold at the valuation amount in a hypothetical scenario. The potential tax liabilities arising from the above revaluation surplus amount to approximately S$27.5 million.

Properties owned by associate - THAB Development Sdn Bhd ("**THAB**")

THAB is a property development and investment holding company that has interests in land and properties in Nusajaya, Iskandar Malaysia ("**THAB Properties**"). As at 30 September 2023, the carrying amount of the Group's equity investment in THAB is nil as the Group's share of loss in THAB Group had exceeded its cost of equity investment as at 30 September 2023. Further, the Group has extended an unsecured loan to THAB that is repayable on demand and recorded as other receivables as at 30 September 2023 ("**Loan to THAB**"), with its recoverability depending on the valuation on the THAB Properties. Based on the valuation report of THAB Properties, the Management has confirmed that there would be no further impairment for the Loan to THAB as at 30 September 2023.

Investment securities

As at the Latest Practicable Date, the Group holds a 5.27% unquoted equity interest in Perennial Tongzhou Development Pte. Ltd. ("**PTD**"), which represents a 4.0% effective interest in Beijing Tongzhou Integrated Development (Phase 1), a mixed-use property project located in Tongzhou District, Beijing, The People's Republic of China. The fair value of the investment is determined using an asset-based valuation model taking into consideration the fair value of the underlying properties being developed by PTD. The fair value of the underlying properties as at 20 October 2023 is based on a valuation performed by an independent professional property valuer. Based on discussions with the Management, fair value adjustment has been considered in the 1H2024 results and therefore the Group expects that no further adjustment is required since the end of 1H2024 on 30 September 2023 up to the Latest Practicable Date.

RNAV of the Group

In view of the market/fair valuation of the Appraised Properties, we have assessed the RNAV of the Group by adjusting for the potential revaluation surpluses attributable to the Appraised Properties. We have also considered potential tax liabilities which may arise from the disposal of the Appraised Properties which may affect the RNAV, as assessed by the Management, for the purpose of evaluating the Exit Offer Price.

We set out below the summary of adjustments which are made to the unaudited NAV as at 30 September 2023 to determine the RNAV as at 30 September 2023:

	As at 30 September 2023 (Unaudited)
NAV attributable to owners of the parent (S$'000)	402,171
Net revaluation surplus of the investment properties (S$'000)	*19,963*
Net revaluation surplus of the properties held through joint ventures and associates (S$'000)	*128,015*
Adjustments to the book value of the Appraised Properties[(1)] (S$'000)	*41,283*
RNAV of the Group (S$'000)	**591,431**
Number of issued Shares as at 30 September 2023	313,260,631
RNAV per Share (S$)	**1.89**
Exit Offer Price (S$)	**1.18**
P/RNAV ratio as implied by the Exit Offer Price	**0.63 times**
Discount of Exit Offer Price over the NAV per Share	**37.5%**

Note:

(1) As the RNAV is computed in the event of a hypothetical sale of the Group's Appraised Properties, we have included the following adjustments: (i) excluded the Group's share of right-of-use assets, net of lease liabilities, relating to leasehold lands; (ii) excluded the Group's share of accrued income recognised in relation to rental income which is recorded in profit or loss on a straight-line basis over the lease term; and (iii) included the Group's share of unrealised margins from construction, project management and acquisition fee previously eliminated, net of tax.

Based on the total number of 313,260,631 issued Shares as at the Latest Practicable Date and the RNAV of approximately S$591.4 million, the RNAV per Share is approximately S$1.89. The Exit Offer Price represents a discount of approximately S$0.71 or 37.5% to the RNAV per Share and values the Company at a P/RNAV ratio of approximately 0.63 times.

Shareholders should be aware that the Group has not realised the gain or loss as set out in the above adjustments to the NAV as at the Latest Practicable Date. There is no assurance that the actual gain or loss (if any) eventually recorded by the Group will be the same as that derived from the assessments based on the current market value, independent valuation and the Management's estimates.

Save as disclosed above and the announcements released by the Company on the SGXNet, Management and Recommending Directors confirm that, to the best of their knowledge and based on information made available to them, as at the Latest Practicable Date:

(1) Save as disclosed in this letter and in the ordinary course of the Group's business, there are no material acquisitions and disposals of assets by the Group between 30 September 2023 and the Latest Practicable Date, and the Group does not have any plans for such impending material acquisition or disposal of assets, conversion of the use of its material assets or material change in the nature of the Group's business;

(2) There are no material contingent liabilities, bad or doubtful debts or impairment losses, material events, unrecorded earnings or expenses or assets or liabilities that may have a material impact on the unaudited NAV of the Group as at 30 September 2023;

(3) There is no litigation, claim or proceeding pending or threatened against the Company or any of its subsidiaries or of any fact likely to give rise to any proceeding which might materially and adversely affect the financial position of the Group;

(4) There is no material change to the accounting policies and methods of computation which may materially affect the NAV of the Group as at 30 September 2023;

(5) There are no other intangible assets as at the Latest Practicable Date and which ought to be disclosed in the statement of financial position of the Group in accordance with the Singapore Financial Reporting Standards (International) and which have not been so disclosed and where such intangible assets would have had a material impact on the overall financial position of the Group as at 30 September 2023; and

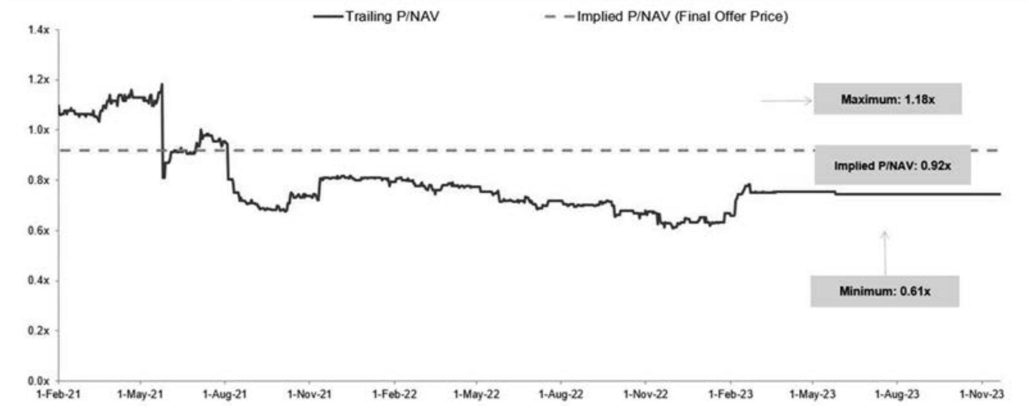
(6) Save for the revaluation surpluses attributable to the Appraised Properties, there are no material differences between the realisable value of the Group's assets and their respective book values as at 30 September 2023 which would have a material impact on the latest reported NAV of the Group.

7.4 Historical trailing P/NAV and P/E ratios of the Shares

Historical trailing P/NAV of the Shares

We have compared the P/NAV of the Shares as implied by the Exit Offer Price of 0.92 times against the historical trailing P/NAV of the Shares (based on the daily closing prices of the Shares and the Group's trailing announced NAV per Share) for the Lookback Period and the Subsequent Periods.

Historical trailing P/NAV ratio(1)



Sources: Bloomberg L.P. and PPCF calculations

Note:

(1) P/NAV ratio of the Shares implied by the Exit Offer Price (using the latest NAV per Share computed based on the Company's unaudited financial results for 1H2024) against the trailing P/NAV of the Shares computed based on the corresponding NAV as represented by as reported by the Company in its interim and full-year financial results announcements.

The average, minimum and maximum of the historical trailing P/NAV of the Shares from 1 February 2021 (being the beginning of the Lookback Period) to the Latest Practicable Date are set out below:

Historical trailing P/NAV ratios of the Shares			
	Historical trailing P/NAV (times)		
	Average	Maximum	Minimum
2-year period prior to the Previous VGO Announcement Date(1)			
2-year	0.80	1.18	0.61
1-year	0.71	0.81	0.61
6-month	0.67	0.72	0.61
3-month	0.64	0.68	0.61
1-month	0.64	0.67	0.62
From the Previous VGO Announcement Date up to the close of the Previous VGO			
After the Previous VGO Last Full Traded Day up to the close of the Previous VGO	0.74	0.78	0.66
Last transacted price prior to the Suspension Date(2)	0.76	0.76	0.76
Subsequent Periods			
From the Suspension Date up to the Latest Practicable Date	0.75	0.76	0.74

Sources: Bloomberg L.P., the Company's financial results announcements and PPCF calculations

Notes:

(1) As the trading of the Shares has been suspended since the Suspension Date, the historical trailing P/NAV multiples are computed based on the respective periods prior to the Previous VGO Last Full Traded Day, being the last undisturbed trading day that excludes the influence of the Previous VGO announcement.

(2) The Shares was last transacted at S$0.955 on 27 March 2023, being the close of the Previous VGO. The trailing P/NAV multiples during the Subsequent Periods are computed based on the last transacted price of S$0.955 and NAV per share as disclosed in the Company's audited FY2023 and unaudited 1H2024 results announcement.

Based on the above, we note that:

(a) For the 1-month, 3-month, 6-month, 1-year and 2-year periods prior to and including the Previous VGO Last Full Traded Day, the implied P/NAV of 0.92 times is above the average historical trailing P/NAV of the Shares of 0.64 times, 0.64 times, 0.67 times, 0.71 times and 0.80 times respectively;

(b) For the period after the Previous VGO Last Full Traded Day up to close of the Previous VGO, the implied P/NAV of 0.92 times is above the average historical trailing P/NAV of the Shares of 0.74 times;

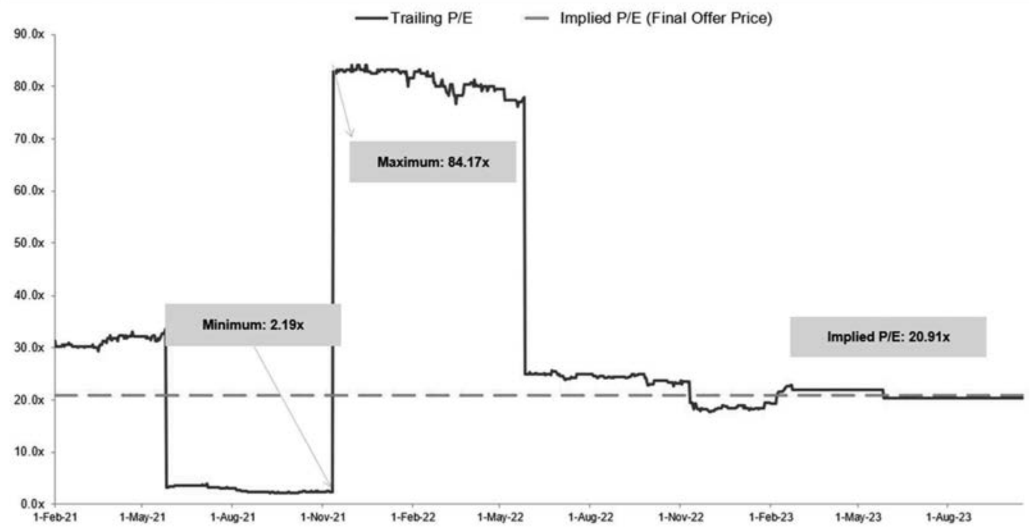
(c) At the close of the Previous VGO, the implied P/NAV of 0.92 times is higher than the historical trailing P/NAV of the Shares of 0.76 times; and

(d) For the period from the Suspension Date and up to the Latest Practicable Date, the implied P/NAV of 0.92 times is above the average historical trailing P/NAV of the Shares of 0.75 times.

Historical trailing P/E of the Shares

We have compared the P/E of the Shares as implied by the Exit Offer Price of 20.91 times against the historical trailing P/E of the Shares (based on the daily closing prices of the Shares and the Group's trailing announced weighted average earnings per Share) for the Lookback Period and the Subsequent Periods.

Historical trailing P/E ratio(1)



Source: Bloomberg L.P. and PPCF calculations

Note:

(1) P/E ratio of the Shares implied by the Exit Offer Price (using the latest earnings per Share computed based on the Company's unaudited financial results for 1H2024) against the trailing P/E of the Shares computed based on the corresponding weighted average earnings per Share as reported by the Company in its interim and full-year financial results announcements.

The average, minimum and maximum of the historical trailing P/E of the Shares from 1 February 2021 (being the beginning of the Lookback Period) to the Latest Practicable Date are set out below:

Historical trailing P/E ratio of the Shares			
	Historical trailing P/E (times)		
	Average	Maximum	Minimum
2-year period prior to the Previous VGO Announcement Date[(1)]			
2-year	34.93	84.17	2.19
1-year	40.36	83.33	17.91
6-month	21.65	25.00	17.91
3-month	19.24	23.61	17.91
1-month	18.87	19.65	18.26
From the Previous VGO Announcement Date up to the close of the Previous VGO			
After the Previous VGO Last Full Traded Day up to the close of the Previous VGO	21.88	23.02	19.42
Last transacted price prior to the Suspension Date[(2)]	22.21	22.21	22.21
Subsequent Periods			
From the Suspension Date up to the Latest Practicable Date	20.68	22.21	16.66

Sources: Bloomberg L.P., the Company's financial results announcements and PPCF calculations

Notes:

(1) As the trading of the Shares has been suspended since 28 March 2023, the historical trailing P/E multiples are computed based on the respective periods prior to the Previous VGO Last Full Traded Day, being the last undisturbed trading day that excludes the influence of the Previous VGO announcement.

(2) The Shares was last transacted at S$0.955 on 27 March 2023, being the close of the Previous VGO. The trailing P/E multiples during the Subsequent Periods are computed based on the last transacted price of S$0.955 and trailing EPS per share as disclosed in the Company's audited FY2023 and unaudited FY2023 results announcement.

Based on the above, we note that:

(a) For the 1-month and 3-month periods prior to and including the Previous VGO Last Full Traded Day, the implied P/E of 20.91 times is above the historical trailing P/E of the Shares of 18.87 times and 19.24 times respectively;

(b) For the 6-month, 1-year and 2-year periods prior to and including the Previous VGO Last Full Traded Day, the implied P/E of 20.91 times is below the average historical trailing P/E of the Shares of 21.65 times, 40.36 times and 34.93 times respectively;

(c) For the period after the Previous VGO Last Full Traded Day up to the close of the Previous VGO, the implied P/E of 20.91 times is below the average historical trailing P/E of the Shares of 21.88 times;

(d) At the close of the Previous VGO, the implied P/E of 20.91 times is lower than the historical trailing P/E of the Shares of 22.21 times; and

(e) For the period from the Suspension Date and up to the Latest Practicable Date, the implied P/E of 20.91 times is above the average historical trailing P/E of the Shares of 20.68 times.

7.5 Valuation ratios of selected companies listed on the SGX-ST that are broadly comparable to the Company

For the purpose of evaluating the financial terms of the Exit Offer, we have made reference to the valuation ratios of selected companies listed on the SGX-ST which we consider to be broadly comparable to the Company, to get an indication of the current market expectations with regard to the perceived valuation of the Company.

In our selection of the comparable companies, we have made reference to selected companies listed on the SGX-ST which we consider to be broadly comparable to the principal business of the Group, that is, listed companies that are engaged in construction and property development and investment activities with a market capitalisation of more than S$50.0 million as at the Latest Practicable Date ("**Comparable Companies**"). We have had discussions with Management about the suitability and reasonableness in selecting the Comparable Companies for comparison with the Group.

The Recommending Directors should note that the prices at which shares trade include factors other than historical financial performance, and some of these include, amongst others, the relative sentiments of the market for the shares, historical share price performance, prospects of the financial performance, the demand/supply conditions of the shares, the relative liquidity of the shares, as well as the market capitalisation.

Relevant information has been extracted from S&P Capital IQ, Bloomberg L.P., publicly available annual reports and/or public announcements of the Comparable Companies. We make no representations or warranties, expressed or implied, as to the accuracy or completeness of such information. The accounting policies of the Comparable Companies with respect to the values for which the assets, premiums, cost or claims are provided for or recorded may differ from that of the Group.

Brief descriptions of the Comparable Companies are set out below:

Summary of Comparable Companies	
Name	**Business description**
Hock Lian Seng Limited ("**Hock Lian Seng**")	Hock Lian Seng provides civil engineering services to public and private sectors in Singapore and operates through three (3) segments, namely civil engineering, properties development, and properties investment. The civil engineering segment is involved in the provision of infrastructure construction and civil engineering works, primarily for the public sector. The properties development segment develops focuses on the residential and industrial sectors. The properties investment segment invests in properties for renting and/or for capital appreciation.
KSH Holdings Limited ("**KSH Holdings**")	KSH Holdings operates as a construction builder and contractor for public and private sectors. KSH Holdings operates through construction, and property development and investment segments. It constructs residential, commercial, hospitality, and mixed-use development projects; and rents and sells properties. KSH Holdings serves property developers, landowners and government bodies across Singapore, China, Malaysia, Japan, Australia and United Kingdom.
Lum Chang Holdings Limited ("**Lum Chang**")	Engages in activities in Singapore, Malaysia, and the United Kingdom. Lum Chang operates through three (3) segments, namely construction, property development and investment, and investment holding. Its property portfolio includes commercial and residential projects. The company undertakes construction projects in various areas, which include civil and infrastructure, commercial, hospital, hotels and leisure, industrial, mixed development, institution, and residential properties. It is also involved in the development of properties, and offers interior fitting-out,

Summary of Comparable Companies	
Name	**Business description**
	conservation and restoration, addition and alteration services, and project management services.
Wee Hur Holdings Limited ("**Wee Hur**")	Engages in building construction, workers' dormitory, property development, and fund management businesses in Singapore and Australia. Wee Hur operates through eight (8) segments: building construction, workers' dormitory, property development, corporate, purpose-built student accommodation, fund management, venture capital, and student accommodation operation. Its construction services include new construction, additions and alterations, refurbishment and upgrading, and restoration and conservation of heritage and conservation buildings. These services are provided across residential, commercial, industrial, institutional, religious, restoration, and conservation projects.
Koh Brothers Group Limited ("**Koh Brothers**")	Engages in the construction and building materials, leisure and hospitality, and real estate businesses in Singapore, Malaysia, Indonesia, and internationally. The company engages in the construction activities for building and civil engineering, and water and wastewater treatment, as well as hydro-engineering, and bio-refinery and renewable energy projects. It also manufactures and supplies building materials, including ready-mix concrete, cement, and pre-cast products, such as facades, household shelters, bathroom units, columns, and planks; and concrete pump rental services. In addition, the company is involved in real estate development activities; and the rental of properties.
OKP Holdings Limited ("**OKP Holdings**")	Operates as a transport infrastructure and civil engineering company in Singapore and Australia. It operates through Construction, Maintenance, and Rental Income segments. The Construction segment constructs urban and arterial roads, airport runways and taxiways, expressways, vehicular bridges, flyovers, buildings, airport infrastructure, and oil and gas-related infrastructure for petrochemical plants and oil storage terminals. The Maintenance segment provides re-construction work performed on roads, road reserves, pavements, footpaths and kerbs, guardrails, drains, and signboards, as well as bus bays and shelters. The Rental Income segment engages in the rental of investment properties.

Source: S&P Capital IQ

We wish to highlight that the Comparable Companies are not exhaustive and we recognise that there may not be any listed company which we may consider to be identical to the Company in terms of, *inter alia*, geographical spread, composition of business activities, customer base, size and scale of business operations, risk profile, asset base, market capitalisation, valuation methodologies adopted, accounting policies, track record, future prospects, market/industry size, political risk, competitive and regulatory environment, tax factors, financial positions and other relevant criteria and that such businesses may have fundamentally different annual profitability objectives. The Recommending Directors should note that any comparison made with respect to the Comparable Companies herein is strictly limited in scope and merely serves to provide an illustrative perceived market valuation of the Company as at the Latest Practicable Date.

We set out below the valuation statistics for the Comparable Companies based on their last transacted share prices as at the Latest Practicable Date.

Comparable company	Listed exchange	Market capitalisation(1) (S$' million)	EV/ LTM(2) EBITDA ratio	LTM(2) P/E ratio(3)	P/NAV ratio(4)
Hock Lian Seng	SGX	128.03	n.m.(2)	7.24	0.53
KSH Holdings	SGX	163.38	179.83(5)	n.m.(2)	0.52
Lum Chang	SGX	114.89	n.m.(2)	n.m.(2)	0.69
Wee Hur	SGX	162.71	1.08	4.11	0.33
Koh Brothers	SGX	53.62	54.78(5)	n.m.(2)	0.20
OKP Holdings	SGX	61.39	0.91	1.83	0.40
		High	1.08	7.24	0.69
		Low	0.91	1.83	0.20
		Mean	0.99	4.39	0.44
		Median	0.99	4.11	0.46
Company (as implied by the Exit Offer Price)	**SGX**	**369.65**	**9.79**	**20.91**	**0.92 (NAV as at 30 September 2023)** **0.63 (RNAV as at 30 September 2023)**

Sources: SGXNet, S&P Capital IQ and the relevant announcements by the Comparable Companies on SGXNet

Notes:

(1) Market capitalisation of the Comparable Companies is based on their respective last transacted prices as at the Latest Practicable Date as extracted from S&P Capital IQ. The market capitalisation of the Company is approximately S$369.6 million based on the Exit Offer Price and the total outstanding Shares of 313,260,631 as at the Latest Practicable Date.

(2) LTM means the latest twelve months and n.m. means not meaningful as the LTM earnings and/or EBITDA of the Comparable Company is negative.

(3) Net profit attributable to shareholders of the Comparable Companies and the Company is computed on a trailing 12-month basis from the latest available audited and/or unaudited financial results and the Company's unaudited financial results for 1H2024.

(4) P/NAV ratio is the ratio of a company's share price as at the Latest Practicable Date divided by its consolidated net asset value attributed to the company per share as at the latest available financial results.

(5) Considered as outliers and excluded for the purpose of calculating the mean and median EV/EBITDA ratios of the Comparable Companies.

Based on the information above, we note that based on the Exit Offer Price:

(a) The implied EV/EBITDA ratio of the Company of 9.79 times is above the range of the EV/EBITDA ratios of the Comparable Companies of between 0.91 times and 1.08 times;

(b) The implied P/E ratio of the Company of 20.91 times is above the range of the P/E ratios of the Comparable Companies of between 1.83 times and 7.24 times;

(c) The implied P/NAV ratio of the Company of 0.92 times is above the range of the P/NAV ratios of the Comparable Companies of between 0.20 times and 0.69 times; and

(d) The implied P/RNAV ratio of the Company of 0.63 times is within the range of the P/NAV ratios of the Comparable Companies and higher than both the mean and median P/NAV ratios of 0.44 times and 0.46 times respectively.

We noted that the P/E ratio implied by the Exit Offer Price is significantly higher than the P/E ratios of the Comparable Companies which may be due to the fluctuations of the Group's profitability for FY2021, FY2022, FY2023 and 1H2024. For illustration purposes only, we have computed the average LTM P/E ratio of the Company based on the 1-year, 2-year and 3-year periods before the LPD below:

Period	As at 3-year prior to the Latest Practicable Date	As at 2-year prior to the Latest Practicable Date	As at 1-year prior to the Latest Practicable Date	Average 3-year P/E prior to the Latest Practicable Date
LTM net income of the Group (S$' million)(1)	10.34	139.84	13.10	-
LTM P/E ratio (implied by the Exit Offer Price) (times)(2)	35.76	2.64	28.22	22.21

Sources: S&P Capital IQ and PPCF calculations

Notes:

(1) Computed based on the financial results available as at the respective periods before Latest Practicable Date.

(2) Market capitalisation of the Company is approximately S$369.65 million based on the Exit Offer Price and the total outstanding Shares of 313,260,631 as at the Latest Practicable Date.

Based on the information above, we noted that the implied average LTM P/E ratio based on the Exit Offer Price of 22.21 times is above the range of the P/E ratios of the Comparable Companies of between 1.83 times and 7.24 times.

7.6 Comparison with cash exit offers made by companies pursuant to directed delisting by the SGX-ST

We note that following the Delisting Notification issued by the SGX RegCo on 26 September 2023, the SGX RegCo had, pursuant to Rule 1405(1)(j) of Listing Manual, directed the Company to be delisted pursuant to Rule 724(2) of the Listing Manual if its free float is not restored to at least 10% on or before 26 September 2023. As at the Latest Practicable Date, the Company's free float remains at approximately 4.5%. Accordingly, pursuant to the Delisting Notification, the Exit Offer is made pursuant to Rule 1306 of the Listing Manual, which requires the Company or its controlling shareholder(s) to comply with Rule 1309 of the Listing Manual to provide a fair and reasonable exit alternative to the Shareholders.

For the purposes of our evaluation of the financial terms of the Exit Offer, we have compared the valuation statistics of the Company as implied by the Exit Offer Price vis-à-vis selected successful cash offers made by companies listed on the SGX-ST pursuant to receiving similar directed delisting notification from the SGX-ST (the "**Precedent Directed Delisting Exit Offers**") during the period from January 2015 to the Latest Practicable Date.

Precedent Directed Delisting Exit Offers

Date of Exit Offer	Company	Exit Offer price per share (S$)	Premium/(Discount) of offer price over/to: Last transacted price (%)	1-month VWAP (%)	3-month VWAP (%)	6-month VWAP (%)	1-year VWAP (%)	Offer Price to NTA/NAV (times)
30 Apr 15	Yong Xin International Holdings Ltd.	0.008	(27.3)%	(33.3)%	(38.5)%	(38.5)%	(50.0)%	0.19(1)
5 Aug 15	Texchem-Pack Holdings (S) Ltd.	0.105	16.7%	41.0%	37.2%	31.3%	28.3%	0.70(2)
16 Apr 16	Pacific Healthcare Holdings Ltd	0.001	(85.7)%	(91.7)%	(91.7)%	(95.7)%	(96.0)%	n.m.(3)
15 Jul 16	China Hongcheng Holdings Limited	0.0054	(32.5)%	35.0%	(61.4)%	(58.5)%	(58.5)%	n.m.(3)
7 Nov 17	Europtronic Group Ltd	0.0001	(98.0)%	(98.2)%	(98.7)%	(98.7)%	(99.2)%	n.m.(3)
7 Nov 19	China Gaoxian Fibre Fabric Holdings Ltd.	0.0305	916.7%	510.0%	408.3%	408.3%	79.4%	n.m.(3)
29 Apr 20	Huan Hsin Holdings Ltd	0.016	14.3%	137.9%	110.2%	37.4%	4.0%	n.m.(3)
27 May 20	Lafe Corporation Ltd	0.600	1.0%	160.9%	125.0%	81.4%	32.2%	0.29(4)
28 Jun 22	Informatics Education Ltd.	0.0110	37.5%	8.9%	4.8%	(6.0)%	(17.3)%	n.m.(3)
		High	916.7%	510.0%	408.3%	408.3%	79.4%	0.70
		Low	(98.0)%	(98.2)%	(98.7)%	(98.7)%	(99.2)%	0.19
		Mean	82.5%	74.5%	43.9%	42.0%	(6.7)%	0.39
		Median	1.0%	35.0%	4.8%	31.3%	4.0%	0.29
	Company (as implied by the Exit Offer Price)		**23.6%**	**51.1%(5)**	**50.1%(5)**	**45.9%(5)**	**32.7%(5)**	**0.92 (NAV as at 30 September 2023)** **0.63 (RNAV as at 30 September 2023)**

Notes:

(1) Based on the NAV per share of Yong Xin International Holdings Ltd. as at 31 December 2014;

(2) Based on the NTA per share of Texchem-Pack Holdings (S) Ltd. as at 30 September 2015;

(3) Not meaningful as these companies were in net tangible liabilities position;

(4) Based on the NAV per share of Lafe Corporation Ltd as at 31 December 2019; and

(5) As the trading of the Shares has been suspended since 28 March 2023, the discount/premium of the Exit Offer Price to the respective VWAPs during the Lookback Period are computed based on the respective periods prior to the Previous VGO Last Full Traded Day, being the last undisturbed trading day that excludes the influence of the Previous VGO announcement.

All of the Precedent Directed Delisting Exit Offers relates to companies who were placed on the watch-list of the SGX-ST. The shares of these companies were suspended from trading some time before the announcement of their respective exit offers and we noted that several of them were in negative NTA position at the time of the announcement of their respective exit offers.

In relation to the Exit Offer, the Company was directed by the SGX RegCo to be delisting pursuant to Rule 724(2) of the Listing Manual if its free float is not restored to at least 10.0%. The circumstances giving rise to the Exit Offer is materially different from those reflected in the Precedent Directed Delisting Exit Offers and thus the valuation statistics derived from the Precedent Directed Delisting Exit Offers table above may not reflect the substance of which the Exit Offer should be assessed upon.

7.7 Selected precedent privatisation transactions on SGX-ST

We note that Offeror had launched the Previous VGO with the intention to privatise and delist the Company from the Official List of the SGX-ST should the option be available to the Offeror as set out in the Previous VGO Announcement and offer document in relation to the Previous VGO dated 27 February 2023 issued by the Offeror. As set out in the Joint Announcement and the Exit Offer Letter, pursuant to Rule 1306 of the Listing Manual and subject to compliance with Rule 1309 of the Listing Manual, the Company will be delisted from the Official List of the SGX-ST, regardless of the final level acceptance of the Exit Offer.

Accordingly, for the purpose of our evaluation of the financial terms of the Exit Offer, we have compared the valuation statistics implied by the Exit Offer Price *vis-à-vis* recent successful privatisations and delisting of companies listed on the SGX-ST where the offeror has indicated similar intentions where it does not intend to preserve the listing status of the company.

<u>Precedent Privatisation Transactions</u>

We set out below the statistics on (i) privatisation transactions of companies listed on the SGX-ST, whether by way of a scheme of arrangement under Section 210 of the Companies Act ("**SOA**"), voluntary general offers ("**VGO**") or mandatory general offers ("**MGO**") under the Code; and (ii) delisting offers under Rule 1307 of the Listing Manual ("**VD**"), and the offer resulted in a successful privatisation and delisting of the target company ("**Precedent Privatisation Transactions**").

As some of the Precedent Privatisation Transactions had undertaken revaluations and/or adjustments to their assets which may have a material impact on their last announced book values, we have also, where relevant, compared the financial terms of such offer transactions with the revalued NAV (or revalued NTA where applicable) and/or adjusted NAV (or adjusted NTA where applicable) of the Precedent Privatisation Transactions where available. The details on the Precedent Privatisation Transactions announced from 1 January 2021 up to the Latest Practicable Date are set out as follows:

Precedent Privatisation Transactions in Singapore

				Premium/(Discount) of offer price over/to					
Announcement date	Target companies	Type	Offer price per share (S$)	Last transacted price (%)	1-month VWAP (%)	3-month VWAP (%)	6-month VWAP (%)	1-year VWAP (%)	Offer Price to NTA/NAV (times)
11 Jan 21	CEI Limited	VGO	1.15	16.2%	18.1%	20.5%	23.6%	26.1%	1.93(1)
15 Jan 21	GL Limited	VGO	0.80	42.9%	46.6%	52.4%	45.8%	25.1%	0.73(2)
28 Jan 21	International Press Softcom Limited	VGO	0.045	13.9%	25.4%	32.0%	21.6%	26.8%	1.09(3)
12 Mar 21	World Class Global Limited	SOA	0.21	112.1%	107.9%	107.9%	89.2%	73.6%	0.83(4)
19 Mar 21	Singapore Reinsurance Corporation Limited	VGO	0.3535	17.8%	20.6%	20.8%	21.8%	27.4%	0.79(5)
30 Mar 21	Neo Group Limited	VGO	0.60	19.9%	17.9%	14.5%	15.4%	30.9%	1.66(6)
30 Mar 21	Singapore Press Holdings Limited	SOA	2.36	1.3%	10.1%	16.7%	26.1%	47.3%	1.05(7)
29 Apr 21	Sin Ghee Huat Corporate Ltd	VGO	0.27	25.6%	68.2%	68.2%	68.2%	68.2%	0.60(8)
30 Apr 21	Top Global Limited	VGO	0.39	122.9%	133.6%	146.8%	148.7%	142.6%	0.53(9)
6 May 21	Cheung Woh Technologies Limited	VGO	0.285	90.0%	90.0%	92.6%	109.6%	141.5%	1.10(10)
31 May 21	Dutech Holdings Ltd	VGO	0.435	74.0%	73.3%	74.7%	73.3%	61.1%	0.77(11)
9 Jul 21	Fragrance Group Limited	VGO	0.138	16.9%	19.0%	19.0%	20.0%	21.1%	0.71(12)
9 Nov 21	SingHaiyi Group Ltd	VGO	0.117	7.1%	7.0%	10.7%	18.3%	20.0%	0.60(13)
10 Nov 21	Starburst Holdings Limited	VGO	0.238	4.4%	3.9%	9.2%	12.8%	25.3%	1.84(14)
10 Dec 21	United Global Limited	VGO	0.45	9.1%	16.7%	16.7%	16.2%	14.1%	1.70(15)

Precedent Privatisation Transactions in Singapore

Announcement date	Target companies	Type	Offer price per share (S$)	Premium/(Discount) of offer price over/to: Last transacted price (%)	1-month VWAP (%)	3-month VWAP (%)	6-month VWAP (%)	1-year VWAP (%)	Offer Price to NTA/NAV (times)
15 Dec 21	Roxy-Pacific Holdings Limited	VGO	0.485	19.6%	21.0%	23.5%	30.3%	37.0%	0.64[16]
29 Dec 21	Koufu Group Limited	VGO	0.77	1.4%	14.5%	13.6%	15.1%	15.3%	3.21 [17]
16 Feb 22	Shinvest Holding Ltd	VGO	3.50	13.6%	8.5%	10.2%	10.1%	14.3%	0.66[18]
7 Mar 22	Singapore O&G Ltd	VGO	0.295	18.0%	14.8%	12.2%	11.3%	11.3%	4.60[19]
13 Apr 22	Excelpoint Technology Ltd	SOA	1.93	21.4%	36.6%	31.3%	45.9%	72.3%	1.53[20]
17 May 22	Hwa Hong Corporation Limited	VGO / MGO	0.40	37.9%	36.1%	32.0%	22.0%	24.6%	0.79[21]
20 May 22	T T J Holdings Limited	VGO	0.23	36.1%	33.6%	28.8%	28.0%	29.4%	0.63[22]
17 Jun 22	Allied Technologies Limited	VGO	0.011	n.a.	n.a.	n.a.	n.a.	n.a.	0.35[23]
29 Jul 22	GYP Properties Limited	VGO	0.20	34.2%	37.9%	33.3%	28.2%	30.7%	0.69[24]
20 Aug 22	SP Corporation Limited	SOA	1.59	169.5%	163.7%	162.8%	156.9%	140.5%	1.00[25]
29 Aug 22	Silkroad Nickel Ltd.	VGO	0.42	2.4%	5.4%	5.1%	(5.5)%	(3.2)%	5.20[26]
12 Sep 22	Memories Group Limited	VD	0.047	34.3%	67.3%	72.2%	74.7%	76.7%	1.02[27]
13 Sep 22	Singapore Medical Group Ltd	VGO	0.40	24.9%	28.1%	28.9%	25.8%	27.5%	4.20[28]
14 Sep 22	Moya Holdings Asia Limited	VGO	0.092	41.5%	43.8%	48.4%	48.4%	46.0%	3.54[29]
3 Oct 22	MS Holdings Limited	VGO	0.07	17.7%	n.a.	25.2%	25.5%	24.6%	0.48[30]
6 Oct 22	Asian Healthcare Specialists Limited	VGO	0.188	17.5%	18.3%	21.3%	22.3%	19.5%	5.86[31]
24 Nov 22	Chip Eng Seng Corporation Ltd.	MGO	0.75	6.7%	13.1%	26.5%	33.7%	42.6%	0.76[32]
9 Nov 22	Golden Energy and Resources Limited	VD	0.973	15.8%	23.0%	44.6%	48.3%	63.8%	1.51[33]
13 Feb 23	Global Dragon Limited	VGO	0.12	15.4%	15.4%	22.4%	17.6%	17.6%	0.73[34]
28 Feb 23	G.K. Goh Holdings Limited	VGO	1.26	38.5%	38.8%	39.2%	37.6%	34.8%	0.97[35]
4 Apr 23	Global Palm Resources Holdings Limited	VGO	0.25	92.3%	86.6%	70.1%	70.1%	30.2%	0.78[36]
11 Apr 23	Lian Beng Group Ltd	VGO	0.68	21.4%	27.0%	28.5%	29.9%	30.4%	0.43[37]
5 May 23	Penguin International Limited	VGO	0.83	16.9%	18.1%	18.7%	18.6%	17.4%	0.95[38]
27 Jun 23	Challenger Technologies Limited	VGO	0.60	9.1%	10.5%	11.9%	14.3%	13.4%	1.46[39]
1 Jun 23	Sysma Holdings Limited	VGO	0.168	44.7%	39.8%	34.2%	30.5%	28.5%	0.72[40]
2 Aug 23	LHN Logistics Limited	VGO	0.2266	34.9%	35.7%	39.0%	44.3%	39.0%	2.01[41]
5 Sep 23	Healthway Medical Corporation Limited	VD	0.048	45.5%	45.0%	44.1%	39.9%	37.1%	1.07[42]

	Last transacted price (%)	1-month VWAP (%)	3-month VWAP (%)	6-month VWAP (%)	1-year VWAP (%)	Offer Price to NTA/NAV (times)
High	169.5%	163.7%	162.8%	156.9%	142.6%	5.86
Low	1.3%	3.9%	5.1%	(5.5)%	(3.2)%	0.35
Mean	34.3%	38.5%	39.8%	39.9%	40.8%	1.47
Median	19.9%	26.2%	28.8%	28.0%	29.4%	0.96

Precedent Privatisation Transactions in Singapore

Announcement date	Target companies	Type	Offer price per share (S$)	Premium/(Discount) of offer price over/to: Last transacted price (%)	1-month VWAP (%)	3-month VWAP (%)	6-month VWAP (%)	1-year VWAP (%)	Offer Price to NTA/NAV (times)
	Company (as implied by the Exit Offer Price)			**23.6%**	**51.1%(43)**	**50.1%(43)**	**45.9%(43)**	**32.7%(43)**	**0.92 (NAV as at 30 September 2023)** **0.63 (RNAV as at 30 September 2023)**

Sources: Bloomberg L.P., S&P Capital IQ and the respective target companies' shareholders' circulars and announcements

Notes:

(1) Based on the re-valued net tangible assets ("**RNTA**") per share of CEI Limited as at 31 December 2020;

(2) Based on the NAV per share of GL Limited as at 31 December 2020;

(3) Based on the NTA per share of International Press Softcom Limited as at 31 December 2020;

(4) Based on the RNAV per share of World Class Global Limited as at 31 December 2020;

(5) Based on the NAV per share of Singapore Reinsurance Corporation Limited as at 31 December 2020;

(6) Based on the RNTA per share of Neo Group Limited as at 30 September 2020;

(7) Based on the NAV per share of Singapore Press Holdings Limited as at 31 August 2021;

(8) Based on the RNAV per share of Sin Ghee Huat Corporate Ltd as at 31 December 2020;

(9) Based on the NTA per share of Top Global Limited as at 31 December 2020;

(10) Based on the RNAV per share of Cheung Woh Technologies Limited as at 28 February 2021;

(11) Based on the NTA per share of Dutech Holdings Ltd as at 31 December 2020;

(12) Based on the NAV per share of Fragrance Group Limited as at 30 June 2021;

(13) Based on the RNAV per share of SingHaiyi Group Ltd as at 30 September 2021;

(14) Based on the RNAV per share of Starburst Holdings Limited as at 30 June 2021;

(15) Based on the NTA per share of United Global Limited as at 30 June 2021;

(16) Based on RNAV the per share of Roxy-Pacific Holdings Limited as at 30 June 2021;

(17) Based on the NAV per share of Koufu Group Limited as at 30 June 2021;

(18) Based on the RNTA per share of Shinvest Holding Ltd as at 31 August 2021;

(19) Based on the NTA per share of Singapore O&G Ltd as at 31 December 2021;

(20) Based on the NTA per share of Excelpoint Technology Ltd as at 31 December 2021;

(21) Based on the Adjusted RNAV per share of Hwa Hong Corporation Limited as at 31 December 2021;

(22) Based on the NAV per share of T T J Holdings Limited as at 31 January 2022;

(23) Based on the Adjusted NAV per share of Allied Technologies Limited as at 31 March 2022;

(24) Based on the RNTA per share of GYP Properties Limited as at 30 June 2022;

(25) Based on the NAV per share of SP Corporation Limited as at 30 June 2022;

(26) Based on the NTA per share of Silkroad Nickel Ltd. as at 30 June 2022;

(27) Based on the RNAV per share of Memories Group Limited as at 30 June 2022;

(28) Based on the NTA per share of Singapore Medical Group Ltd as at 30 June 2022;

(29) Based on the Adjusted NTA per share of Moya Holdings Asia Limited as at 30 June 2022;

(30) Based on the NAV per share of MS Holdings Limited as at 30 April 2022;

(31) Based on the Adjusted NTA per share of Asian Healthcare Specialists Limited as at 31 March 2022;

(32) Based on the Adjusted NAV per share of Chip Eng Seng Corporation Ltd as at 30 June 2022;

(33) Based on the NAV per share of Global Energy and Resources Limited as at 31 December 2022 of US$0.4803 (or approximately S$0.644 based on an exchange rate of US$1.00:S$1.3409);

(34) Based on the RNAV per share of Global Dragon Limited as at 31 December 2022;

(35) Based on the NAV per share of G.K. Goh Holdings Limited as at 31 December 2022;

(36) Based on the RNAV per share of Global Palm Resources Holdings Limited as at 31 December 2022;

(37) Based on the RNAV per share of Lian Beng Group Ltd as at 30 November 2022;

(38) Based on the adjusted NAV per share of Penguin International Limited as at 31 December 2022;

(39) Based on the RNAV per share of Challenger Technologies Limited as at 31 December 2022;

(40) Based on the RNAV per share of Sysma Holdings Limited as at 31 January 2023;

(41) Based on the RNAV per share of LHN Logistics Limited as at 31 March 2023;

(42) Based on the NAV per share of Healthway Medical Corporation Limited as at 30 June 2023; and

(43) As the trading of the Shares has been suspended since 28 March 2023, the premium of the Exit Offer Price to the respective VWAPs during the Lookback Period are computed based on the respective periods prior to the Previous VGO Last Full Traded Day, being the last undisturbed trading day that excludes the influence of the Previous VGO announcement.

Based on the above analysis, we note the following:

(a) The premium of approximately 23.6% implied by the Exit Offer Price over the last transacted price of the Shares prior to the Suspension Date is within the range and is lower than the mean premium of 34.3% but higher than the median premium of 19.9% as implied by the respective offer prices paid over the last transacted market prices of the shares on their respective last trading day with respect to the Precedent Privatisation Transactions;

(b) The premium of approximately 51.1% implied by the Exit Offer Price over the 1-month VWAP of the Shares up to and including the Previous VGO Last Full Traded Day is within the range and is higher than the mean and median premia of 38.5% and 26.2% respectively as implied by the respective offer prices over the 1-month VWAP of the shares with respect to the Precedent Privatisation Transactions;

(c) The premium of approximately 50.1% implied by the Exit Offer Price over the 3-month VWAP of the Shares up to and including the Previous VGO Last Full Traded Day is within the range and is higher than the mean and the median premia of 39.8% and 28.8% respectively as implied by the respective offer prices over the 3-month VWAP of the shares with respect to the Precedent Privatisation Transactions;

(d) The premium of approximately 45.9% implied by the Exit Offer Price over the 6-month VWAP of the Shares up to and including the Previous VGO Last Full Traded Day is within the range and is higher than the mean and the median premia of 39.9% and 28.0% respectively as implied by the respective offer prices over the 6-month VWAP of the shares with respect to the Precedent Privatisation Transactions;

(e) The premium of approximately 32.7% implied by the Exit Offer Price over the 1-year VWAP of the Shares up to and including the Previous VGO Last Full Traded Day is within the range and is lower than the mean premium of 40.8% but is higher than the median premium of 29.4% as implied by the respective offer prices over the 1-year VWAP of the shares with respect to the Precedent Privatisation Transactions; and

(f) The implied P/NAV and implied P/RNAV ratios of the Company of 0.92 times and 0.63 times respectively are within the range of P/NAV or P/NTA ratios of the Precedent Privatisation Transactions of between 0.35 times and 5.86 times, and lower than the mean and median P/NAV or P/NTA ratios of the Precedent Privatisation Transactions of 1.47 times and 0.96 times respectively.

The Recommending Directors should note that the level of premium (if any) an acquirer would normally pay for acquiring and/or privatising a listed company (as the case may be) varies in different circumstances depending on, *inter alia*, the attractiveness of the underlying business to be acquired, the synergies to be gained by the acquirer from integrating the target company's businesses with its existing business, the possibility of a significant revaluation of the assets to be acquired, the availability of substantial cash reserves, the liquidity in the trading of the target company's shares, the presence of competing bids for the target company, the extent of control the acquirer already has in the target company and prevailing market expectations. Consequently, each Precedent Privatisation Transaction should be judged on its own merits (or otherwise).

The list of Precedent Privatisation Transactions indicated herein has been compiled based on publicly available information as at the Latest Practicable Date. The above table captures only the premia/discounts implied by the offer prices in respect of the Precedent Privatisation Transactions over the aforesaid periods and does not highlight bases other than the aforesaid in determining an appropriate premium/discount for the recent Precedent Privatisation Transactions. It should be noted that the comparison is made without taking into account the total amount of the offer value of each respective Precedent Privatisation Transaction or the relative efficiency of information or the underlying liquidity of the shares of the relevant companies or the performance of the shares of the companies or the quality of earnings prior to the relevant announcement and the market conditions or sentiments when the announcements were made or the desire or the relative need for control leading to Compulsory Acquisition.

We wish to highlight that the Company is not in the same industry and does not conduct the same businesses as the other companies in the list of Precedent Privatisation Transactions and would not, therefore, be directly comparable to the list of companies in terms of, *inter alia*, geographical markets, composition of business activities, scale of business operations, risk profile, asset base, valuation methodologies adopted, accounting policies, track record, future prospects, market/industry size, political risk, competitive and regulatory environment, financial positions and other relevant criteria. Accordingly, the Recommending Directors should note that the above comparison merely serves as a general guide to provide an indication of the premium or discount in connection with the Precedent Privatisation Transactions. The list of the Precedent Privatisation Transactions is by no means exhaustive, and any comparison of the Exit Offer with the Precedent Privatisation Transactions is for illustration purposes only. Conclusions drawn from the comparisons made may not necessarily reflect any perceived market valuation for the Company.

Privatisation statistics of comparable asset intensive companies

Having considered the circumstances leading up to the Exit Offer which include, *inter alia*, the Delisting Notification which indicated that the Exit Offer must be fair and reasonable and the percentage of Shares owned by the Offeror prior to the Exit Offer, we have further set out below selected Precedent Privatisation Transactions ("**Asset Intensive Precedent Privatisation Transactions**") that involved (i) the privatisation of companies, of which the offer is opined to be fair and reasonable by the respective IFAs, and are operating in the industries which requires intensive capital investments in assets which are similar to the Group; (ii) asset intensive entities operating in the industries which require significant capital investment, and as those whereby their property-related assets and non-current assets relative to their total assets exceeds 30.0%; and (iii) given that the Offeror and its concert parties owned approximately 95.5% as at the close of the Previous VGO, we have further considered target companies whereby the offeror already holds majority control, being more than 50.0% of the outstanding shares, at the launch of each respective offer which are similar to the Exit Offer as a cross-check for reasonableness.

Asset Intensive Precedent Privatisation Transactions

Announcement date	Target companies	Type	Offer price per share (S$)	Premium/(Discount) of offer price over/to: Last transacted price (%)	1-month VWAP (%)	3-month VWAP (%)	6-month VWAP (%)	1-year VWAP (%)	Offer Price to NTA/NAV (times)
12 Mar 21	World Class Global Limited	SOA	0.21	112.1%	107.9%	107.9%	89.2%	73.6%	0.83(1)
6 May 21	Cheung Woh Technologies Limited	VGO	0.285	90.0%	90.0%	92.6%	109.6%	141.5%	1.10(2)
12 Sep 22	Memories Group Limited	VD	0.047	34.3%	67.3%	72.2%	74.7%	76.7%	1.02(3)
24 Nov 22	Chip Eng Seng Corporation Ltd.	MGO	0.75	5.6%	13.1%	26.5%	33.7%	42.6%	0.76(4)
13 Feb 23	Global Dragon Limited	VGO	0.12	15.4%	15.4%	22.4%	17.6%	17.6%	0.73(5)
4 Apr 23	Global Palm Resources Holdings Limited	VGO	0.25	92.3%	86.6%	70.1%	70.1%	30.2%	0.78(6)
5 May 23	Penguin International Limited	VGO	0.83	16.9%	18.1%	18.7%	18.6%	17.4%	0.95(7)
2 Aug 23	LHN Logistics Limited	VGO	0.2266	34.9%	35.7%	39.0%	44.3%	39.0%	2.01(8)
			High	112.1%	107.9%	107.9%	109.6%	141.5%	2.01
			Low	6.7%	13.1%	18.7%	17.6%	17.4%	0.73
			Mean	50.3%	54.3%	56.2%	57.2%	54.8%	1.02
			Median	34.6%	51.5%	54.6%	57.2%	40.8%	0.89
	Company (as implied by the Exit Offer Price)			**23.6%**	**51.1%(9)**	**50.1%(9)**	**45.9%(9)**	**32.7%(9)**	**0.92 (NAV as at 30 September 2023)** **0.63 (RNAV as at 30 September 2023)**

Sources: Bloomberg L.P., S&P Capital IQ and the respective target companies' shareholders' circulars and announcements

Notes:

(1) Based on the RNAV per share of World Class Global Limited as at 31 December 2020;

(2) Based on the RNAV per share of Cheung Woh Technologies Limited as at 28 February 2021;

(3) Based on the RNAV per share of Memories Group Limited as at 30 June 2022;

(4) Based on the Adjusted NAV per share of Chip Eng Seng Corporation Ltd. as at 30 June 2022

(5) Based on the RNAV per share of Global Dragon Limited as at 31 December 2022;

(6) Based on the RNAV per share of Global Palm Resources Holdings Limited as at 31 December 2022;

(7) Based on the adjusted NAV per share of Penguin International Limited as at 31 December 2022;

(8) Based on the RNAV per share of LHN Logistics Limited as at 31 March 2023; and

(9) As the trading of the Shares has been suspended since 28 March 2023, the premium of the Exit Offer Price to the respective VWAPs during the Lookback Period are computed based on the respective periods prior to the Previous VGO Last Full Traded Day, being the last undisturbed trading day that excludes the influence of the Previous VGO announcement.

Based on the above analysis, we note the following:

(a) The premium of approximately 23.6% implied by the Exit Offer Price over the last transacted price of the Shares prior to the Suspension Date is within the range and is lower than the mean and median premia of 50.3% and 34.6% respectively, as implied by the respective offer prices paid over the last transacted market prices of the shares on their respective last trading day with respect to the Asset Intensive Precedent Privatisation Transactions;

(b) The premium of approximately 51.1% implied by the Exit Offer Price over the 1-month VWAP of the Shares up to and including the Previous VGO Last Full Traded Day is within the range and is lower than the mean and median premia of 54.3% and 51.5% respectively, as implied by the respective offer prices over the 1-month VWAP of the shares with respect to the Asset Intensive Precedent Privatisation Transactions;

(c) The premium of approximately 50.1% implied by the Exit Offer Price over the 3-month VWAP of the Shares up to and including the Previous VGO Last Full Traded Day is within the range and is lower than the mean and median premia of 56.2% and 54.6% respectively, as implied by the respective offer prices over the 3-month VWAP of the shares with respect to the Asset Intensive Precedent Privatisation Transactions;

(d) The premium of approximately 45.9% implied by the Exit Offer Price over the 6-month VWAP of the Shares up to and including the Previous VGO Last Full Traded Day is within the range and is lower than the mean and median premia of 57.2% as implied by the respective offer prices over the 6-month VWAP of the shares with respect to the Asset Intensive Precedent Privatisation Transactions;

(e) The premium of approximately 32.7% implied by the Exit Offer Price over the 1-year VWAP of the Shares up to and including the Previous VGO Last Full Traded Day is within the range and is lower than the mean and median premia of 54.8% and 40.8% respectively, as implied by the respective offer prices over the 1-year VWAP of the shares with respect to the Asset Intensive Precedent Privatisation Transactions; and

(f) The implied P/NAV and implied P/RNAV ratios of the Company of 0.92 times and 0.63 times respectively are within the range of P/NAV or P/NTA ratios of the Asset Intensive Precedent Privatisation Transactions of between 0.73 times and 2.01 times. The implied P/NAV is lower than the mean P/NAV or P/NTA ratio of the Asset Intensive Precedent Privatisation Transactions of 1.02 times but higher than the median P/NAV or P/NTA ratio of the Asset Intensive Precedent Privatisation Transactions of 0.89 times. The implied P/RNAV ratio is lower than the mean and median P/NAV or P/NTA ratios of the Asset Intensive Precedent Privatisation Transaction of 1.02 times and 0.89 times respectively.

7.8 Precedent comparable transactions involving public listed companies that are broadly comparable to the Company

In addition to the Precedent Directed Delisting Exit Offers and Precedent Privatisation Transactions set out in paragraphs 7.6 and 7.7 above, we have also considered recently completed mandatory cash offer for public listed companies on the SGX-ST (excluding real estate investment trusts and business trusts) that were announced since January 2020 and completed as at the Latest Practicable Date. The shortlisted target companies principally engage in construction, property development and property investment businesses which are broadly similar to the Group (“**Precedent Comparable Transactions on SGX-ST**”).

In addition, we have considered and compared the valuation statistics implied by the Exit Offer Price vis-à-vis mandatory cash offer for public listed companies on Bursa Malaysia Securities Berhad (“**Bursa Malaysia**”) over the two (2)-year period prior and up to the Latest Practicable

Date which are engaged in principally engaged in construction and engineering businesses ("**Precedent Comparable Transactions on Bursa Malaysia**"). We have considered the Precedent Comparable Transactions on Bursa Malaysia given its proximity to Singapore, and that Malaysia also contributed a meaningful portion of the Group's revenue. However, publicly available information on these Precedent Comparable Transactions on Bursa Malaysia may be limited and may not include the relevant financial information necessary for our comparison purposes.

In making the comparison herein, we wish to highlight to the Recommending Directors that the companies in the Precedent Comparable Transactions on SGX-ST and Precedent Comparable Transactions on Bursa Malaysia (collectively, "**Precedent Comparable Transactions**") are not exhaustive and the target companies listed in the Precedent Comparable Transactions as set out in the analysis below may not be identical to the Group in terms of, *inter alia*, composition of business, business activities, size and scale of operations, risk profile, geographical spread of business, operating and financial leverage, accounting policies, track record, financial performance and future prospects, liquidity and market capitalisation. Each transaction must be judged on its own commercial and financial merits. The premium or discount that an offeror pays in any particular Precedent Comparable Transactions varies in different specific circumstances depending on, *inter alia*, factors such as the intention of the offeror, the potential synergy the offeror can gain by acquiring the target, the prevailing market conditions and sentiments, attractiveness and profitability of the target's business and assets, the possibility of a significant revaluation of the assets to be acquired, the availability of substantial cash reserves, the liquidity in the trading of the target company's shares, the presence or absence of competing bids for the target company, and the existing and desired level of control in the target company. The list of the Precedent Comparable Transactions is by no means exhaustive and as such any comparison made serves as an illustration only. Conclusions drawn from the comparisons made may not necessarily reflect the perceived or implied market valuation of the Company.

Brief descriptions of the Precedent Comparable Transactions are set out below:

Precedent Comparable Transactions on SGX-ST	
Target Company	**Description and Background**
Lum Chang	Please refer to paragraph 7.5 for the descriptions of Lum Chang. RMDV Investments Pte. Ltd. ("**RMDV**"), the offeror has acquired such number of shares of Lum Chang via open market purchases and married deals on the SGX-ST which, when taken together with shares owned by the offeror and parties acting in concert with it, has resulted in the offeror and parties acting in concert with it holding such number of shares amounting to more than 50% of the voting rights attributable to the total number of issued shares of the company. As a result of the acquisition of shares by RMDV, RMDV made the offer in compliance with the requirements of the Code.
Lian Beng Group Ltd ("**Lian Beng**")	Lian Beng engages in the construction business in Singapore and internationally. Lian Beng operates through four (4) segments, namely construction, dormitory, investment holding, and property development. The construction segment constructs residential, institutional, industrial, and commercial properties; and undertakes civil engineering projects. This segment also sells construction materials, provides engineering and construction services; and leases and maintains construction machinery and equipment. The dormitory segment involves the rental of dormitory units and provision of accommodation services. The investment holding segment holds investments in securities and properties, and the property development segment develops and sells residential, commercial and industrial properties.

	Ong Sek Chong & Sons Pte Ltd had acquired, pursuant to a married deal (“**Market Acquisition**”), an aggregate of shares, representing approximately 1.17% of the total shares issued by the Lian Beng and pursuant to Rule 14.1(b) of the Code, the offeror announced the offer for all the offer shares at an offer price of S$0.50 per offer share. On 12 May 2023, OSC Capital Pte. Ltd. made an offer to acquire all the issued and paid-up ordinary shares in Lian Beng at an offer price of S$0.68 per offer share. The offeror intends to continue the existing businesses of Lian Beng but does not tend to maintain the listing status on the Mainboard of the SGX-ST.
Keong Hong Holdings Limited (“**Keong Hong**”)	Keong Hong, an investment holding company, engages in the building construction, and property and hotel development activities in Singapore, Japan, and the Maldives. It operates through four (4) segments, being (i) construction; (ii) property development; (iii) investment property; and (iv) investment holding. LHJB Capital (S) Finance Pte. Ltd. (“**LHJB**”) entered into a sale and purchase agreement with to acquire an aggregate number of ordinary shares of Keong Hong, representing approximately 19.05% of the total number of shares which will result in the offeror shareholding in Keong Hong to increase from 26.73% to 45.78%. In compliance with Rule 14 of the Code, LHJB had made a mandatory conditional cash offer for all the remaining shares, other than treasury shares and those shares owned, controlled or agreed to be acquired, directly or indirectly, by the offeror and the persons acting in concert with the offeror.
Precedent Comparable Transactions on Bursa Malaysia	
Target Company	**Description and Background**
Pesona Metro Holdings Berhad (“**Pesona**”)	Pesona, an investment holding company, constructs buildings and infrastructure works in Malaysia. Pesona operates through three (3) segments, namely (i) construction works; (ii) manufacturing and trading of polyurethane; and (iii) and maintenance services of student hostel. It constructs residential and commercial buildings; and provides infrastructure works for the construction of highways and irrigation projects. The company is also involved in various businesses including property investment activities. Pesona was incorporated in 2011 and is headquartered in Seri Kembangan, Malaysia. Kombinasi Emas Sdn Bhd and Wie Hock Kiong made an offer to acquire remaining 40.01% of stake in Pesona on 30 November 2022. The joint offerors intend to maintain the listing status of Persona on the Main Market of Bursa Malaysia.
Stella Holdings Berhad (“**Stella**”)	Stella, an investment holding company, principally engaged in the construction, property investment, maintenance and facility management, oil and gas, and healthcare businesses in Malaysia. The company is involved in the construction of civil and structural, mechanical and electrical works, and project management businesses and undertakes small and medium sized contracts. Stella is based in Shah Alam, Malaysia. Varia Engineering Services Sdn Bhd, Datuk Lau Beng Wei and Datuk Lau Beng Sin agreed to acquire 51.7% stake in Stella from Fine Approach Sdn Bhd, Cerdik Cempaka Sdn Bhd, Anjuran Utama Sdn Bhd, Westiara Development Sdn Bhd, Nova Premium Sdn Bhd and others for RM32.9 million on 21 October 2022.

Hock Seng Lee Berhad ("**Hock Seng Lee**")	Hock Seng Lee engages in the marine and civil engineering, construction contracting, and property development businesses in Malaysia. It operates in three (3) segments: (i) construction; (ii) property development; and (iii) general trading. The company undertakes dredging, land reclamation and earthworks, road and bridge construction, tunnelling, and other infrastructure and building works. It is also involved in the development of residential and commercial properties; building construction; trading of construction materials; investment in properties; provision of property management and maintenance services; and general trading activities. The company was incorporated in 1979 and is headquartered in Kota Samarahan, Malaysia. Hock Seng Lee is a subsidiary of Hock Seng Lee Enterprise Sdn Bhd. Hock Seng Lee Enterprise Sdn Bhd and Dato' Yu Chee Hoe, Tony Yu Yuong Wee, Tang Sing Ngiik and Vincent Yu Yuong Yih made an offer to acquire the remaining 15.8% stake in Hock Seng Lee for approximately RM120 million on 17 February 2022. The offeror and the joint ultimate offerors intend to continue the existing businesses of the Hock Seng Lee Group but do not tend to maintain the listing status of Hock Seng Lee on the Main Market of Bursa Securities post-offer.

Sources: S&P Capital IQ and the respective target companies' announcements and reports

Precedent Comparable Transactions on SGX-ST

The details on the selected Precedent Comparable Transactions on SGX-ST are set out below:

			Premium/(Discount) of offer price over/to							
Target company	**Announcement date**	**Transaction type**	**Last transacted price (%)**	**1-month VWAP (%)**	**3-month VWAP (%)**	**6-month VWAP (%)**	**1-year VWAP (%)**	**Offer price-to-NAV (times)**	**Offer price-to-RNAV (times)**	**IFA opinion**
Lum Chang	17-Nov-20	MGO	8.6%	8.6%	8.7%	8.8%	10.3%	0.56	0.52[(1)]	**Reject** – Not fair, not reasonable
Lian Beng	14-Jun-21	MGO	6.4%	7.1%	1.6%	6.6%	11.4%	0.34	0.33[(2)]	**Reject** – Not fair, not reasonable
Keong Hong	21-Jan-22	MGO	3.8%	7.9%	11.1%	11.0%	12.7%	0.57	0.50[(3)]	**Reject** – Not fair, not reasonable
Lian Beng	11-Apr-23	VGO	21.4%	27.0%	28.5%	29.9%	30.4%	0.43	0.44[(4)]	**Reject –** Not fair, not reasonable

Max	21.4%	27.0%	28.5%	29.9%	30.4%	0.57	0.52
Min	3.8%	7.1%	1.6%	6.6%	10.3%	0.34	0.33
Mean	10.1%	12.7%	12.5%	14.1%	16.2%	0.48	0.45
Median	7.5%	8.3%	9.9%	9.9%	12.1%	0.50	0.47
The Company (as Implied by the Exit Offer Price)	**23.6%**	**51.1%**[(5)]	**50.1%**[(5)]	**45.9%**[(5)]	**32.7%**[(5)]	**0.92 (NAV as at 30 September 2022)**	**0.63 (RNAV as at 30 September 2022)**

Sources: S&P Capital IQ and the respective target companies' announcements and circulars

Notes:

(1) Based on the RNAV per share of Lum Chang as at 30 June 2020.

(2) Based on the RNAV per share of Lian Beng as at 30 November 2020.

(3) Based on the RNAV per share of Keong Hong as at 16 February 2022.

(4) Based on the RNAV per share of Lian Beng as at 30 November 2022.

(5) As the trading of the Shares has been suspended since 28 March 2023, the discount/premium of the Exit Offer Price to the respective VWAPs during the Lookback Period are computed based on the respective periods prior to the Previous VGO Last Full Traded Day, being the last undisturbed trading day that excludes the influence of the Previous VGO announcement.

Based on the above analysis, we note the following:

(a) The premium of approximately 23.6% implied by the Exit Offer Price over the last transacted price of the Shares prior to the Suspension Date is above the range of the premia as implied by the respective offer prices paid over the last transacted market prices of the shares on their respective last trading day with respect to the Precedent Comparable Transactions on SGX-ST;

(b) The premium of approximately 51.1% implied by the Exit Offer Price over the 1-month VWAP of the Shares up to and including the Previous VGO Last Full Traded Day is above the range of the premia as implied by the respective offer prices over the 1-month VWAP of the shares with respect to the Precedent Comparable Transactions on SGX-ST;

(c) The premium of approximately 50.1% implied by the Exit Offer Price over the 3-month VWAP of the Shares up to and including the Previous VGO Last Full Traded Day is above the range of the premia as implied by the respective offer prices over the 3-month VWAP of the shares with respect to the Precedent Comparable Transactions on SGX-ST;

(d) The premium of approximately 45.9% implied by the Exit Offer Price over the 6-month VWAP of the Shares up to and including the Previous VGO Last Full Traded Day is above the range of the premia as implied by the respective offer prices over the 6-month VWAP of the shares with respect to the Precedent Comparable Transactions on SGX-ST;

(e) The premium of approximately 32.7% implied by the Exit Offer Price over the 1-year VWAP of the Shares up to and including the Previous VGO Last Full Traded Day is above the range of the premia as implied by the respective offer prices over the 1-year VWAP of the shares with respect to the Precedent Comparable Transactions on SGX-ST;

(f) The implied P/NAV ratio of the Company of 0.92 times is above the range of P/NAV or P/NTA ratios of the Precedent Comparable Transactions on SGX-ST of between 0.34 times and 0.57 times; and

(g) The implied P/RNAV ratio of the Company of 0.63 times is above the range of P/RNAV ratio of the Precedent Comparable Transactions on SGX-ST of between 0.33 times and 0.52 times.

Precedent Comparable Transactions on Bursa Malaysia

Relevant information has been extracted from S&P Capital IQ and/or public announcements of the Precedent Comparable Transactions on Bursa Malaysia, where available. We make no representations or warranties, expressed or implied, as to the accuracy or completeness of such information. The details on the selected Precedent Comparable Transactions on Bursa Malaysia are set out below:

				Premium/(Discount) of offer price over/to					
Target company	**Announcement date**	**Transaction type**	**Last transacted price (%)**	**1-month VWAP (%)**	**3-month VWAP (%)**	**6-month VWAP (%)**	**1-year VWAP (%)**	**Offer price-to-NAV (times)**	**IFA opinion**
Pesona	30-Nov-22	MGO	-	1.4%	(0.4)%	(2.4)%	(14.6)%	0.88[(1)]	**Reject** – Not fair, not reasonable

Target company	Announcement date	Transaction type	Last transacted price (%)	Premium/(Discount) of offer price over/to 1-month VWAP (%)	3-month VWAP (%)	6-month VWAP (%)	1-year VWAP (%)	Offer price-to-NAV (times)	IFA opinion
Stella	21-Oct-22	MGO	1.1%	4.7%	3.2%	1.2%	(4.7)%	1.25(2)	**Reject** – Not fair, not reasonable
Hock Seng Lee	17-Feb-22	MGO	0.8%	0.7%	9.2%	16.2%	26.0%	0.84(3)	**Reject** – Not fair, but reasonable
Max			1.1%	4.7%	9.2%	16.2%	26.0%	1.25	
Min			-	0.7%	(0.4)%	(2.4)%	(14.6)%	0.84	
Mean			0.6%	2.3%	4.0%	5.0%	2.2%	0.99	
Median			0.8%	1.4%	3.2%	1.2%	(4.7)%	0.88	
The Company (as Implied by the Exit Offer Price)			**23.6%**	**51.1%(4)**	**50.1%(4)**	**45.9%(4)**	**32.7%(4)**	**0.92 (NAV as at 30 September 2023)** **0.63 (RNAV as at 30 September 2023)**	

Sources: S&P Capital IQ and the respective target companies' announcements and circulars

Notes:

(1) Computed based on the offer price of RM0.19 divided by the NAV per share of RM0.217 of Pesona as at 30 September 2022.

(2) Computed based on the offer price of RM0.95 divided by the non-diluted NAV per share of RM0.76 of Stella as at 30 June 2022.

(3) Computed based on the offer price of RM1.35 divided by the NAV per share of Hock Seng Lee of RM1.609 as at 31 December 2021.

(4) As the trading of the Shares has been suspended since 28 March 2023, the discount/premium of the Exit Offer Price to the respective VWAPs during the Lookback Period are computed based on the respective periods prior to the Previous VGO Last Full Traded Day, being the last undisturbed trading day that excludes the influence of the Previous VGO announcement.

For illustration purposes only, we note the following:

(a) The premium of approximately 23.6% implied by the Exit Offer Price over the last transacted price of the Shares prior to the Suspension Date is above the range of the premia implied by the respective offer prices paid over the last transacted market prices of the shares on their respective last trading day with respect to the Precedent Comparable Transactions on Bursa Malaysia;

(b) The premium of approximately 51.1% implied by the Exit Offer Price over the 1-month VWAP of the Shares up to and including the Previous VGO Last Full Traded Day is above the range of the premia implied by the respective offer prices over the 1-month VWAP of the shares with respect to the Precedent Comparable Transactions on Bursa Malaysia;

(c) The premium of approximately 50.1% implied by the Exit Offer Price over the 3-month VWAP of the Shares up to and including the Previous VGO Last Full Traded Day is above the range of the premia implied by the respective offer prices over the 3-month VWAP of the shares with respect to the Precedent Comparable Transactions on Bursa Malaysia;

(d) The premium of approximately 45.9% implied by the Exit Offer Price over the 6-month VWAP of the Shares up to and including the Previous VGO Last Full Traded Day is above the range of the premia implied by the respective offer prices over the 6-month VWAP of the shares with respect to the Precedent Comparable Transactions on Bursa Malaysia;

(e) The premium of approximately 32.7% implied by the Exit Offer Price over the 1-year VWAP of the Shares up to and including the Previous VGO Last Full Traded Day is above the range of the premia implied by the respective offer prices over the 1-year VWAP of the shares with respect to the Precedent Comparable Transactions on Bursa Malaysia;

(f) The implied P/NAV ratio of the Company of 0.92 times is within the range of the implied P/NAV ratios of the Precedent Comparable Transactions on Bursa Malaysia and below the mean of 0.99 times but above the median of 0.88 times; and

(g) The implied P/RNAV ratio of the Company of 0.63 times is below the range of the implied P/NAV ratios of the Precedent Comparable Transactions on Bursa Malaysia of between 0.84 times and 1.25 times.

7.9 Estimated valuation of the Shares

As mentioned in paragraphs 7.1 to 7.8 above, we have taken into consideration various factors and evaluated the financial terms of the Exit Offer, being the Exit Offer Price of S$1.18 per Share.

As set out in paragraph 7.2.1 above, we note that the Group's earnings were subject to significant fluctuations from year-to-year. Accordingly, we considered that the earnings approach using the EV/EBITDA and P/E multiples may not be appropriate in valuing the Group given that it may be challenging to determine the normalised EBITDA or net income as it involves subjective estimates and assumptions. This is particularly so arising from the COVID-19 pandemic outbreak and various unprecedented macroeconomic events that will impact the Group's business environment especially in both the E&C and Real Estate segment. In addition, we note that the acquisition and realisation of properties or interests in properties occurs as and when opportunities arise and may not happen on a consistent basis. Notwithstanding the above, we noted that the EV/EBITDA and P/E multiples implied by the Exit Offer Price are significantly higher than the mean and median of the Comparable Companies.

<u>Our valuation approach – cost approach using NAV and RNAV</u>

As set out in our analysis under paragraph 7.3 of this letter, the Group's material assets are mainly its property-related assets, which comprised the Group's leasehold properties, investments properties, investment securities and properties owned by the Group's subsidiaries, associates, and joint ventures. The aggregate carrying value of the property-related assets represents more than 37.6% of its total assets as at 30 September 2023.

In view of the Group's profile with significant construction activities (total outstanding value of construction works yet to be reported as revenue remains at approximately S$281 million as at 30 September 2023) and the significant property-related assets, including investment properties and investments in joint venture and associates, we have adopted the cost approach based on NAV and RNAV for the Company arising from the valuation of the Appraised Properties.

Based on the above, we are of the view that the (i) NAV and RNAV of the Company can be used to approximate the estimated valuation of the Shares of the Company as it is a tangible asset and less subject to material valuation uncertainties; and (ii) RNAV is more reflective of the Group value as most of the Group's properties were previously held at cost less accumulated depreciation and impairment losses and not stated as their respective fair values prior to 30 September 2023 and is regarded as the upper bound of our estimated valuation of the Shares of the Company.

<u>Market approach using the P/NAV or P/RNAV multiples</u>

We have also considered the market approach using P/NAV, P/NTA or P/RNAV multiples as an alternative valuation approach and a cross-reference to the P/NAV of the Company.

We have assessed the estimated valuation based on median implied P/NAV or P/NTA market multiples as summarised below:

	Median P/NAV or P/NTA	NAV/NTA per Share
Precedent Privatisation Transactions	0.96	S$1.23
Asset Intensive Precedent Privatisation Transactions	0.89	S$1.14
Precedent Comparable Transactions on SGX-ST	0.50	S$0.64
Precedent Comparable Transactions on Bursa Malaysia	0.88	S$1.13
P/NAV of Comparable Companies	0.46	S$0.59

We have considered the following as part of our assessment of the market multiples:

(a) The Precedent Privatisation Transactions consist of more than 40 successful privatisation and delisting transactions which constitute a significant sample size to provide a more reliable and representative gauge on the median P/NAV or P/NTA;

(b) Notwithstanding the above, the circumstances leading to the Precedent Privatisation Transactions (which are mostly VGO or voluntary delisting) may not be similar to the Exit Offer having considered that the Exit Offer is in respect of the Directed Delisting which arose from the loss of free float after the close of the Previous VGO. As such, we conducted a cross-check for reasonableness given the circumstances leading up to the Exit Offer by assessing the P/NAV or P/NTA multiples of the Asset Intensive Precedent Privatisation Transactions which were based on selected Precedent Privatisation Transactions where (i) the respective IFAs has opined the offer to be "***fair and reasonable***"; (ii) comprised asset intensive entities whereby their property-related assets and non-current assets relative to their total assets exceeds 30.0%; and (iii) the Offeror already holds majority control;

(c) Precedent Comparable Transactions on SGX-ST and Bursa Malaysia mainly comprised non-privatisation transactions (i.e. five (5) out of the seven (7) comparable transactions). In particular, the respective offerors' intention to keep the listing status of the target company could have been attributed to a less attractive offer price, of which the respective IFAs have opined the financial terms of the offers as "***not fair***"; and

(d) The estimated valuation range of the Shares derived based on the Comparable Companies P/NAV Ratios would appear to be low as the Comparable Companies P/NAV Ratios are lower than the mean and median P/NAV or P/NTA ratios of the Precedent Privatisation Transactions and the Asset Intensive Precedent Privatisation Transactions.

Based on the foregoing, we are of the view that a range of between S$1.14 and S$1.23 ("**Lower Bound Range**") derived based on market multiples of the Precedent Privatisation Transactions and the Asset Intensive Precedent Privatisation Transactions would be considered as a reasonable reference of the lower bound to our estimated valuation range of the Shares.

Our conclusion

Based on the Group's RNAV per Share of S$1.89, we have considered this to be the maximum upper bound to our estimated valuation range of the Shares. We have further considered the following factors:

(a) As set out in Paragraph 7.3 of this letter, we noted that the majority of the Group's properties are mostly owned by its joint ventures and associates which the Company does not hold a majority effective interest and/or does not have the sole decision-making power in relation to the management and disposal of these properties as at the Latest Practicable Date;

(b) The Management has confirmed that the properties are investment properties to be held for long-term rental yield and/or for capital appreciation; and

(c) In the event of a hypothetical sale of all the properties or the Group's interests in properties at the RNAV, comprising more than 30 properties that are currently held under the Group as at the Latest Practicable Date, the sale of the properties may be subject to approval of relevant governmental authority that may include JTC Corporation, the availability of buyers and other potential costs such as professional fees, liquidation costs and/or relevant taxes and duties to be incurred.

Having considered the above, the likelihood for the Group to realise all of its properties at the RNAV in the short-term is considerably low and there are various factors which may affect the transactional prices of properties in reality. Accordingly, we have applied a discount of 25.0%[6] to the RNAV per Share of S$1.89 to arrive at the final upper bound of S$1.42.

In view of the final upper bound of S$1.42, we have determined that a reasonable final lower bound to be S$1.18 based on the mid-point of the Lower Bound Range.

As such, the Exit Offer Price of S$1.18 is within our final estimated valuation range for the Shares of between S$1.18 and S$1.42.

We wish to emphasise that the trading of Shares has been suspended for more than six (6) months since the Suspension Date pursuant to Rule 1303(1) of the Listing Manual following the close of the Previous VGO. Following the receipt of the Delisting Notification and the Exit Offer from the Offeror, Shareholders should note that this may be the final offer prior to the delisting of the Company from the Official List of the SGX-ST. Shareholders should refer to paragraph 8 of this letter for more information. As set out in the Exit Offer Letter, subject to compliance with Rule 1309 of the Listing Manual, the Company will be delisted from the Official List of SGX-ST, <u>regardless of the final level acceptance of the Exit Offer</u>.

7.10 Analyst's estimate and price target for the Company

We have noted and reviewed the estimates of the price target by a brokerage sourced from S&P Capital IQ. The summary of the price target by the analyst from the brokerage within 12 months from the date of the Joint Announcement is shown in the table below:

Analyst's price target for the Company				
Date	**Analyst**	**Recommendation**	**Target Base Price (S$)(1)**	**Premium/(Discount) of Exit Offer Price to Target Price**
21 November 2022	CGS-CIMB Securities (Singapore) Pte Ltd ("**CGS-CIMB**")	Add	1.35	(12.6)%

Source: CGS-CIMB report on the Company dated 21 November 2022

Note:

(1) The target base price of S$1.35 is the base price of the Company indicated by the analyst report which is a 25.0% discount to the RNAV per share of S$1.79.

Based on CGS-CIMB's report, we note that the Exit Offer Price of S$1.18 represents a discount of approximately 12.6% to the target price of S$1.35.

[6] The discount of 25% is determined by PPCF after taking into the considerations set out above and cross-referencing the discount rate applied for the base case set out in the analyst report.

We wish to highlight that the above research report is not exhaustive and the estimated price target of the Shares in this report represents the individual views of the analyst (and not PPCF) based on the circumstances, including but not limited to, market, economic and industry conditions and market sentiment and investor perceptions on the prospects of the Company, prevailing at the date of the publication of the respective reports. The opinion of the analyst may change over time due to, *inter alia*, changes in market conditions, the Company's corporate developments and the emergence of new information relevant to the Company. As such, the estimated price target in this analyst report may not be an accurate prediction of future market prices of the Shares.

7.11 Distribution track record of the Company

For the purpose of assessing the Exit Offer, we have considered the historical distribution track record of the Shares for the last five (5) financial years prior to the Joint Announcement Date and compared them with the returns which a shareholder may potentially obtain by re-investing the proceeds from the Exit Offer in other selected alternative equity investments.

The Company had declared and paid the following distributions in respect of its last five (5) financial years:

Historical dividend track record of the Company					
S$	**FY2019**	**FY2020**	**FY2021**	**FY2022**	**FY2023**
Interim dividend per Share	-	-	-	-	-
Final dividend per Share	0.015	0.008	0.009	0.002	0.007
Special dividend per Share	0.005	-	0.145	0.008	0.007
Total dividend per Share	**0.020**	**0.008**	**0.154**	**0.010**	**0.014**
Share price on final cum-dividend date	0.99(1)	0.795(1)	1.29(1)	0.895(1)	0.955(2)
Final dividend yield (%)	**1.52**	**1.01**	**0.70**	**0.22**	**0.73**
Total dividend yield (%)	**2.02**	**1.01**	**11.94**	**1.12**	**1.47**

Sources: Bloomberg L.P., financial results announcements of the Company and PPCF calculations

Note:

(1) The closing market price as at the final cum dividend date for each respective financial year.

(2) Last traded price prior to the Suspension Date. The Shares of the Company have been suspended since 28 March 2023, pursuant to Rule 1303(1) of the Listing Manual.

Notwithstanding that the Company does not have a fixed and written dividend policy, the Company has a historical dividend track record in the last five (5) financial years. The Company has not declared any interim dividends for the last five (5) financial years, while the final dividend declared at the publication of the Company's full-year financial results will be paid after the approval by shareholders at the annual general meeting. We noted that the Company has declared a higher special dividend of S$0.145 per Share for FY2021 which was mainly attributable to a significant one-off gain in relation to the BIF Value-Unlocking Gain. There can be no assurance that in any given year a dividend will be proposed or declared. The payment of dividends, if any, and the amounts and timing thereof, will depend on a number of factors, including profit growth, cash position, projected capital requirements for business growth and other factors as the Board may deem appropriate, as well as other legal and regulatory requirements. The observation above only serves as an illustrative guide and is not an indication of the future dividend policy of the Company.

For the purpose of assessing the Exit Offer, we have considered the Shareholders who accept the Exit Offer may re-invest the proceeds from the Exit Offer in selected alternative equity investments including the equity of the Comparable Companies and/or a broad Singapore market index instrument such as the STI Exchange Traded Fund ("**STI ETF**").

For illustration purposes, we have set out below the dividend yields of the Comparable Companies in their respective most recently completed financial year end, and the distribution yield of STI ETF based on its distributions declared over the calendar year of 2022:

Dividend yields of Comparable Companies		
Comparable Companies	**Latest completed financial year end**	**Net dividend yield[(1)] (%)**
Hock Lian Seng[(2)]	31 December 2022	3.85
KSH Holdings	31 March 2023	5.88
Lum Chang[(3)]	30 June 2023	5.56
Wee Hur[(2)]	31 December 2022	2.78
Koh Brothers	30 June 2023	1.38
OKP Holdings	30 June 2023	2.98
Mean	–	3.74
Median	–	3.41
STI ETF	–	3.16
The Company (based on the Exit Offer Price)	31 March 2023	**1.19[(4)]**

Sources: Bloomberg L.P., financial results and dividend announcements of the Company and PPCF calculations

Notes:

(1) Net dividend yield of each selected alternative investment is computed as the dividends declared over the most recently completed financial year as reported in the annual reports, results announcements and company filings, divided by the closing market price as at the final cum dividend date (or where there was no trading on such date, the last available closing market price on the Latest Practicable Date). The aforementioned dividend yield computed may differ from the actual dividend yield which will vary depending on the actual cost of investment paid by the individual investor.

(2) The dividend yields for Hock Lian Seng and Wee Hur are computed based on the dividends declared for the financial year ended 31 December 2022 as at the Latest Practicable Date, assuming that these companies will not declare further dividends relating to the latest completed financial year end. The share price is the last available closing market price on the Latest Practicable Date.

(3) The dividend yield for Lum Chang is computed based on the dividends declared for the financial year ended 30 June 2023 as at the Latest Practicable Date, assuming that the company will not declare further dividends relating to the latest completed financial year end. The share price is the last available closing market price on the Latest Practicable Date.

(4) Based on the total dividends declared by the Company for FY2023 of S$0.014 per Share divided by the Exit Offer Price of S$1.18.

Based on the above analysis, we note that the dividend yield (based on the dividends declared for FY2023) of the Company based on the Exit Offer Price is approximately 1.19%, which is lower than the mean and median dividend yields of the Comparable Companies at approximately 3.74% and 3.41% respectively. This suggests that Shareholders who accept the Exit Offer may potentially experience an increase in dividend income if they reinvest the proceeds from the Exit Offer in the shares of Comparable Companies.

We wish to highlight the above dividend analysis serves only as an illustrative guide and is not an indication of the Company's future dividend policy or that of any of the Comparable Companies. There is no assurance that the Comparable Companies will continue to pay dividends in the future and/or maintain their respective level of dividends paid in the past periods.

Notwithstanding the above, it is uncertain whether the Company and the Comparable Companies can maintain its historical dividend yields at the levels set out above, hence it is uncertain whether the Shareholders will be able to increase their investment income by liquidating their investment in the Company and reinvesting their proceeds in the Comparable Companies.

The Recommending Directors should note that an investment in STI ETF and equity of the Comparable Companies provides a different risk-return profile as compared to an investment in the Shares, and therefore the above comparison serves purely as a guide only. Furthermore, it should also be noted that the above analysis ignores the effect of any potential capital gain or capital loss that may accrue to the Shareholders arising from their investment in the Shares due to market fluctuations in the price of the Shares during the relevant corresponding periods in respect of which the above dividend yields were analysed.

In addition, there can be no assurance that in any given year a distribution will be proposed or declared. The payment of distributions, if any, and the amounts and timing thereof, will depend on a number of factors, including future profits, financial conditions, general economic and business conditions, and future prospects and such other factors as the Board may deem relevant, as well as other legal and regulatory requirements.

7.12 Comparison against the Previous VGO made for the Shares

On 6 February 2023, the Offeror launched the Previous VGO at the Initial VGO Offer Price of S$0.90. The Final VGO Offer Price of the Previous VGO was S$0.95 in cash, as announced on 22 February 2023. The Company had ceased to meet the free float requirements under Rule 723 of the Listing Manual at the close of the Previous VGO on 27 March 2023, and trading in the Shares of the Company has been suspended since 28 March 2023.

Comparison against the terms of the Previous VGO							
Transaction	Announcement Date	Transaction Consideration	Price (S$)	EV/EBITDA (times)	P/E (times)	P/NAV (times)	P/RNAV (times)
Previous VGO(1)	6 February 2023	Cash	0.95	13.57	22.72	0.75	0.52
Exit Offer(2)	14 November 2023	Cash	1.18	9.79	20.91	0.92	0.63

Notes:

(1) The multiples implied by the Final VGO Offer Price of the Previous VGO are computed based on the unaudited financial information of the Group for 1H2023.

(2) The multiples implied by the Exit Offer Price of the Exit Offer are computed based on the unaudited financial information of the Group for 1H2024.

In comparing the financial terms against the Previous VGO, we note that:

(a) The Exit Offer Price of S$1.18 is approximately 24.2% higher than the Final VGO Offer Price;

(b) The EV/EBITDA and P/E multiples are lower than the corresponding multiples as implied by the Final VGO Offer Price of the Previous VGO; and

(c) The P/NAV and P/RNAV multiples are higher than the corresponding multiples as implied by the Final VGO Offer Price of the Previous VGO.

We wish to highlight that the rationale, circumstances and terms for the transaction, the Group's financial situation and the economic conditions during the Previous VGO are different from those prevailing during the Exit Offer. As such, any comparison between the financial terms of the Exit Offer against the Previous VGO is necessarily limited and serves as an illustrative guide only.

8 OTHER CONSIDERATIONS

8.1 Outlook of the industry and market that the Group is operating in

We note that the Company had made a commentary in its financial results announcement for 1H2024 on the significant trends and competitive conditions of the industry that may affect the Group in the next reporting period and the next 12 months. The commentary has been reproduced below in italics and should be read in the context of the entire 1H2024 results announcement:

> *"The BP Group's current order backlog (unrecognised project revenue remaining at the end of 1H FY2024 plus the total value of new orders secured since then) stands at a relatively healthy level of $281 million (compared to an order backlog of $452 million as announced in the 1H FY2023 financial results announcement). This includes a variation order for the record design-and-build contract for an integrated manufacturing, logistics and office facility in Singapore.*
>
> *During 1H FY2024, the BP Group fully progressed into the post-pandemic phase, with further normalisation of project management and construction management activities and having completed all projects that had been secured pre-pandemic. Nonetheless, the E&C Business expects to face continued challenges including occasional volatility in raw material prices and a shortage of skilled labour, compounded by the complex geopolitical landscape and recent concerns arising from the Israel-Hamas conflict. The slowing global demand has also resulted in increased project cycles and longer conversion timeline for the BP Group's pipeline of opportunities. In the midst of challenging competition to the E&C Business, the BP Group will continue with its strategy of selectively rebuilding its order backlog in high value-added sectors where it has the expertise and familiarity to mitigate longer term challenges, supported by the use of construction and real estate technology (ConTech and PropTech) that will help to sharpen its competitive advantage and enhance risk management.*
>
> *Under the Real Estate Business, notwithstanding the recent financial results of the business, progress was made on several fronts in growing fund management capabilities and building recurring income streams. During 1H FY2024, the BP Group announced the long-awaited redevelopment of 36 Tuas Road with two other leading real estate players, a move which will see the property become a modern five-floor multi-tenanted logistics hub that will cater to the needs of market-leading logistics players in the region. COMO Orchard also opened its doors at joint venture property 28 & 30 Bideford Road, featuring COMO Metropolitan Singapore and other highly anticipated multi-label fashion, lifestyle and F&B offerings. Going forward, the asset stabilisation of COMO Orchard will be a priority. Aligned with its commitment to sustainability, the BP Group also successfully secured a green loan of $70 million from UOB – its second green loan thus far – to refinance joint venture property, Razer SEA HQ in Singapore.*
>
> *Moving forward, the BP Group will continue to explore various value creation opportunities in a cautious and prudent approach in order to generate long-term sustainable growth. With a relatively healthy order backlog and steady financial position, the BP Group expects to deliver a firm performance in FY2024, barring any unforeseen circumstances or disruptions."*

The above historical commentary by the Company was not made in connection with the Exit Offer.

In addition, we also note that the Group's key market is Singapore and we have set out in below a summary of the outlook of the general economy as well as the engineering and construction and real estate industries in Singapore, based on publicly available information:

Summary of estimated outlook of Singapore
Growth outlook for Singapore

Economic Survey of Singapore Press Release by Ministry Trade and Industry Singapore ("MTI")

- The Singapore economy grew by 0.5 per cent on a year-on-year basis in the second quarter of 2023, extending the 0.4 per cent growth in the previous quarter.
- "*Singapore's external demand outlook for the rest of the year remains weak. Apart from the*

expected slowdown in Singapore's key external demand markets, the global electronic downturn is also likely to be protracted, with a gradual recovery expected towards the end of the year at the earliest."

- At the same time, uncertainties in the global economy remain mainly due to:
  - "*More persistent-than-expected inflation in the advanced economies could induce tighter global financial conditions, which could then lead to a sharper retraction in global spending and exacerbate the ongoing manufacturing downturn*."
  - "*Escalations in the war in Ukraine and geopolitical tensions among major global powers could lead to renewed supply disruptions, dampen consumer and business confidence, as well as weigh on global trade*."
- "*Taking into account the performance of the Singapore economy in the first half of 2023, as well as the latest global and domestic economic developments, MTI has narrowed the GDP growth forecast for 2023 to "0.5 to 1.5 per cent", from "0.5 to 2.5 per cent*"."

General outlook of the engineering and construction industry

We have set out the following excerpts from selected media articles and reports in relation to the engineering and construction industry in Singapore:

Report by BMI – "Singapore Construction Forecast" dated September 2023

- *"The construction market in Singapore is poised for moderate growth over the longer term, with transport infrastructure, renewable energy, and the non-residential building segment expected to outperform. We forecast construction sector growth of 3.8% per annum between 2023 and 2032."*

Report by Subana Jurong – "Singapore Market Review and Outlook 2023"

- *BCA's construction demand forecast this year ranges from S$27 billion to an upper bound of S$32 billion (excluding any developments on the two Integrated Resorts).*
- *JTC reported that an estimated 1.8 million sqm of industrial space could be completed this year, based on approved plans as at end December 2022, which is the highest since 2017. Industrial rentals and prices have continued to increase, due to sustained demand for high quality industrial spaces and logistic warehouses. A Jones Lang La Salle research reported that the surge in demand for food delivery services and the adoption of technologies has fuelled the rise of central kitchens and demand for quality food factory spaces.*

Report by MTI – "Economic Survey of Singapore" dated August 2023

- *"Construction demand in terms of contracts awarded fell by 11.6 per cent year-on-year in the second quarter, deteriorating from the 1.0 per cent contraction in the previous quarter (Exhibit 2.3). The fall in contracts awarded during the quarter was on account of lower public sector construction demand (-25.4 per cent), which outweighed an increase in private sector construction demand (3.9 per cent). The former was led by a fall in contracts awarded for public civil engineering (-68.7 per cent) and institutional & others building (-29.8 per cent) works, while the latter was driven by an increase in contracts awarded for private industrial (165 per cent) and commercial (4.7 per cent) building works."*

Article by the Building and Construction Authority – "Singapore's Construction Demand to Remain Strong in 2023" dated 12 January 2023

- *Both residential and industrial building construction demand are expected to be similar to last year's level, underpinned by the development of new condominiums and high-specification industrial buildings. Due to the rescheduling of some major projects from 2022 to 2023 as well as the redevelopment of old commercial premises to enhance asset values, commercial building demand is anticipated to increase."*
- *"Over the medium-term, BCA expects the total construction demand to reach between $25 billion and $32 billion per year from 2024 to 2027."*

Summary of estimated outlook of Singapore

Article by Channel NewsAsia – "Singapore's construction industry slowly but surely tackling cost, labour issues" dated 21 December 2022

- *"Authorities have reported that construction output here this year has recovered close to pre-pandemic levels, signalling that construction activities are progressing at a steady pace."*
- *"… there is increasing demand for both residential properties and commercial properties in Singapore. Whether supply can meet the rising demand, depends on how quickly the wider construction industry can overcome the reported labour and material shortages, while contending with factors beyond their control, such as geopolitical tensions, energy prices and supply chain disruptions."*

General outlook of the real estate industry

We have set out the following excerpts from selected media articles and reports in relation to the real estate industry in Singapore:

Report by MTI – "Economic Survey of Singapore" dated September 2023

- *"The real estate sector expanded by 12.0 per cent year-on-year in the second quarter of 2023, accelerating from the 7.0 per cent growth in the preceding quarter. The growth of the sector was due to the commercial office and industrial property segments, which saw increases in rental rates of 15.4 per cent and 9.4 per cent respectively."*

Report by BMI – "Singapore Industrial Real Estate Forecast" dated June 2023

- *"We forecast trade to grow on all fronts. Overall trade is forecast to rise by 0.2% y-o-y in real terms in 2023, reaching USD1.7tn. By 2027, we forecast overall trade to grow to 2.2tn."*
- *"An upside risk to the industrial segment is the boom in e-commerce sales, which has led to a jump in demand for warehousing facilities on short-term leases. Landlords have a rental premium, although the demand could taper off slightly since lockdowns have been lifted and retail stores have been re-opened. Another prime area of expansion is the data centre segment; Singapore is widely favoured as a base for many major Internet companies to locate their data storage facilities, given the country's robust infrastructure, prime location which is shielded from natural disasters and good regional connectivity through the presence of many subsea cables."*

We observe from the above industry articles and articles that:

(a) Amidst uncertainty caused by the tighter financial conditions across various economies arising from persistent inflation, escalations of conflicts and geopolitical tensions across the globe, Singapore's GDP growth forecast for 2023 is narrowed to between 0.5% and 1.5%;

(b) The construction industry in Singapore is expected to achieve moderate growth over the longer term with demand from transport infrastructure, renewable energy, and the non-residential building segment. However, increasing cost, labour and supply chain issues still remain a key challenge for the industry; and

(c) The real estate sector in Singapore continues to grow backed by industrial segment from e-commerce activities and the expansion of data centre in Singapore. Regardless, a weaker economic outlook and sharp rental increases in prior years is likely to lead to increasing tenant resistance and slower rental growth.

8.2 Directed Delisting

As described in paragraph 1.3 of this letter, the Exit Offer is made in compliance with the Delisting Notification from the SGX-ST. It is therefore important to note that the **delisting of the Company will proceed by the close of the Exit Offer regardless of the final acceptance level of the Exit Offer**.

Following the Directed Delisting, the Company would cease to be listed on the Mainboard of the SGX-ST, and that accordingly, the requirements of the Listing Manual would no longer apply to the Company. In respect of this, the implications of Shareholders who do not accept the Exit Offer are set out in paragraph 8.5 (b) of this letter.

8.3 Likelihood of competing offers

As at the Latest Practicable Date, the number of Shares owned, controlled, or agreed to be acquired by the Offeror and the Undertaking Shareholders, is an aggregate of 299,158,020 Shares, representing approximately 95.50% of the total number of Shares of the Company.

The Directors confirm that (i) no other third parties have approached the Company with an intention to make an offer for the Company; and (ii) apart from the Exit Offer being made by the Offeror, no other third party has made a firm offer for the Company as at the Latest Practicable Date.

Based on the above, given that the Offeror has already obtained statutory control of the Company, the likelihood of competing offers is low.

8.4 Compulsory acquisition

Pursuant to Section 215(1) of the Companies Act, if the Offeror receives valid acceptances of the Exit Offer and/or acquires or agrees to acquire such number of Shares from the date of the Exit Offer otherwise than through valid acceptances of the Exit Offer in respect of not less than 90% of the total number of Shares as at the close of the Exit Offer (other than those already held by the Offeror, its related corporations or their respective nominees as at the despatch date of the Exit Offer Letter), the Offeror would be entitled to exercise the right to compulsorily acquire all the Shares of the Shareholders who have not accepted the Exit Offer (the "**Dissenting Shareholders**") on the same terms as those offered under the Exit Offer (collectively, the "**Compulsory Acquisition Right**").

In the event that the Offeror becomes entitled to exercise its right under Section 215(1) of the Companies Act to compulsorily acquire all the Shares of the Dissenting Shareholders, the Offeror intends to exercise its Compulsory Acquisition Right.

In the event that **neither** the Offeror nor Shareholders who have not accepted the Exit Offer are able to exercise their respective rights under Section 215(1) and Section 215(3) of the Companies Act, the Shareholders who have not accepted the Exit Offer will continue to remain as Shareholders of the Company. As the Company will no longer be listed on the Mainboard of the SGX-ST subsequent to the close of the Exit Offer, the Company will not be required to comply with the requirements of the Listing Manual.

8.5 Implications of Shareholders holding on to unlisted Shares

(a) Shareholders should note that shares of unlisted or delisted public companies are generally valued at a discount to the shares of comparable listed companies as a result of the lack of liquidity and marketability. Following the Directed Delisting, Shareholders who have not accepted the Exit Offer may face difficulties if they wish to sell their Shares in the absence of a public market for the Shares as there is no arrangement for Shareholders to exit. Even if such Shareholders were able to sell their Shares, they may receive a lower price as compared to the Exit Offer Price. In addition, any transfer or sale of Shares represented by share certificates will be subject to stamp duties;

(b) Following the Directed Delisting, the Company will no longer be obliged to comply with the requirements of the Listing Manual, in particular the continuing corporate disclosure requirements under Chapter 7 of the Listing Manual and Appendices 7.1 to 7.4 to the Listing Manual. Shareholders who do not accept the Exit Offer will no longer enjoy the same level of protection, transparency and accountability afforded by the Listing Manual. Nonetheless, as a company incorporated in Singapore, the Company will still need to comply with the Companies Act and its Constitution and the interests of Shareholders who do not accept the Exit Offer will be protected to the extent provided for by the Companies Act which includes, *inter alia*, the entitlement to be sent a copy of the profit and loss accounts and balance sheet at least 14 days before each annual general meeting, at which the accounts will be presented;

(c) There is no assurance that the Company will maintain its historical dividend payments in the future; and

(d) When the Company is delisted from the Official List of the SGX-ST, each Shareholder who holds Shares that are deposited with CDP and has not accepted the Exit Offer will be entitled to one (1) share certificate representing his unlisted Shares. The Company's Registrar, Boardroom Corporate & Advisory Services Pte Ltd, will arrange to forward the share certificates to such Shareholders (not being (i) CPFIS Investors who purchase Offer Shares using their CPF contributions pursuant to the CPFIS; and (ii) SRS Investors who purchase Offer Shares using their SRS savings), by ordinary post and at the Shareholders' own risk, to their respective addresses as they appear in the records of CDP for their physical safekeeping. The share certificates belonging to the CPFIS Investors and SRS Investors who have not accepted the Exit Offer will be forwarded to their respective agent banks included under the CPFIS and SRS for their safe keeping.

9 OPINION

In arriving at our opinion in respect of the Exit Offer, we have considered the following key considerations (which should be read in conjunction with, and in the context of, the full text of this letter):

Factors in favour of the Exit Offer Price:

(a) The Exit Offer Price of S$1.18 is within our final estimated valuation range for the Shares of between S$1.18 and S$1.42;

(b) In respect of the trading prices of the Shares:

- The Exit Offer Price is within the range of the daily closing price of the Shares over the Lookback Period, which is between a low of S$0.770 per Share and a high of S$1.370 per Share;

- The Exit Offer Price represents premia of 6.88%, 32.73%, 45.86%, 50.13% and 51.09% over the VWAP of the Shares for the 2-year, 1-year, 6-month, 3-month and 1-month periods, prior to and including the Previous VGO Last Full Traded Day;

- Following the Previous VGO Announcement Date and up to the close of the Previous VGO, the Shares were traded between S$0.910 and S$0.990 which were below the Exit Offer Price of S$1.18; and

- The Exit Offer Price represents a premium of 23.56% to the last transacted price of the Shares of S$0.955 prior to the Suspension Date;

(c) During the 2-year period prior to the Previous VGO Announcement Date, the ADTV of the Shares for the 2-year, 1-year, 6-month, 3-month and 1-month periods prior to and including the Previous VGO Last Full Traded Day, was low, representing 0.16%, 0.05%, 0.03%, 0.05% and 0.01% of the free float of the Shares respectively;

(d) In respect of the historical trailing P/NAV ratio of the Shares:

- For the 1-month, 3-month, 6-month, 1-year and 2-year periods prior to and including the Previous VGO Last Full Traded Day, the implied P/NAV of 0.92 times is above the average historical trailing P/NAV of the Shares of 0.64 times, 0.64 times, 0.67 times, 0.71 times and 0.80 times respectively;

- For the period after the Previous VGO Last Full Traded Day up to close of the Previous VGO, the implied P/NAV of 0.92 times is above the average historical trailing P/NAV of the Shares of 0.74 times;

- At the close of the Previous VGO, the implied P/NAV of 0.92 times is higher than the historical trailing P/NAV of the Shares of 0.76 times; and

- For the period from the Suspension Date and up to the Latest Practicable Date, the implied P/NAV of 0.92 times is above the average historical trailing P/NAV of the Shares of 0.75 times;

(e) In respect of the historical trailing P/E ratio of the Shares:

- For the 1-month and 3-month periods prior to and including the Previous VGO Last Full Traded Day, the implied P/E of 20.91 times is above the historical trailing P/E of the Shares of 18.87 times and 19.24 times respectively; and

- For the period from the Suspension Date and up to the Latest Practicable Date, the implied P/E of 20.91 times is above the average historical trailing P/E of the Shares of 20.68 times;

(f) In respect of the Comparable Companies:

- The implied EV/EBITDA ratio of the Company of 9.79 times is above the range of the EV/EBITDA ratios of the Comparable Companies of between 0.91 times and 1.08 times;

- The implied P/E ratio of the Company of 20.91 times is above the range of the P/E ratios of the Comparable Companies of between 1.83 times and 7.24 times;

- The implied P/NAV ratio of the Company of 0.92 times is above the range of the P/NAV ratios of the Comparable Companies of between 0.20 times and 0.69 times;

- The implied P/RNAV ratio of the Company of 0.63 times is within the range of the P/NAV ratios of the Comparable Companies and higher than both the mean and median P/NAV ratios of 0.44 times and 0.46 times respectively; and

- The implied average LTM P/E ratio based on the Exit Offer Price of 22.21 times is above the range of the P/E ratios of the Comparable Companies of between 1.83 times and 7.24 times;

(g) In respect of the Precedent Privatisation Transactions:

- The premium of approximately 51.1% implied by the Exit Offer Price over the 1-month VWAP of the Shares up to and including the Previous VGO Last Full Traded Day is within the range and is higher than the mean and median premia of 38.5% and 26.2% respectively as implied by the respective offer prices over the 1-month VWAP of the shares with respect to the Precedent Privatisation Transactions;

- The premium of approximately 50.1% implied by the Exit Offer Price over the 3-month VWAP of the Shares up to and including the Previous VGO Last Full Traded Day is within the range and is higher than the mean and the median premia of 39.8% and 28.8% respectively as implied by the respective offer prices over the 3-month VWAP of the shares with respect to the Precedent Privatisation Transactions; and

- The premium of approximately 45.9% implied by the Exit Offer Price over the 6-month VWAP of the Shares up to and including the Previous VGO Last Full Traded Day is within the range and is higher than the mean and the median premia of 39.9% and 28.0% respectively as implied by the respective offer prices over the 6-month VWAP of the shares with respect to the Precedent Privatisation Transactions;

(h) In respect of the Precedent Comparable Transactions:

- The premium of approximately 23.6% implied by the Exit Offer Price over the last transacted price of the Shares prior to the Suspension Date is above the range of the premia as implied by the respective offer prices paid over the last transacted market prices of the shares on their respective last trading day with respect to the Precedent Comparable Transactions on SGX-ST and Bursa Malaysia;

- The premium of approximately 51.1% implied by the Exit Offer Price over the 1-month VWAP of the Shares up to and including the Previous VGO Last Full Traded Day is above the range of the premia as implied by the respective offer prices over the 1-month VWAP of the shares with respect to the Precedent Comparable Transactions on SGX-ST and Bursa Malaysia;

- The premium of approximately 50.1% implied by the Exit Offer Price over the 3-month VWAP of the Shares up to and including the Previous VGO Last Full Traded Day is above the range of the premia as implied by the respective offer prices over the 3-month VWAP of the shares with respect to the Precedent Comparable Transactions on SGX-ST and Bursa Malaysia;

- The premium of approximately 45.9% implied by the Exit Offer Price over the 6-month VWAP of the Shares up to and including the Previous VGO Last Full Traded Day is above the range of the premia as implied by the respective offer prices over the 6-month VWAP of the shares with respect to the Precedent Comparable Transactions on SGX-ST and Bursa Malaysia;

- The premium of approximately 32.7% implied by the Exit Offer Price over the 1-year VWAP of the Shares up to and including the Previous VGO Last Full Traded Day is above the range of the premia as implied by the respective offer prices over the 1-year VWAP of the shares with respect to the Precedent Comparable Transactions on SGX-ST and Bursa Malaysia;

- The implied P/NAV ratio of the Company of 0.92 times is above the range of P/NAV or P/NTA ratios of the Precedent Comparable Transactions on SGX-ST of between 0.34 times and 0.57 times; and

- The implied P/RNAV ratio of the Company of 0.63 times is above the range of P/RNAV ratio of the Precedent Comparable Transactions on SGX-ST of between 0.33 times and 0.52 times;

(i) The dividend yield (based on the dividends declared for FY2023) of the Company based on the Exit Offer Price is approximately 1.19%, which is lower than the mean and median dividend yields of the Comparable Companies at approximately 3.74% and 3.41% respectively;

(j) In respect of the Previous VGO:

- The Exit Offer Price of S$1.18 is approximately 24.2% higher than the Final VGO Offer Price; and

- The P/NAV and P/RNAV multiples implied by the Exit Offer Price are higher than the corresponding multiples as implied by the Final VGO Offer Price of the Previous VGO;

(k) Since the Suspension Date, the trading of Shares had been suspended pursuant to Rule 1303(1) of the Listing Manual for more than six (6) months;

(l) The Exit Offer is made in compliance with the Delisting Notification from the SGX-ST and the delisting of the Company will proceed by the close of the Exit Offer regardless of the final acceptance level of the Exit Offer; and

(m) As at the Latest Practicable Date, apart from the Exit Offer being made by the Offeror, no alternative offer or proposal has been received by the Company.

Factors against the Exit Offer Price:

(a) Based on the Group's NAV per Share of approximately S$1.28 as at 30 September 2023, the Exit Offer Price represents a discount of approximately 8.1% and values the Group at a P/NAV ratio of approximately 0.92 times;

(b) Based on the Group's RNAV per Share of approximately S$1.89 as at 30 September 2023, the Exit Offer Price represents a discount of approximately 37.5% and values the Group at a P/RNAV ratio of approximately 0.63 times;

(c) In respect of the historical trailing P/E ratio of the Shares:

- For the 6-month, 1-year and 2-year periods prior to and including the Previous VGO Last Full Traded Day, the implied P/E of 20.91 times is below the average historical trailing P/E of the Shares of 21.65 times, 40.36 times and 34.93 times respectively;

- For the period after the Previous VGO Last Full Traded Day up to the close of the Previous VGO, the implied P/E of 20.91 times is below the average historical trailing P/E of the Shares of 21.88 times; and

- At the close of the Previous VGO, the implied P/E of 20.91 times is lower than the historical trailing P/E of the Shares of 22.21 times;

(d) In respect of the Precedent Privatisation Transactions:

- The premium of approximately 23.6% implied by the Exit Offer Price over the last transacted price of the Shares prior to the Suspension Date is within the range and is lower than the mean premium of 34.3% but higher than the median premium of 19.9% as implied by the respective offer prices paid over the last transacted market prices of the shares on their respective last trading day with respect to the Precedent Privatisation Transactions;

- The premium of approximately 32.7% implied by the Exit Offer Price over the 1-year VWAP of the Shares up to and including the Previous VGO Last Full Traded Day is within the range and is lower than the mean premium of 40.8% but is higher than the median premium of 29.4% as implied by the respective offer prices over the 1-year VWAP of the shares with respect to the Precedent Privatisation Transactions; and

- The implied P/NAV and implied P/RNAV ratios of the Company of 0.92 times and 0.63 times respectively are within the range of P/NAV or P/NTA ratios of the Precedent Privatisation Transactions of between 0.35 times and 5.86 times, and lower than the mean and median P/NAV or P/NTA ratios of the Precedent Privatisation Transactions of 1.47 times and 0.96 times respectively;

(e) In respect of the Asset Intensive Precedent Privatisation Transactions:

- The premium of approximately 23.6% implied by the Exit Offer Price over the last transacted price of the Shares prior to the Suspension Date is within the range and is lower than the mean and median premia of 50.3% and 34.6% respectively as implied by the respective offer prices paid over the last transacted market prices of the shares on their respective last trading day with respect to the Asset Intensive Precedent Privatisation Transactions;

- The premium of approximately 51.1% implied by the Exit Offer Price over the 1-month VWAP of the Shares up to and including the Previous VGO Last Full Traded Day is within the range and is lower than the mean and median premia of 54.3% and 51.5% respectively as implied by the respective offer prices over the 1-month VWAP of the shares with respect to the Asset Intensive Precedent Privatisation Transactions;

- The premium of approximately 50.1% implied by the Exit Offer Price over the 3-month VWAP of the Shares up to and including the Previous VGO Last Full Traded Day is within the range and is lower than the mean and median premia of 56.2% and 54.6% respectively as implied by the respective offer prices over the 3-month VWAP of the shares with respect to the Asset Intensive Precedent Privatisation Transactions;

- The premium of approximately 45.9% implied by the Exit Offer Price over the 6-month VWAP of the Shares up to and including the Previous VGO Last Full Traded Day is within the range and is lower than the mean and median premia of 57.2% as implied by the respective offer prices over the 6-month VWAP of the shares with respect to the Asset Intensive Precedent Privatisation Transactions;

- The premium of approximately 32.7% implied by the Exit Offer Price over the 1-year VWAP of the Shares up to and including the Previous VGO Last Full Traded Day is within the range and is lower than the mean and median premia of 54.8% and 40.8% respectively as implied by the respective offer prices over the 1-year VWAP of the shares with respect to the Asset Intensive Precedent Privatisation Transactions; and

- The implied P/NAV and P/RNAV ratios of 0.92 times and 0.63 times respectively are within the range of between 0.73 times and 2.01 times. The implied P/NAV is lower than the mean P/NAV or P/NTA ratio of 1.02 times but higher than the median P/NAV or P/NTA ratio of 0.89 times. The implied P/RNAV ratio is lower than the mean and median P/NAV or P/NTA ratios of 1.02 times and 0.89 times respectively;

(f) In respect of the Precedent Comparable Transactions:

- The implied P/NAV ratio of the Company of 0.92 times is within the range of the implied P/NAV ratios of the Precedent Comparable Transactions on Bursa Malaysia and below the mean of 0.99 times but above the median of 0.88 times; and

- The implied P/RNAV ratio of the Company of 0.63 times is below the range of the implied P/NAV ratios of the Precedent Comparable Transactions on Bursa Malaysia of between 0.84 times and 1.25 times;

(g) The Exit Offer Price of S$1.18 represents a discount of approximately 12.6% to the target price of S$1.35 of the latest broker research report available; and

(h) We also note from the commentary in the 1H2024 financial results announcement by the Company that, barring any unforeseen circumstances and disruptions the Group expects to deliver a firm performance in FY2024 having considered the continued challenges faced by E&C business including volatile raw material price and shortage of skilled labour, progress in Real Estate business and growing fund management capabilities, a relatively healthy order backlog and steady financial position.

For the purposes of evaluating the Exit Offer, we have adopted the approach that the terms "fair" and "reasonable" are regarded as two different concepts. The term "fair" relates to an opinion on the value of the offer price compared against the value of the securities subject to the offer (the "**Securities**"), and an offer is "fair" if the price offered is equal to or greater than the value of the Securities.

In considering whether an offer is "reasonable", other matters as well as the value of the Securities are considered. Such matters include, but are not limited to, existing voting rights in the company held by the offeror and its concert parties and the market liquidity of the Securities.

Having considered the foregoing factors, we are of the view that the Exit Offer is fair, taking into consideration, in particular, the following:

(a) The Exit Offer Price of S$1.18 is within our final estimated valuation range for the Shares of between S$1.18 and S$1.42;

(b) The premia implied by the Exit Offer Price over the Company's historical VWAP (i.e. at the close of the Previous VGO, 1-month, 3-month, 6-month, 1-year and 2-year period up to and including the Previous VGO Last Full Traded Day) are within the range of the Precedent Privatisation Transactions and Asset Intensive Precedent Privatisation Transactions;

(c) The implied P/NAV and P/RNAV ratios of the Company are within the range of P/NAV or P/NTA ratios of the Precedent Privatisation Transactions and Asset Intensive Precedent Privatisation Transactions; and

(d) The implied P/NAV ratio is above the range of the P/NAV ratios of the Comparable Companies and the implied P/RNAV ratio is within the range of the P/NAV ratios of the Comparable Companies and higher than both the mean and median P/NAV ratios of the Comparable Companies.

We are of the view that the Exit Offer is reasonable, taking into consideration, in particular, the following:

(a) The Exit Offer Price of S$1.18 is at a premium to the historical traded prices of the Shares over the 2-year, 1-year, 6-month, 3-month and 1-month periods prior to and including the Previous VGO Last Full Traded Day and closing price of the Shares of S$0.955 prior to the Suspension Date;

(b) The dividend yield (based on the dividends declared for FY2023) of the Company based on the Exit Offer Price is approximately 1.19%, which is lower than the mean and median dividend yields of the Comparable Companies at 3.74% and 3.41% respectively. The STI ETF, being an alternative equity instrument, also provides a better dividend yield. This suggests that Shareholders who accept the Exit Offer may potentially experience an increase in dividend income if they reinvest the proceeds from the Exit Offer in the shares of the STI ETF or the Comparable Companies;

(c) Since the Suspension Date, the trading of Shares has been suspended pursuant to Rule 1303(1) of the Listing Manual for more than six (6) months;

(d) The Exit Offer is made in compliance with the Delisting Notification from the SGX-ST and the delisting of the Company will proceed by the close of the Exit Offer regardless of the final acceptance level of the Exit Offer. Any remaining Shareholders who have not accepted the Exit Offer in respect of all their Offer Shares may encounter difficulties exiting their investment in the Company; and

(e) As at the Latest Practicable Date, apart from the Exit Offer being made by the Offeror, no alternative offer or proposal has been received by the Company.

In conclusion, we are of the opinion that the financial terms of the Exit Offer are fair and reasonable. Based on our opinion, we advise the Recommending Directors to recommend that Shareholders accept the Exit Offer.

As the trading of the Shares has been suspended, Shareholders should note that pursuant to Rule 729 of the Listing Manual, there must not be any transfers of the Shares unless approved by the SGX-ST. This being so, the Exit Offer is presently the only available option to Shareholders who wish to exit their investment in the Company.

Shareholders should also note that Shareholders' approval is not required for the Directed Delisting by the SGX-ST pursuant to the Delisting Notification. Subject to compliance with Rule 1309 of the Listing Manual, the Company will be delisted from the Official List of SGX-ST, regardless of the final level acceptance of the Exit Offer.

This letter is addressed to the Recommending Directors for their benefit, in connection with and for the purpose of their consideration of the financial terms of the Exit Offer and should not be relied on by any other party. The recommendation made by them to the Shareholders in relation to the Exit Offer shall remain the sole responsibility of the Recommending Directors.

Whilst a copy of this letter may be reproduced in the Exit Offer Letter and the Company's Letter to Shareholders, neither the Company nor the Directors may reproduce, disseminate or quote this letter (or any part thereof) for any other purpose at any time and in any manner without the prior written consent of PPCF in each specific case. This opinion is governed by, and construed in accordance with, the laws of Singapore, and is strictly limited to the matters stated herein and does not apply by implication to any other matter.

Yours faithfully,
For and on behalf of
PrimePartners Corporate Finance Pte. Ltd.

Mark Liew
Chief Executive Officer and Executive Director

Pang Xu Xian
Associate Director, Corporate Finance

Annex B

EXTRACTS FROM THE CONSTITUTION

The rights of Shareholders in respect of capital, dividends and voting as extracted and reproduced from the Constitution are set out below.

All capitalised terms used in the following extracts shall have the same meanings ascribed to them in the Constitution, a copy of which is available for inspection at the registered address of the Company at 82 Ubi Avenue 4, #07-01 Edward Boustead Centre, Singapore 408832 during normal business hours for the period during which the Exit Offer remains open for acceptance.

(A) RIGHTS IN RESPECT OF CAPITAL

ISSUE OF SHARES

3. Subject to the Statutes and the provisions of these presents, no shares may be issued by the Directors without the prior approval of the Company by Ordinary Resolution but subject thereto and to Article 7, and to any special rights attached to any shares for the time being issued, the Directors may allot and issue shares or grant options over or otherwise dispose of shares to such persons on such terms and conditions and for such consideration and at such time and subject or not to the payment of any part of the amount thereof in cash as the Directors may think fit, and any shares may be issued with such preferential, deferred, qualified or special rights, privileges, conditions or restrictions whether as regards dividend, return of capital, participation in surplus assets and profits, voting, conversion or otherwise, as the Directors may think fit. Preference shares may be issued which are or at the option of the Company are liable to be redeemed, the terms and manner of redemption being determined by the Directors, PROVIDED THAT:

(a) (subject to any direction to the contrary that may be given by the Company in a General Meeting) any issue of shares for cash to members holding shares of any class shall be offered to such members in proportion as nearly as may be to the number of shares of such class then held by them and the provisions of the second sentence of Article 7(A) with such adaptations as are necessary shall apply; and

(b) the rights attaching to shares of a class other than ordinary shares shall be expressed in the resolution creating the same and in the provisions of these presents.

4. (A) Preference shares may be issued subject to such limitation thereof as may be prescribed by any securities exchange upon which shares in the Company are listed. Preference shareholders shall have the same rights as ordinary shareholders as regards receiving of notices, reports and balance sheets and attending General Meetings of the Company. Preference shareholders shall also have the right to vote at any meeting convened for the purpose of reducing the capital or winding-up or sanctioning a sale of the undertaking of the Company or where the proposal to be submitted to the meeting directly affects their rights and privileges or when the dividend on the preference shares is more than six Months in arrear.

(B) The Company has power to issue further preference capital ranking equally with, or in priority to, preference shares already issued.

VARIATION OF RIGHTS

5. (A) Whenever the share capital of the Company is divided into different classes of shares, the special rights attached to any class may, subject to the Statutes, be varied or abrogated either with the consent in writing of holders who represent at least three-quarters of the total voting rights of all the shares of that class or by a Special Resolution passed at a separate General Meeting of the holders of the shares of the class (but not otherwise) and may be so varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding-up. To every such separate General Meeting, all the provisions of these presents relating to General Meetings of the Company and to the proceedings thereat shall mutatis mutandis apply, except that the necessary quorum shall be two persons at least holding or representing by proxy at least one-third of the total voting rights of all the shares of that class and that any holder of shares of the class present in person or by proxy may demand a poll and that every such holder shall on a poll have one vote for every share of the class held by him, PROVIDED THAT where the necessary majority for such a Special Resolution is not *obtained at such General Meeting, consent in writing if obtained from holders who represent at least three-quarters of the total voting rights of all the shares of that class concerned within two Months of such General Meeting shall be as valid and effectual as a Special Resolution passed at such General Meeting. The foregoing provisions of this Article shall apply to the variation or abrogation of the special rights attached to some only of the shares of any class as if each group of shares of the class differently treated formed a separate class the special rights whereof are to be varied.*

(B) The repayment of preference capital other than redeemable preference capital, or any alteration of preference shareholders' rights, may only be made pursuant to a Special Resolution of the preference shareholders concerned PROVIDED THAT where the necessary majority for such a Special Resolution is not obtained at the General Meeting, consent in writing if obtained from holders who represent at least three-quarters of the total voting rights of all the preference shares concerned within two Months of the General Meeting, shall be as valid and effectual as a Special Resolution carried at the General Meeting.

(C) The special rights attached to any class of shares having preferential rights shall not, unless otherwise expressly provided by the terms of issue thereof, be deemed to be varied by the creation or issue of further shares ranking as regards participation in the profits or assets of the Company in some or all respects pari passu therewith but in no respect in priority thereto.

ALTERATION OF SHARE CAPITAL

6. The Company in General Meeting may from time to time by Ordinary Resolution increase its capital by the allotment and issue of new shares.

7. (A) Subject to the bye-laws or listing rules of the securities exchange upon which shares in the Company are listed or to any direction to the contrary that may be given by the Company in a General Meeting, all new shares shall, before issue, be offered to such persons who as at the date of the offer are entitled to receive notices from the Company of General Meetings in proportion, as far as the circumstances admit, to the number of the existing shares to which they are entitled. The offer shall be made by notice specifying the number of shares offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and, after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares offered, the Directors may dispose of those shares in such manner as they think most beneficial to the Company. The Directors may likewise so dispose of any new shares which (by reason of the ratio which the new shares bear to shares held by persons entitled to an offer of new shares) cannot, in the opinion of the Directors, be conveniently offered under this Article 7(A).

(B) Except so far as otherwise provided by the conditions of issue or by the provisions of these presents, all new shares shall be subject to the Statutes and the provisions of these presents with reference to allotment, payment of calls, lien, transfer, transmission, forfeiture and otherwise.

8. The Company may by Ordinary Resolution:

(a) consolidate and divide all or any of its shares;

(b) cancel any shares which, at the date of the passing of the resolution, have been forfeited and diminish the amount of its capital by the number of shares so cancelled;

(c) sub-divide its shares, or any of them in accordance with the Statutes and the bye-laws or listing rules of the securities exchange upon which shares in the Company are listed, and so that the resolution whereby any share is sub-divided may determine that, as between the holders of the shares resulting from such sub-division, one or more of the shares may, as compared with the others, have any such preferred, deferred or other special rights, or be subject to any such restrictions, as the Company has power to attach to unissued or new shares; or

(d) subject to the Statutes, convert any class of paid-up shares into any other class of paid-up shares.

9. (A) The Company may reduce its share capital or any reserve in any manner and with and subject to any incident authorised and consent required by law.

(B) Subject to the Statutes, the Company may purchase or otherwise acquire any of its issued shares on such terms and in such manner as the Company may from time to time think fit and in the manner prescribed by the Statutes. If required by the Statutes, any share which is so purchased or acquired by the Company, unless held as treasury shares in accordance with the Statutes, shall be deemed to be cancelled immediately on purchase or acquisition by the Company. On the cancellation of any share as aforesaid, the rights and privileges attached to that share shall expire. In any other instance, the Company may hold or deal with any such share (including treasury shares) which is so purchased or acquired by it in accordance with the Statutes.

10. Shares that the Company purchases or otherwise acquires may be held as treasury shares in accordance with the provisions of these presents and the Act.

11. Where the shares purchased or otherwise acquired are held as treasury shares by the Company, the Company shall be entered in the Register of Members as the member holding the treasury shares.

12. The Company shall not exercise any right in respect of the treasury shares other than as provided by the Act. Subject thereto, the Company may hold or deal with its treasury shares in the manner authorised by, or prescribed pursuant to, the Act.

SHARES

13. Except as required by law, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by or compelled in any way (except by the Statutes or the provisions of these presents) to recognise any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or any other right in respect of any share, except an absolute right to the entirety thereof in the person (other than the Depository or its nominee, as the case may be) entered in the Register of Members as the registered holder thereof or (as the case may be) a person whose name is entered in the Depository Register in respect of that share.

14. Without prejudice to any special rights previously conferred on the holders of any shares or class of shares for the time being issued, any share in the Company may be issued with such preferred, deferred or other special rights, or subject to such restrictions (as regards dividend, return of capital, voting or otherwise) as the Company may from time to time by Ordinary Resolution determine (or, in the absence of any such determination, as the Directors may determine) and subject to the Statutes, the Company may issue preference shares which are, or at the option of the Company, are liable to be redeemed.

15. Subject to the Statutes and the provisions of these presents relating to authority, pre-emption rights and otherwise and of any resolution of the Company in a General Meeting passed pursuant thereto, all unissued shares shall be at the disposal of the Directors and they may allot (with or without conferring a right of renunciation), grant options over or otherwise dispose of them to such persons, at such times and on such terms as they think proper.

16. The Company may exercise the powers of paying commissions or brokerage on any issue of shares at such rate or amount and in such manner as the Directors may deem fit. Such commissions or brokerage may be satisfied by the payment of cash or the allotment of fully or partly shares or partly in one way and partly in the other.

17. Subject to the terms and conditions of any application for shares, the Directors shall allot shares applied for within ten Market Days of the closing date (or such other period as may be approved by the securities exchange upon which shares in the Company are listed) of any such application. The Directors may, at any time after the allotment of any share but before any person has been entered in the Register of Members as the holder or (as the case may be) before that share is entered against the name of a Depositor in the Depository Register, recognise a renunciation thereof by the allottee in favour of some other person and may accord to any allottee of a share a right to effect such renunciation upon and subject to such terms and conditions as the Directors may think fit to impose.

SHARE CERTIFICATES

18. Every share certificate shall be issued under the Seal and shall specify the number and class of shares to which it relates and the amount paid and the amount (if any) unpaid thereon. No certificate shall be issued representing shares of more than one class.

19. (A) The Company shall not be bound to register more than three persons as the registered joint holders of a share except in the case of executors, trustees or administrators of the estate of a deceased member.

(B) In the case of a share registered jointly in the names of several persons, the Company shall not be bound to issue more than one certificate thereof and delivery of a certificate to any one of the registered joint holders shall be sufficient delivery to all.

20. Subject to the payment of all or any part of the stamp duty payable (if any) on each share certificate prior to the delivery thereof which the Directors in their absolute discretion may require, the Company shall despatch to every person whose name is entered as a member in the Register of Members and who is entitled to receive such certificate, one certificate for all his shares of any one class or several certificates in reasonable denominations each for a part of the shares so allotted or transferred, within ten Market Days of the closing date of any application for shares (or such other period as may be approved by the securities exchange upon which shares in the Company are listed) or within ten Market Days after the date of lodgement of a registrable transfer (or such other period as may be approved by the securities exchange upon which shares in the Company are listed). Where such a member transfers part only of the shares comprised in a certificate or where such a member requires the Company to cancel any certificate or certificates and issue new certificate or certificates for the purpose of subdividing his holding in a different manner, the old certificate or certificates shall be cancelled and a new certificate or certificates for the balance of such shares issued in lieu thereof and such member shall pay all or any part of the stamp duty payable (if any) on each share certificate prior to the delivery thereof which the Directors in their absolute discretion may require and a maximum fee of $2 for each new certificate (or such other fee as the Directors may from time to time determine having regard to any limitation thereof as may be prescribed by the securities exchange upon which shares in the Company are listed).

21. (A) Any two or more certificates representing shares of any one class held by any person whose name is entered in the Register of Members may at his request be cancelled and a single new certificate for such shares issued in lieu without charge.

(B) If any person whose name is entered in the Register of Members shall surrender for cancellation a share certificate representing shares held by him and request the Company to issue in lieu two or more share certificates representing such shares in such proportions as he may specify, the Directors may, if they think fit, comply with such request. Such person shall (unless such fee is waived by the Directors) pay a maximum fee of $2 for each share certificate issued in lieu of a share certificate surrendered for cancellation or such other fee as the Directors may from time to time determine having regard to any limitation thereof as may be prescribed by the securities exchange upon which shares in the Company are listed.

(C) In the case of shares registered jointly in the names of several persons, any such request may be made by any one of the registered joint holders.

22. Subject to the Statutes, if any share certificates shall be defaced, worn-out, destroyed, lost or stolen, it may be renewed on such evidence being produced and a letter of indemnity (if required) being given by the shareholder, transferee, person entitled, purchaser, member firm or member company of the securities exchange upon which shares in the Company are listed or on behalf of its or their client or clients as the Directors shall require, and (in case of defacement or wearing out) on delivery up of the old certificate and in any case on payment of such sum not exceeding $2 as the Directors may from time to time require together with the amount of the proper duty with which such share certificate is chargeable under any law for the time being in force relating to stamps. In the case of destruction, loss or theft, a shareholder or person entitled to whom such renewed certificate is given shall also bear the loss and pay to the Company all expenses incidental to the investigations by the Company of the evidence of such destruction or loss.

CALLS ON SHARES

23. The Directors may from time to time make calls upon the members in respect of any moneys unpaid on their shares but subject always to the terms of issue of such shares. A call shall be deemed to have been made at the time when the resolution of the Directors authorising the call was passed and may be made payable by instalments.

24. Each member shall (subject to receiving at least fourteen days' notice specifying the time or times and place of payment) pay to the Company, the amount called on his shares, at the time or times and place of payment specified by the Company. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof. A call may be revoked or postponed as the Directors may determine.

25. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest on the sum from the day appointed for payment thereof to the time of actual payment at such rate (not exceeding ten per cent. per annum) as the Directors determine but the Directors shall be at liberty in any case or cases to waive payment of such interest wholly or in part.

26. Any sum which by the terms of issue of a share becomes payable upon allotment or at any fixed date shall for all the purposes of the provisions of these presents be deemed to be a call duly made and payable on the date on which by the terms of issue the same becomes payable. In case of non-payment, all the relevant provisions of these presents as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

27. The Directors may on the issue of shares differentiate between the holders as to the amount of calls to be paid and the times of payment.

28. The Directors may, if they think fit, receive from any member willing to advance the same all or any part of the moneys uncalled and unpaid upon the shares held by him and such payment in advance of calls shall extinguish pro tanto the liability upon the shares in respect of which it is made and upon the moneys so received (until and to the extent that the same would but for such advance become payable) the Company may pay interest at such rate (not exceeding eight per cent. per annum) as the member paying such sum and the Directors may agree. Capital paid on shares in advance of calls shall not, while carrying interest, confer a right to participate in profits.

FORFEITURE AND LIEN

29. If a member fails to pay in full any call or instalment of a call on the due date for payment thereof, the Directors may at any time thereafter serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued thereon and any expenses incurred by the Company by reason of such non-payment.

30. The notice shall name a further day (not being less than fourteen days from the date of service of the notice) on or before which and the place where the payment required by the notice is to be made, and shall state that in the event of non-payment in accordance therewith, the shares on which the call has been made will be liable to be forfeited.

31. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which such notice has been given may at any time thereafter, before payment of all calls and interest and expenses due in respect thereof has been made, be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited share and not actually paid before forfeiture. The Directors may accept a surrender of any share liable to be forfeited hereunder.

32. A share so forfeited or surrendered shall become the property of the Company and may be sold, re-allotted or otherwise disposed of either to the person who was before such forfeiture or surrender the holder thereof or entitled thereto or to any other person upon such terms and in such manner as the Directors shall think fit and at any time before a sale, re-allotment or disposition, the forfeiture or surrender may be cancelled on such terms as the Directors think fit. The Directors may, if necessary, authorise some person to transfer or effect the transfer of a forfeited or surrendered share to any such other person as aforesaid.

33. *A member whose shares have been forfeited or surrendered shall cease to be a member in respect of the shares but shall notwithstanding the forfeiture or surrender remain liable to pay to the Company all moneys which at the date of forfeiture or surrender were presently payable by him to the Company in respect of the shares with interest thereon at eight per cent. per annum (or such lower rate as the Directors may determine) from the date of forfeiture or surrender until payment and the Directors may at their absolute discretion enforce payment without any allowance for the value of the shares at the time of forfeiture or surrender or waive payment in whole or in part.*

34. *The Company shall have a first and paramount lien on every share (not being a fully paid share) and on the dividends declared or payable in respect thereof. Such lien shall be restricted to unpaid calls and instalments upon the specific shares in respect of which such moneys are due and unpaid and for all moneys as the Company may be called upon by law to pay in respect of the shares of the member or deceased member. The Directors may waive any lien which has arisen and may resolve that any share shall for some limited period be exempt wholly or partially from the provisions of this Article.*

35. *The Company may sell in such manner as the Directors think fit any share on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable nor until the expiration of fourteen days after a notice in writing stating and demanding payment of the sum presently payable and giving notice of intention to sell in default shall have been given to the holder for the time being of the share or the person entitled thereto by reason of his death or bankruptcy.*

36. *The residue of the proceeds of such sale pursuant to Article 35 after the satisfaction of the unpaid calls and accrued interest and expenses of such sale shall be paid to the person entitled to the shares at the time of the sale or to his executors, administrators or assigns, or as he may direct. For the purpose of giving effect to any such sale, the Directors may authorise some person to transfer or effect the transfer of the shares sold to the purchaser.*

37. *A statutory declaration in writing that the declarant is a Director or the Secretary of the Company and that a share has been duly forfeited or surrendered or sold or disposed to satisfy a lien of the Company on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share. Such declaration and the receipt of the Company for the consideration (if any) given for the share on the sale, re-allotment or disposal thereof together (where the same be required) with the share certificate delivered to a purchaser (or where the purchaser is a Depositor, to the Depository or its nominee, as the case may be) or allottee thereof shall (subject to the execution of a transfer if the same is required) constitute a good title to the share and the share shall be registered in the name of the person to whom the share is sold, re-allotted or disposed of or, where such person is a Depositor, the Company shall procure that his name be entered in the Depository Register in respect of the share so sold, re-allotted or disposed of. Such person shall not be bound to see to the application of the purchase money (if any) nor shall his title to the share be affected by any irregularity or invalidity in the proceedings relating to the forfeiture, surrender, sale, re-allotment or disposal of the share.*

TRANSFER OF SHARES

38. *All transfers of the legal title in shares may be effected by the registered holders thereof by transfer in writing in the form for the time being approved by the securities exchange upon which shares in the Company are listed or in any other form acceptable to the Directors. The instrument of transfer of any share shall be signed by or on behalf of both the transferor and the transferee and be witnessed, PROVIDED THAT an instrument of transfer in respect of which the transferee is the Depository or its nominee (as the case may be) shall be effective although not signed or witnessed by or on behalf of the Depository or its nominee (as the case may be). The transferor shall remain the holder of the shares concerned until the name of the transferee is entered in the Register of Members in respect thereof.*

39. *The Register of Members may be closed at such times and for such period as the Directors may from time to time determine, PROVIDED THAT such Register shall not be closed for more than thirty days in any Year. The Company shall give prior notice of such closure as may be required to the securities exchange upon which shares in the Company are listed, stating the period and purpose or purposes for which the closure is made.*

40. *(A)* *Subject to the provisions of these presents, there shall be no restriction on the transfer of fully paid up shares (except where required by law, the Statutes or the bye-laws or listing rules of* *any securities exchange upon which shares in the Company are listed) but the Directors may in their discretion decline to register any transfer of shares upon which the Company has a lien and in the case of shares not fully paid up, may refuse to register a transfer to a transferee of whom they do not approve (except where such refusal to register contravenes the bye-laws or listing rules of the securities exchange upon which shares in the Company are listed).*

(B) The Directors may in their sole discretion refuse to register any instrument of transfer of shares unless:

(a) all or any part of the stamp duty (if any) payable on each share certificate and such fee not exceeding $2 as the Directors may from time to time require in accordance with the provisions of these presents, is paid to the Company in respect thereof;

(b) the instrument of transfer is deposited at the registered office or at such other place (if any) as the Directors may appoint accompanied by the certificates of the shares to which it relates, and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer and, if the instrument of transfer is executed by some other person on his behalf, the authority of the person so to do;

(c) the instrument of transfer is in respect of only one class of shares; and

(d) the amount of the proper duty with which each share certificate to be issued in consequence of the registration of such transfer is chargeable under any law for the time being in force relating to stamps is tendered.

41. If the Directors refuse to register a transfer of any shares, they shall within ten Market Days after the date on which the transfer was lodged with the Company (or such period of time as may be prescribed by the bye-laws or listing rules of the securities exchange upon which shares in the Company are listed), send to the transferor and to the transferee, written notice of the refusal stating reasons for the refusal as required by the Statutes.

42. All instruments of transfer which are registered may be retained by the Company.

43. There shall be paid to the Company in respect of the registration of any instrument of transfer or probate or letters of administration or certificate of marriage or death or stop notice or power of attorney or other document relating to or affecting the title to any shares or otherwise for making any entry in the Register of Members affecting the title to any shares such fee not exceeding $2 as the Directors may from time to time require or prescribe.

44. The Company shall be entitled to destroy all instruments of transfer which have been registered at any time after the expiration of six Years from the date of registration thereof and all dividend mandates and notifications of change of address at any time after the expiration of six Years from the date of recording thereof and all share certificates which have been cancelled at any time after the expiration of six Years from the date of the cancellation thereof and it shall conclusively be presumed in favour of the Company that every entry in the Register of Members purporting to have been made on the basis of an instrument of transfer or other document so destroyed was duly and properly made and every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered and every share certificate duly and properly cancelled and every other document hereinbefore mentioned so destroyed was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company, PROVIDED THAT:

(a) the provisions aforesaid shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties thereto) to which the document might be relevant;

(b) nothing herein contained shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any other circumstances which would not attach to the Company in the absence of this Article; and

(c) references herein to the destruction of any document include references to the disposal thereof in any manner.

TRANSMISSION OF SHARES

45. (A) In the case of the death of a member whose name is entered in the Register of Members, *the survivors or survivor where the deceased was a joint holder, and the executors or administrators of the deceased where he was a sole or only surviving holder, shall be the only person(s) recognised by the Company as having any title to his interest in the shares.*

(B) In the case of the death of a member who is a Depositor, the survivor or survivors where the deceased is a joint holder, and the executors or administrators of the deceased where he was a sole or only surviving holder and where such executors or administrators are entered in the Depository Register in respect of any shares of the deceased member, shall be the only person(s) recognised by the Company as having any title to his interest in the shares.

(C) Nothing in this Article shall release the estate of a deceased holder (whether sole or joint) from any liability in respect of any share held by him.

46. Any person becoming entitled to the legal title in a share in consequence of the death or bankruptcy of a person whose name is entered in the Register of Members may (subject as hereinafter provided) upon supplying to the Company such evidence as the Directors may reasonably require to show his legal title to the share either be registered himself as holder of the share upon giving to the Company notice in writing of such desire or transfer such share to some other person. All the limitations, restrictions and provisions of these presents relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or bankruptcy of the person whose name is entered in the Register of Members had not occurred and the notice or transfer were a transfer executed by such person.

47. Save as otherwise provided by or in accordance with the provisions of these presents, a person becoming entitled to a share pursuant to Article 45(A) or (B) or Article 46 (upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share) shall be entitled to the same dividends and other advantages as those to which he would be entitled if he were the member in respect of the share except that he shall not be entitled in respect thereof (except with the authority of the Directors) to exercise any right conferred by membership in relation to meetings of the Company until he shall have been registered as a member in the Register of Members or his name shall have been entered in the Depository Register in respect of the share.

STOCK

48. The Company may from time to time by Ordinary Resolution convert any paid-up shares into stock and may from time to time by like resolution reconvert any stock into paid-up shares.

49. The holders of stock may transfer the same or any part thereof in the same manner and subject to the same Articles and subject to which the shares from which the stock arose might previously to conversion have been transferred (or as near thereto as circumstances admit) but no stock shall be transferable except in such units as the Directors may from time to time determine.

50. The holders of stock shall, according to the number of stock units held by them, have the same rights, privileges and advantages as regards dividend, return of capital, voting and other matters, as if they held the shares from which the stock arose, but no such privilege or advantage (except as regards participation in the profits or assets of the Company) shall be conferred by any number of stock units which would not, if existing in shares, have conferred such privilege or advantage; and no such conversion shall affect or prejudice any preference or other special privileges attached to the shares so converted.

(B) RIGHTS IN RESPECT OF DIVIDENDS

RESERVES

123. The Directors may from time to time set aside out of the profits of the Company and carry to reserve such sums as they think proper which, at the discretion of the Directors, shall be applicable for any purpose to which the profits of the Company may properly be applied and pending such application may either be employed in the business of the Company or be invested. The Directors may divide the reserve into such special funds as they think fit and may consolidate into one fund any special funds or any part of any special funds into which the reserve may have been divided. The Directors may also, without placing the same to reserve, carry forward any profits. In carrying sums to reserve and in applying the same, the Directors shall comply with the Statutes.

DIVIDENDS

124. The Company may by Ordinary Resolution declare dividends but no such dividends shall exceed the amount recommended by the Directors. No dividends may be paid, unless otherwise provided in the Statutes, to the Company in respect of treasury shares.

125. If and so far as in the opinion of the Directors the profits of the Company justify such payments, the Directors may declare and pay the fixed dividends on any class of shares carrying a fixed dividend expressed to be payable on fixed dates on the half-yearly or other dates prescribed for the payment thereof and may also from time to time declare and pay interim dividends on shares of any class of such amounts and on such dates and in respect of such periods as they think fit.

126. Unless and to the extent that the rights attached to any shares or the terms of issue thereof otherwise provide and except as otherwise permitted under the Statutes:

(a) all dividends in respect of shares must be paid in proportion to the number of shares held by a member but where shares are partly paid all dividends must be apportioned and paid proportionately to the amounts paid or credited as paid on the partly paid shares; and

(b) all dividends must be apportioned and paid proportionately to the amounts so paid or credited as paid during any portion or portions of the period in respect of which dividend is paid.

For the purposes of this Article, no amount paid on a share in advance of calls shall be treated as paid on the share.

127. No dividend shall be paid otherwise than out of profits available for distribution under the Statutes.

128. No dividend or other moneys payable on or in respect of a share shall bear interest as against the Company.

129. (A) The Directors may retain any dividend or other moneys payable on or in respect of a share on which the Company has a lien and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.

(B) The Directors may retain the dividends payable upon shares in respect of which any person is under the provisions as to the transmission of shares hereinbefore contained entitled to become a member, or which any person is under those provisions entitled to transfer, until such person shall become a member in respect of such shares or shall transfer the same.

(C) The payment by the Directors of any unclaimed dividends or other moneys payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof. All dividends and other moneys payable on or in respect of a share that are unclaimed after first becoming payable may be invested or otherwise made use of by the Directors for the benefit of the Company and any dividend or moneys unclaimed after a period of six Years from the date they are first payable may be forfeited and if so shall revert to the Company but the Directors may at any time thereafter at their absolute discretion annul any such forfeiture and pay the moneys so forfeited to the person entitled thereto prior to the forfeiture.

(D) A payment by the Company to the Depository of any dividend or other moneys payable to a Depositor shall, to the extent of the payment made, discharge the Company from any liability in respect of that payment. If the Depository returns any such dividend or moneys to the Company, the relevant Depositor shall not have any right or claim in respect of such dividend or moneys against the Company if a period of six Years has elapsed from the date on which such other moneys are first payable.

130. The waiver in whole or in part of any dividend on any share by any document (whether or not under seal) shall be effective only if such document is signed by the shareholder (or the person entitled to the share in consequence of the death or bankruptcy of the holder) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Company.

131. The Company may upon the recommendation of the Directors by Ordinary Resolution direct payment of a dividend in whole or in part by the distribution of specific assets (and in particular of paid-up shares or debentures of any other company) and the Directors shall give effect to such resolution. Where any difficulty arises with regard to such distribution, the Directors may settle the same as they think *expedient and in particular may issue fractional certificates, may fix the value for distribution of such specific assets or any part thereof, may determine that cash payments shall be made to any members upon the footing of the value so fixed in order to adjust the rights of all parties and may vest any such specific assets in trustees as may seem expedient to the Directors.*

132. (A) Whenever the Directors or the Company in General Meeting have resolved or proposed that a dividend (including an interim, final, special or other dividend) be paid or declared on the ordinary share capital of the Company, the Directors may further resolve that members entitled to such dividend be entitled to elect to receive an allotment of ordinary shares credited as fully paid in lieu of cash in respect of the whole or such part of the dividend as the Directors may think fit. In such case, the following provisions shall apply:

(a) the basis of any such allotment shall be determined by the Directors;

(b) the Directors shall determine the manner in which members shall be entitled to elect to receive an allotment of ordinary shares credited as fully paid in lieu of cash in respect of the whole or such part of any dividend in respect of which the Directors shall have passed such a resolution as aforesaid, and the Directors may make such arrangements as to the giving of notice to members, providing for forms of election for completion by members (whether in respect of a particular dividend or dividends or generally), determining the procedure for making such elections or revoking the same and the place at which and the latest date and time by which any forms of election or other documents by which elections are made or revoked must be lodged, and otherwise make all such arrangements and do all such things, as the Directors consider necessary or expedient in connection with the provisions of this Article;

(c) the right of election may be exercised in respect of the whole of that portion of the dividend in respect of which the right of election has been accorded PROVIDED THAT the Directors may determine, either generally or in any specific case, that such right shall be exercisable in respect of the whole or any part of that portion; and

(d) the dividend (or that part of the dividend in respect of which a right of election has been accorded) shall not be payable in cash on ordinary shares in respect whereof the share election has been duly exercised (the "elected ordinary shares") and in lieu and in satisfaction thereof ordinary shares shall be allotted and credited as fully paid to the holders of the elected ordinary shares on the basis of allotment determined as aforesaid and for such purpose and notwithstanding the provisions of Article 136, the Directors shall (i) capitalise and apply the amount standing to the credit of any of the Company's reserve accounts or any sum standing to the credit of the profit and loss account or otherwise available for distribution as the Directors may determine, such sum as may be required to pay up in full the appropriate number of ordinary shares for allotment and distribution to and among the holders of the elected ordinary shares on such basis, or (ii) apply the sum which would otherwise have been payable in cash to the holders of the elected ordinary shares towards payment of the appropriate number of ordinary shares for allotment and distribution to and among the holders of the elected ordinary shares on such basis.

(B) (a) The ordinary shares allotted pursuant to the provisions of paragraph (A) of this Article shall rank pari passu in all respects with the ordinary shares then in issue save only as regards participation in the dividend which is the subject of the election referred to above (including the right to make the election referred to above) or any other distributions, bonuses or rights paid, made, declared or announced prior to or contemporaneous with the payment or declaration of the dividend which is the subject of the election referred to above, unless the Directors shall otherwise specify.

(b) The Directors may do all acts and things considered necessary or expedient to give effect to any capitalisation pursuant to the provisions of paragraph (A) of this Article, with full power to make such provisions as they think fit in the case of shares becoming distributable in fraction (including, notwithstanding any provision to the contrary in these presents, provisions whereby, in whole or in part, fractional entitlements are disregarded or rounded up or down or whereby the benefit of the fractional entitlements accrues to the Company rather than the members).

(C) *The Directors may, on any occasion when they resolve as provided in paragraph (A) of this Article, determine that rights of election under that paragraph shall not be made available to the persons who are registered as holders of ordinary shares in the Register of Members or (as the case may be) in the Depository Register, or in respect of ordinary shares the transfer of which is registered, after such date as the Directors may fix subject to such exceptions as the Directors may think fit, and in such event the provisions of this Article shall be read and construed subject to such determination.*

(D) *The Directors may, on any occasion when they resolve as provided in paragraph (A) of this Article, further determine that no allotment of shares or rights of election for shares under that paragraph shall be made available or made to members whose registered addresses entered in the Register or (as the case may be) the Depository Register is outside Singapore or to such other members or class of members as the Directors may in their sole discretion decide and in such event the only entitlement of the members aforesaid shall be to receive in cash the relevant dividend resolved or proposed to be paid or declared.*

(E) *Notwithstanding the foregoing provisions of this Article, if at any time after the Directors' resolution to apply the provisions of paragraph (A) of this Article in relation to any dividend but prior to the allotment of ordinary shares pursuant thereto, the Directors shall consider that by reason of any event or circumstance (whether arising before or after such resolution) or by reason of any matter whatsoever it is no longer expedient or appropriate to implement that proposal, the Directors may at their absolute discretion and without assigning any reason therefor, cancel the proposed application of paragraph (A) of this Article.*

133. *Any dividend or other moneys payable in cash on or in respect of a share may be paid by cheque or warrant sent through the post to the registered address appearing in the Register of Members or (as the case may be) the Depository Register of a member or person entitled thereto (or, if two or more persons are registered in the Register of Members or (as the case may be) entered in the Depository Register as joint holders of the share or are entitled thereto in consequence of the death or bankruptcy of the holder, to any one of such persons) or to such person at such address as such member or person or persons may by writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent or to such person as the holder or joint holders or person or persons entitled to the share in consequence of the death or bankruptcy of the holder may direct and payment of the cheque or warrant by the banker upon whom it is drawn shall be a good discharge to the Company. Every such cheque or warrant shall be sent at the risk of the person entitled to the money represented thereby. Notwithstanding the foregoing provisions of this Article and the provisions of Article 135, the payment by the Company to the Depository of any dividend payable to a Depositor shall, to the extent of the payment made to the Depository, discharge the Company from any liability to the Depositor in respect of that payment.*

134. *If two or more persons are registered in the Register of Members or (as the case may be) the Depository Register as joint holders of any share, or are entitled jointly to a share in consequence of the death or bankruptcy of the holder, any one of them may give effectual receipts for any dividend or other moneys payable or property distributable on or in respect of the share.*

135. *Any resolution declaring a dividend on shares of any class, whether a resolution of the Company in a General Meeting or a resolution of the Directors, may specify that the same shall be payable to the persons registered as the holders of such shares in the Register of Members or (as the case may be) the Depository Register at the close of business on a particular date and thereupon the dividend shall be payable to them in accordance with their respective holdings so registered, but without prejudice to the rights inter se in respect of such dividend of transferors and transferees of any such shares.*

CAPITALISATION OF PROFITS AND RESERVES

136. *Subject to Article 3 and Article 7, the Directors may capitalise any sum standing to the credit of any of the Company's reserve accounts (including any undistributable reserve) or any sum standing to the credit of profit and loss account by appropriating such sum to the persons registered as holders of shares in the Register of Members or (as the case may be) in the Depository Register at the close of business on the date of the Ordinary Resolution (or such other date as may be specified therein or determined as therein provided) in proportion to their then holdings of shares and applying such sum on their behalf in paying up in full unissued shares (or, subject to any special rights previously conferred on any shares or class of shares for the time being issued, unissued shares of any other class not being redeemable shares) for allotment and distribution credited as fully paid up to and* *amongst them as bonus shares in the proportion aforesaid. The Directors may do all acts and things considered necessary or expedient to give effect to any such capitalisation, with full power to the Directors to make such provisions as they think fit for any fractional entitlements which would arise on the basis aforesaid (including provisions whereby fractional entitlements are disregarded or the benefit thereof accrues to the Company rather than to the members concerned). The Directors may authorise any person to enter into an agreement with the Company on behalf of all the members interested, providing for any such capitalisation and matters incidental thereto and any agreement made under such authority shall be effective and binding on all concerned.*

136A. In addition and without prejudice to the power to capitalise profits and other moneys provided for by Article 136, the Directors shall have power to capitalise any undivided profits or other moneys of the Company not required for the payment or provision of any dividend on any shares entitled to cumulative or non-cumulative preferential dividends (including profits or other moneys carried and standing to any reserve or reserves) and to apply such profits or other moneys in paying up in full unissued shares on terms that such shares shall, upon issue, be held by or for the benefit of participants of any share incentive or option scheme or plan implemented by the Company and approved by shareholders in General Meeting in such manner and on such terms as the Directors shall think fit.

(C) RIGHTS IN RESPECT OF VOTING

GENERAL MEETINGS

51. Subject to the Statutes, an Annual General Meeting shall be held in Singapore, or such other jurisdiction as permitted and/or required by Applicable Laws, once in every Year and not more than fifteen Months after the holding of the last preceding Annual General Meeting, at such time and place as may be determined by the Directors. All other General Meetings shall be Extraordinary General Meeting and shall be held in Singapore or such other jurisdiction as permitted and/or required by Applicable Laws.

52. The Directors may whenever they think fit, and shall on requisition in accordance with the Statutes, proceed with proper expedition to convene an Extraordinary General Meeting.

NOTICE OF GENERAL MEETINGS

53. (A) Subject to the Statutes, any General Meeting at which it is proposed to pass a Special Resolution shall be called by twenty-one days' notice in writing at the least. An Annual General Meeting and any other Extraordinary General Meeting shall be called by fourteen days' notice in writing at the least. The period of notice shall in each case be exclusive of the day on which it is served or deemed to be served and of the day on which the meeting is to be held and shall be given in the manner hereafter mentioned to all members other than those who are not under the provisions of these presents entitled to receive such notices from the Company, PROVIDED THAT a General Meeting which has been called by a shorter notice than that specified above shall be deemed to have been duly called if it is so agreed:

(a) in the case of an Annual General Meeting, by all the members entitled to attend and vote thereat; and

(b) in the case of an Extraordinary General Meeting, by a majority in number of the members having a right to attend and vote thereat, being a majority together holding not less than 95 per cent. of the total voting rights of all the members having a right to vote at that meeting,

except that the accidental omission to give notice to or the non-receipt of notice by any person entitled thereto shall not invalidate the proceedings at any General Meeting.

(B) Where special notice is required of a resolution pursuant to the Statutes, notice of the intention to move the resolution shall be given to the Company and notice of any General Meeting shall be called in accordance with the Statutes and in particular, Section 185 of the Act.

(C) Subject to the Statutes or the bye-laws or listing rules of the securities exchange on which shares in the Company are listed, for so long as the shares in the Company are listed on the Securities Exchange, notices convening any General Meeting at which it is proposed to pass a Special Resolution shall be sent to members entitled to attend and vote at the meeting at least twenty-one calendar days before the meeting (excluding the date of notice and the date of meeting). Notices convening any other General Meeting must be sent to members entitled to

attend and vote at the meeting at least fourteen calendar days before the meeting (excluding the date of notice and the date of meeting). At least fourteen days' notice of any General Meeting shall be given by advertisement in the daily press and in writing to any securities exchange on which shares in the Company are listed.

54. (A) Every notice calling a General Meeting shall specify the place and the day and hour of the meeting, and there shall appear with reasonable prominence in every such notice a statement that a member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of him and that a proxy need not be a member of the Company.

(B) In the case of an Annual General Meeting, the notice shall also specify the meeting as such.

(C) In the case of any General Meeting at which business other than routine business is to be transacted, the notice shall specify the general nature of such business; and if any resolution is to be proposed as a Special Resolution, the notice shall contain a statement to that effect.

55. Routine business shall mean and include only business transacted at an Annual General Meeting of the following classes, that is to say:

(a) declaring dividends;

(b) receiving and adopting the accounts, the reports of the Directors and Auditors and other documents required to be attached or annexed to the accounts;

(c) appointing or re-appointing Directors to fill vacancies arising at the meeting on retirement whether by rotation or otherwise;

(d) re-appointing the retiring Auditors (unless they were last appointed otherwise than by the Company in General Meeting);

(e) fixing the remuneration of the Auditors or determining the manner in which such remuneration is to be fixed; and

(f) fixing the fees of the Directors proposed to be passed under Article 81.

56. Any notice of a General Meeting to consider special business shall be accompanied by a statement regarding the effect of any proposed resolution on the Company in respect of such special business.

PROCEEDINGS AT GENERAL MEETINGS

57. The Chairman of the Board, failing whom the Deputy Chairman of the Board, shall preside as chairman at a General Meeting. If there be no such Chairman or Deputy Chairman, or if at any meeting neither be present and willing to act within five minutes after the time appointed for holding the meeting, the Directors present shall choose one of their number (or, if no Director be present or if all the Directors present decline to take the chair, the members present shall choose one of their number) to be chairman of the meeting.

58. No business other than the appointment of a chairman shall be transacted at any General Meeting unless a quorum is present at the time when the meeting proceeds to business. Save as herein otherwise provided, the quorum at any General Meeting shall be two or more members present in person or by proxy, PROVIDED THAT where a member is represented by more than one proxy such proxies shall count as only one member for the purpose of determining the quorum.

59. If within thirty minutes from the time appointed for a General Meeting (or such longer interval as the chairman of the meeting may think fit to allow) a quorum is not present, the meeting, if convened on the requisition of members, shall be dissolved. In any other case, it shall stand adjourned to the same day in the next week (or if that day is a public holiday, then to the next business day following that public holiday) at the same time and place or such other day, time or place in Singapore as the Directors may by not less than ten days' notice appoint. At the adjourned meeting, any one or more members present in person or by proxy shall be a quorum.

60. The chairman of any General Meeting at which a quorum is present may with the consent of the meeting (and shall if so directed by the meeting) adjourn the meeting from time to time (or sine die) and from place to place in Singapore, but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took *place. Where a meeting is adjourned sine die, the time and place in Singapore for the adjourned meeting shall be fixed by the Directors. When a meeting is adjourned for thirty days or more or sine die, not less than seven days' notice of the adjourned meeting shall be given in like manner as in the case of the original meeting.*

61. *Save as hereinbefore expressly provided, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.*

62. *If an amendment shall be proposed to any resolution under consideration but shall in good faith be ruled out of order by the chairman of the meeting, the proceedings on the substantive resolution shall not be invalidated by any error in such ruling. In the case of a resolution duly proposed as a Special Resolution, no amendment thereto (other than a mere clerical amendment to correct a patent error) may in any event be considered or voted upon.*

63. *(1)* *Where required by Applicable Laws, all resolutions at General Meetings shall be voted by poll (unless such requirement is waived by the SGX-ST).*

(2) *Subject to Article 63(1), at any General Meeting, a resolution put to the vote of the meeting shall subject to the requirements of the prevailing relevant laws, regulations and guidelines, be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by:*

(a) *the chairman of the meeting;*

(b) *not less than five members having the right to vote at the meeting;*

(c) *a member having the right to vote at the meeting representing not less than ten per cent. of the total voting rights of all the members having the right to vote at the meeting; or*

(d) *a member having the right to vote at the meeting and holding shares on which an aggregate sum has been paid up equal to not less than ten per cent. of the total sum paid-up on all shares of the Company conferring that right (excluding treasury shares),*

PROVIDED THAT no poll shall be demanded on the choice of a chairman or on a question of adjournment.

(3) *Where required by Applicable Laws, the Chairman of the meeting shall appoint at least one scrutineer for each General Meeting who shall be independent of the persons undertaking the polling process.*

64. *A demand for a poll may be withdrawn only with the approval of the meeting. Unless a poll be so demanded (and the demand be not withdrawn) or is required pursuant to Article 63(1), a declaration by the chairman of the meeting that a resolution has been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the minute book, shall be conclusive evidence of that fact without proof of the number or proportion of the votes recorded for or against such resolution. If a poll is required under Article 63(1) or demanded under Article 63(2), it shall be taken in such manner (including the use of ballot or voting papers or tickets) as the chairman of the meeting may direct, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was required or demanded. The chairman of the meeting may (and if required by Applicable Laws or if so directed by the meeting shall) appoint scrutineers and may adjourn the meeting to some place and time in Singapore fixed by him for the purpose of declaring the result of the poll.*

65. *In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is required under Article 63(1) or demanded under Article 63(2), as the case may be, shall be entitled to a casting vote.*

66. *A poll required under Article 63(1) or demanded under Article 63(2), as the case may be, on any question shall be taken either immediately or at such subsequent time (not being more than thirty days from the date of the meeting) and place as the chairman may direct. No notice need be given of a poll not taken immediately. The demand for a poll shall not prevent the continuance of the meeting for the transaction of any business other than the question on which the poll has been demanded.*

VOTES OF MEMBERS

67. Each member who is a holder of ordinary shares in the capital of the Company shall be entitled to be present at any General Meeting. Subject and without prejudice to any special privileges or restrictions as to voting for the time being attached to any special class of shares for the time being forming part of the capital of the Company and to Article 12, each member entitled to vote may vote in person or by proxy. On a show of hands, every member who is present in person or by proxy shall have one vote PROVIDED THAT in the case of a member who is represented by two proxies, only one of the two proxies as determined by that member or, failing such determination, by the chairman of the meeting (or by a person authorised by him) in his sole discretion, shall be entitled to vote. On a poll, every member who is present in person or by proxy shall have one vote for every share which he holds or represents. For the purpose of determining the number of votes which a member, being a Depositor, or his proxy may cast at any General Meeting on a poll, the reference to shares held or represented shall, in relation to shares of that Depositor, be the number of shares entered against his name in the Depository Register as at forty-eight hours before the time of the relevant General Meeting as certified by the Depository to the Company.

68. In the case of joint holders of a share, any one of such person may vote, and be reckoned in quorum at any General Meeting, either personally or by proxy or by attorney or in the case of a corporation by a representative as if he were solely entitled thereto, but if more than one of such joint holders is so present at any meeting, then the person present whose name stands first in the Register of Members or (as the case may be) the Depository Register in respect of the share shall alone be entitled to vote in respect thereof.

69. Where in Singapore or elsewhere, a receiver or other person (by whatever name called) has been appointed by any court claiming jurisdiction in that behalf to exercise powers with respect to the property or affairs of any member on the ground (however formulated) of mental disorder, the Directors may in their absolute discretion, upon or subject to production of such evidence of the appointment as the Directors may require, permit such receiver or other person on behalf of such member to vote in person or by proxy at any General Meeting or to exercise any other right conferred by membership in relation to meetings of the Company.

70. Any member shall be entitled to be present and to vote either personally or by proxy, at any General Meeting of the Company, in respect of any share or shares upon which all calls due to the Company have been paid, and shall be entitled to exercise any other right conferred by membership in relation to meetings of the Company.

71. No objection shall be raised as to the admissibility of any vote except at the meeting or adjourned meeting at which the vote objected to is or may be given or tendered and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection shall be referred to the chairman of the meeting whose decision shall be final and conclusive.

72. On a poll, votes may be given personally or by proxy and a person entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.

73. (A) A member may appoint not more than two proxies to attend and vote at the same General Meeting, PROVIDED THAT if the member is a Depositor, the Company shall be entitled and bound:

(a) to reject any instrument of proxy lodged if the Depositor is not shown to have any shares entered against his name in the Depository Register as at forty-eight hours before the time of the relevant General Meeting as certified by the Depository to the Company; and

(b) to accept as the maximum number of votes which in aggregate the proxy or proxies appointed by the Depositor is or are able to cast on a poll a number which is the number of shares entered against the name of that Depositor in the Depository Register as at forty-eight hours before the time of the relevant General Meeting as certified by the Depository to the Company, whether that number is greater or smaller than the number specified in any instrument of proxy executed by or on behalf of that Depositor.

(B) *The Company shall be entitled and bound, in determining rights to vote and other matters in respect of a completed instrument of proxy submitted to it, to have regard to the instructions (if any) given by and the notes (if any) set out in the instrument of proxy.*

(C) *In any case where a form of proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy.*

(D) *A proxy need not be a member of the Company.*

74. (A) *An instrument appointing a proxy shall be in writing in any usual or common form or in any other form which the Directors may approve and:*

(a) *in the case of an individual, shall be signed by the appointor or his attorney; and*

(b) *in the case of a corporation, shall be either given under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation.*

(B) *The signature on such instrument need not be witnessed. Where an instrument appointing a proxy is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy pursuant to Article 75, failing which the instrument may be treated as invalid.*

75. *An instrument appointing a proxy must be left at such place or one of such places (if any) as may be specified for that purpose in or by way of note to or in any document accompanying the notice convening the meeting (or, if no place is so specified, at the registered office of the Company) not less than forty-eight hours before the time appointed for the holding of the meeting or adjourned meeting or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) for the taking of the poll at which it is to be used, and in default shall not be treated as valid. The instrument shall, unless the contrary is stated thereon, be valid as well for any adjournment of the meeting as for the meeting to which it relates, PROVIDED THAT an instrument of proxy relating to more than one meeting (including any adjournment thereof) having once been so delivered for the purposes of any meeting shall not be required again to be delivered for the purposes of any subsequent meeting to which it relates.*

The deposit of an instrument appointing a proxy does not preclude the Member concerned from attending and voting in person at the meeting, as well as for any adjournment of the meeting to which it relates. In such an event, the appointment of the proxy or proxies is deemed to be revoked by the Member concerned at the point when the Member attends the meeting.

76. *An instrument appointing a proxy shall be deemed to include the right to demand or join in demanding a poll, to move any resolution or amendment thereto and to speak at the meeting.*

77. *A vote cast by proxy shall not be invalidated by the previous death or insanity of the principal or by the revocation of the appointment of the proxy or of the authority under which the appointment was made PROVIDED THAT no intimation in writing of such death, insanity or revocation shall have been received by the Company at the registered office of the Company at least one hour before the commencement of the meeting or adjourned meeting or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) the time appointed for the taking of the poll at which the vote is cast.*

77A. *Subject to these presents and the Statutes, the Board may, at its sole discretion, approve and implement, subject to such security measures as may be deemed necessary or expedient, such voting methods to allow members who are unable to vote in person at any General Meeting the option to vote in absentia, including but not limited to voting by mail, electronic mail or facsimile.*

CORPORATIONS ACTING BY REPRESENTATIVES

78. *Any corporation which is a member of the Company may by resolution of its Directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company or of any class of members of the Company. The person so authorised shall be entitled to exercise the same powers on behalf of such corporation as the corporation could exercise if it were an individual member of the Company and such corporation shall for the purposes of the provisions of these presents, be deemed to be present in person at any such meeting if a person so authorised is present thereat.*

AUDITED FINANCIAL STATEMENTS OF THE GROUP FOR FY2023

The audited financial statements of the Group for FY2023 which are set out below have been reproduced from the Company's annual report for FY2023 and were not specifically prepared for inclusion in this Company's Letter to Shareholders.

All capitalised terms used in the notes to the audited financial statements of the Group for FY2023 set out below shall have the same meanings given to them in the annual report of the Company for FY2023.

A copy of the annual report for FY2023 is available for inspection at the registered address of the Company at 82 Ubi Avenue 4, #07-01 Edward Boustead Centre, Singapore 408832, during normal business hours for the period during which the Exit Offer remains open for acceptance.

Directors' Statement

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

The directors present their statement to the members together with the audited consolidated financial statements of the Group for the financial year ended 31 March 2023 and the statement of financial position of the Company as at 31 March 2023.

In the opinion of the directors,

(a) the statement of financial position of the Company and the consolidated financial statements of the Group as set out on pages 93 to 171 are drawn up so as to give a true and fair view of the financial position of the Company and of the Group as at 31 March 2023 and the financial performance, changes in equity and cash flows of the Group for the financial year covered by the consolidated financial statements; and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

DIRECTORS

The directors of the Company in office at the date of this statement are as follows:

John Lim Kok Min
Wong Yu Wei (Huang Youwei)
Chu Kok Hong @ Choo Kok Hong
Tam Chee Chong
Chong Lit Cheong
Professor Yong Kwet Yew

ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object was to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, other than as disclosed under "Share awards" in this statement.

Directors' Statement

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

DIRECTORS' INTERESTS IN SHARES OR DEBENTURES

According to the register of directors' shareholdings, none of the directors holding office at the end of the financial year had any interest in the shares or debentures of the Company or its related corporations, except as follows:

	Holdings registered in name of director			Holdings in which director is deemed to have an interest		
	At 21.04.2023	At 31.03.2023	At 01.04.2022	At 21.04.2023	At 31.03.2023	At 01.04.2022
Boustead Projects Limited						
(No. of ordinary shares)						
John Lim Kok Min	50,000	50,000	269,296	-	-	-
Wong Yu Wei (Huang Youwei)	18,671	18,671	18,671	1,833,843	1,833,843	1,833,843
Chu Kok Hong @ Choo Kok Hong	500,000	500,000	1,995,490	-	-	1,578
Chong Lit Cheong	50,000	50,000	100,000	-	-	-
Professor Yong Kwet Yew	50,000	50,000	100,000	-	-	-
Tam Chee Chong	50,000	50,000	100,000	-	-	-
Ultimate holding company - Boustead Singapore Limited						
(No. of ordinary shares)						
John Lim Kok Min	579,890	579,890	579,890	-	-	-
Wong Yu Wei (Huang Youwei)	125,765	125,765	125,765	-	-	-
Chu Kok Hong @ Choo Kok Hong	243,432	243,432	243,432	5,478	5,478	5,478
Related corporation - Geologic Private Limited						
(No. of ordinary shares)						
Wong Yu Wei (Huang Youwei)	35,000	35,000	35,000	-	-	-

SHARE OPTIONS

No options were granted during the financial year to subscribe for unissued shares of the Company or its subsidiaries.

No shares were issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company or its subsidiaries.

There were no unissued shares of the Company under option at the end of the financial year.

DIRECTORS' CONTRACTUAL BENEFITS

Since the end of the previous financial year, no director has received or become entitled to receive a benefit by reason of a contract made by the Company or a related corporation with the director or with a firm of which he is a member or with a company in which he has a substantial financial interest, except as disclosed in the accompanying financial statements and in this statement, and except that certain directors receive remuneration from related corporations in their capacity as directors and/or executives of those related corporations.

Directors' Statement

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

SHARE AWARDS

(a) The Boustead Projects Restricted Share Plan 2016 (the "2016 Share Plan") was approved by the members of the Company at its Extraordinary General Meeting on 28 July 2016. Under the 2016 Share Plan, all eligible executive employees, non-executive directors of the Company as well as associates of controlling shareholders of the Company are invited to participate in the 2016 Share Plan. The selection of an eligible participant shall be determined at the absolute discretion of the committee appointed by the Board to administer the 2016 Share Plan. The participation of an associate of controlling shareholders shall be approved by independent members of the Company.

(b) The committee administering the 2016 Share Plan comprises three members, all of whom are non-executive directors. "Executive employees" mean confirmed employees of a group entity fulfilling at least an executive role, selected by the committee to participate in the 2016 Share Plan, in accordance with the terms and conditions thereof.

(c) Details of the 2016 Share Plan are disclosed in Note 6 to the financial statements.

(d) The members of the committee administering the 2016 Share Plan are:

Chong Lit Cheong (Chairman)
John Lim Kok Min
Professor Yong Kwet Yew

The members of the committee are eligible to participate in the 2016 Share Plan. Any director participating in 2016 Share Plan who is a member of the committee will not be involved in the committee deliberations in respect of any share award granted or to be granted to him.

(e) There were no share awards granted or vested pursuant to the 2016 Share Plan during the financial year.

(f) There were no participants who received 5% or more of the total number of shares available under the 2016 Share Plan.

Directors' Statement
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

AUDIT & RISK COMMITTEE

As of the date of this statement, the Audit & Risk Committee of the Company comprises four members, all of whom are independent non-executive directors:

Tam Chee Chong (Chairman)
John Lim Kok Min
Chong Lit Cheong
Professor Yong Kwet Yew

The Audit & Risk Committee met 4 times during the financial year under review and carried out its functions in accordance with Section 201B(5) of the Companies Act 1967 of Singapore. In performing those functions, the Audit & Risk Committee has, among others, reviewed the following:

a) the audit plans of the external auditors and internal auditors;

b) the results of the internal auditors' examination and evaluation of the Group's system of internal accounting and operational controls;

c) the Group's financial and operating results and accounting policies;

d) the consolidated financial statements of the Group and the statement of financial position of the Company before their submission to the directors of the Company and the external auditors' report on those financial statements;

e) the half-year and full-year announcements on the consolidated financial statements of the Group and the changes in equity and financial position of the Company;

f) the co-operation and assistance given by the management to the external auditors and internal auditors of the Company;

g) the performance, independence, objectivity and appointment/re-appointment of the external auditors of the Company; and

(h) the adequacy and effectivenss of the Company's internal controls and risk management systems.

The Audit & Risk Committee has full access to and has the co-operation of management. It was given the resources required for it to discharge its function properly. The Audit & Risk Committee also has full discretion to invite any director and executive officer to attend its meetings. The external and internal auditors have unrestricted access to the Audit & Risk Committee.

The Audit & Risk Committee has recommended to the Board that the independent auditor, PricewaterhouseCoopers LLP, be nominated for re-appointment at the forthcoming Annual General Meeting of the Company.

The external auditors annually carry out their statutory audits in accordance with the scope laid out in their audit plans. Control observations noted during their audits and the auditors' recommendations are reported to the Audit & Risk Committee. The internal auditors follow up on the recommendations as part of their role in the review of the Group's internal control systems.

INDEPENDENT AUDITOR

The independent auditor, PricewaterhouseCoopers LLP, has expressed its willingness to accept reappointment.

On behalf of the directors

Wong Yu Wei (Huang Youwei)
Director

Chu Kok Hong @ Choo Kok Hong
Director

28 June 2023

Independent Auditor's Report

TO THE MEMBERS OF BOUSTEAD PROJECTS LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our Opinion

In our opinion, the accompanying consolidated financial statements of Boustead Projects Limited ("the Company") and its subsidiaries ("the Group") and the statement of financial position of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 ("the Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 March 2023 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the financial year ended on that date.

What we have audited

The financial statements of the Company and the Group comprise:

- the consolidated statement of comprehensive income of the Group for the financial year ended 31 March 2023;
- the statements of financial position of the Group and the Company as at 31 March 2023;
- the consolidated statement of changes in equity of the Group for the financial year then ended;
- the consolidated statement of cash flows of the Group for the financial year then ended; and
- the notes to the financial statements, including a summary of significant accounting policies.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code.

Our Audit Approach

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the accompanying financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Independent Auditor's Report

TO THE MEMBERS OF BOUSTEAD PROJECTS LIMITED

Our Audit Approach (cont'd)

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements for the financial year ended 31 March 2023. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our audit addressed the Key Audit Matter
Revenue recognition of Engineering & Construction contracts Refer to Note 3 (Critical accounting estimates, assumptions and judgements), Note 4 (Revenue) to the financial statements. During the financial year ended 31 March 2023, revenue from Engineering & Construction contracts amounted to $269,846,000, which represented 95% of the Group's total revenue. Revenue on Engineering & Construction contracts is recognised over time by reference to the progress towards satisfaction of performance obligations under the contracts. Measurement of progress is determined based on the proportion of contract costs incurred to date to the estimated total contact costs. Revenue from Engineering & Construction contracts are also adjusted with variations to the contracts claimable from customers, as well as liquidated damages due to delays or other causes, payable to customers. We focus on this area because of the significant management's judgements that are required to estimate: - the amount of variation orders that are highly likely to be approved by the customers, and included in the total contract sum; - the total contract costs, including variation claims from sub-contractors, which affected the measurement of progress of the projects at the reporting date and accordingly revenue recognised; and - provision for liquidated damage from these contracts.	We have performed the following audit procedures to address the Key Audit Matter: We have obtained an understanding of the progress of projects through discussions with management and examination of documents such as contracts and correspondences with customers, variation claims from sub-contractors and advice from external legal advisers. In relation to total contract revenue, our audit procedures include the following: a. Traced the total contract sums to contracts and agreed variation orders; b. For variation orders where management had determined that there was sufficient basis to claim from customers but pending final agreement with the customers, selected samples of claims to customers' instructions and schedule of rates with subcontractors or quotations from subcontractors; and c. Assessed the progress of construction against contractual timeline for delays and the adequacy of provision for liquidated damages. In relation to total contract costs, our audit procedures include the following: a. Selected samples of costs incurred and traced to supplier invoices and sub-contractors' billings; and b. Selected samples of projects in progress at the reporting date and tested estimation of cost-to-complete by tracing to quotations and/or contracts with sub-contractors and suppliers. In relation to the revenue recognised for projects in progress at the reporting date, we have: a. Recomputed the measurement of progress based on the proportion of contract costs incurred to-date to the estimated total contract costs; and b. Recomputed the revenue for the current financial year based on the measurement of progress and traced to the accounting records. Based on the audit procedures performed, we have assessed management's estimation of the revenue on Engineering & Construction contracts to be reasonable. We have assessed that the disclosures in the financial statements in relation to the sensitivity of estimations on revenue and costs on Engineering & Construction contracts to be appropriate.

Independent Auditor's Report

TO THE MEMBERS OF BOUSTEAD PROJECTS LIMITED

Other Information

Management is responsible for the other information. The other information comprises all the sections of the annual report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

Independent Auditor's Report

TO THE MEMBERS OF BOUSTEAD PROJECTS LIMITED

Auditor's Responsibilities for the Audit of the Financial Statements (cont'd)

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Kok Moi Lre.

PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants
Singapore, 28 June 2023

Consolidated Statement of Comprehensive Income

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

	Note	2023 $'000	2022 $'000
Revenue	4	**283,976**	339,089
Cost of sales	5	**(258,028)**	(325,216)
Gross profit		**25,948**	13,873
Interest income	7	**9,813**	7,203
Other gains - net	8	**9,778**	4,275
Impairment loss on financial assets	14	**-**	(452)
Expenses			
- Selling and distribution	5	**(2,692)**	(3,342)
- Administrative	5	**(13,150)**	(19,695)
- Finance	9	**(2,400)**	(1,370)
Share of (losses)/profits of associates and joint ventures	10	**(825)**	13,349
Profit before income tax		**26,472**	13,841
Income tax expense	11	**(7,995)**	(2,510)
Total profit		**18,477**	11,331
Other comprehensive (loss)/income:			
Items that may be reclassified subsequently to profit or loss:			
Share of other comprehensive (loss)/income of an associate and joint ventures	29	**(365)**	353
Currency translation differences arising from consolidation			
- (Losses)/gains	29	**(3,623)**	262
- Reclassification	29	**773**	-
Items that will not be reclassified subsequently to profit or loss:			
Financial asset, at fair value through other comprehensive income ("FVOCI")			
- Fair value (loss)/gain	29	**(3,517)**	240
Other comprehensive (loss)/income, net of tax		**(6,732)**	855
Total comprehensive income		**11,745**	12,186
Profit attributable to:			
Equity holders of the Company		**18,350**	11,336
Non-controlling interests		**127**	(5)
		18,477	11,331
Total comprehensive income attributable to:			
Equity holders of the Company		**11,618**	12,191
Non-controlling interests		**127**	(5)
		11,745	12,186
Earnings per share for profit attributable to equity holders of the Company (cents per share)			
- Basic and diluted	12	**5.9**	3.6

The accompanying notes form an integral part of these financial statements.

Statements of Financial Position – Group and Company

AS AT 31 MARCH 2023

		Group		Company	
	Note	2023 $'000	2022 $'000	2023 $'000	2022 $'000
ASSETS					
Current assets					
Cash and cash equivalents	13	**177,705**	213,866	**74,265**	119,082
Trade receivables	14	**102,204**	45,924	**11**	3
Other receivables and prepayments	14	**62,358**	41,699	**302,263**	251,083
Investment securities	16	**-**	62,277	**-**	-
Finance lease receivables	18	**476**	522	**-**	-
Contract assets	15	**16,302**	10,656	**-**	-
		359,045	374,944	**376,539**	370,168
Non-current assets					
Trade receivables	14	**26,708**	12,320	**-**	-
Other receivables and prepayments	14	**85,601**	73,544	**-**	-
Investment securities	16	**28,144**	31,661	**28,144**	31,661
Property, plant and equipment	17	**981**	2,211	**-**	-
Right-of-use assets	18	**1,852**	203	**-**	16
Finance lease receivables	18	**20,485**	20,362	**-**	-
Investment properties	19	**48,662**	87,172	**-**	-
Intangible asset		**98**	104	**-**	-
Investments in associates	20	**6,235**	5,659	**4,376**	4,376
Investments in joint ventures	21	**199,331**	54,866	**71,300**	71,334
Investments in subsidiaries	22	**-**	-	**26,919**	32,123
Deferred income tax assets	25	**11,960**	9,618	**-**	-
		430,057	297,720	**130,739**	139,510
Total assets		**789,102**	672,664	**507,278**	509,678
LIABILITIES					
Current liabilities					
Trade and other payables	23	**148,054**	120,963	**99,435**	104,114
Lease liabilities		**1,049**	871	**-**	16
Income tax liabilities		**18,237**	16,442	**1,541**	1,142
Contract liabilities	15	**130,457**	36,022	**-**	-
Borrowings	24	**623**	610	**-**	-
		298,420	174,908	**100,976**	105,272
Non-current liabilities					
Trade and other payables	23	**53,817**	51,348	**-**	-
Lease liabilities		**32,696**	42,761	**-**	-
Borrowings	24	**1,066**	9,956	**-**	-
Deferred income tax liabilities	25	**2,108**	1,319	**1,241**	703
		89,687	105,384	**1,241**	703
Total liabilities		**388,107**	280,292	**102,217**	105,975
NET ASSETS		**400,995**	392,372	**405,061**	403,703
EQUITY					
Capital and reserves attributable to equity holders of the Company					
Share capital	26	**15,000**	15,000	**15,000**	15,000
Treasury shares	26	**(5,495)**	(5,495)	**(5,495)**	(5,495)
Retained profits	28	**387,462**	372,245	**386,730**	381,855
Other reserves	29	**4,028**	10,760	**8,826**	12,343
		400,995	392,510	**405,061**	403,703
Non-controlling interests		**-**	(138)	**-**	-
Total equity		**400,995**	392,372	**405,061**	403,703

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Changes in Equity

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

	Note	Share capital	Treasury shares	Retained profits	Other reserves	Equity attributable to equity holders of the Company	Non-controlling interests	Total
		$'000	$'000	$'000	$'000	$'000	$'000	$'000
2023								
Balance as at 1 April 2022		**15,000**	**(5,495)**	**372,245**	**10,760**	**392,510**	**(138)**	**392,372**
Profit for the financial year		**-**	**-**	**18,350**	**-**	**18,350**	**127**	**18,477**
Other comprehensive income for the financial year		**-**	**-**	**-**	**(6,732)**	**(6,732)**	**-**	**(6,732)**
Total comprehensive income for the financial year		**-**	**-**	**18,350**	**(6,732)**	**11,618**	**127**	**11,745**
Disposal of a subsidiary		**-**	**-**	**-**	**-**	**-**	**11**	**11**
Dividends	27	**-**	**-**	**(3,133)**	**-**	**(3,133)**	**-**	**(3,133)**
Total transactions with owners, recognised directly in equity		**-**	**-**	**(3,133)**	**-**	**(3,133)**	**11**	**(3,122)**
Balance as at 31 March 2023		**15,000**	**(5,495)**	**387,462**	**4,028**	**400,995**	**-**	**400,995**
2022								
Balance as at 1 April 2021		15,000	(7,236)	409,200	8,892	425,856	(133)	425,723
Profit for the financial year		-	-	11,336	-	11,336	(5)	11,331
Other comprehensive income for the financial year		-	-	-	855	855	-	855
Total comprehensive income for the financial year		-	-	11,336	855	12,191	(5)	12,186
Dividends	27	-	-	(48,291)	-	(48,291)	-	(48,291)
Purchase of treasury shares	26	-	(316)	-	-	(316)	-	(316)
Employee share-based compensation								
- Value of employee services	29(b)(ii)	-	-	-	1,137	1,137	-	1,137
- Treasury shares re-issued	26	-	2,057	-	(124)	1,933	-	1,933
Total transactions with owners, recognised directly in equity		-	1,741	(48,291)	1,013	(45,537)	-	(45,537)
Balance as at 31 March 2022		15,000	(5,495)	372,245	10,760	392,510	(138)	392,372

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Cash Flows

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

	2023 $'000	2022 $'000
Cash flows from operating activities		
Profit before income tax	**26,472**	13,841
Adjustments for:		
- Amortisation of intangible asset	**6**	6
- Depreciation of right-of-use assets	**1,677**	1,648
- Depreciation expense	**2,132**	2,741
- Loss on disposal of property, plant and equipment	**-**	2,956
- Loss on disposal of right-of-use assets	**-**	99
- Share of loss/(profit) of associates and joint ventures	**825**	(13,349)
- Impairment loss on financial asset	**-**	452
- (Reversal of impairment loss)/Impairment loss on property, plant and equipment	**(25)**	962
- Write off of investment property	**557**	-
- Fair value gain on financial asset, at FVPL	**(2,004)**	(3,777)
- Elimination of share of unrealised construction, project management and acquisition fee margins	**221**	3,584
- Employee (including directors) share-based compensation expense	**-**	1,137
- Interest income	**(9,813)**	(7,203)
- Finance expenses	**2,400**	1,370
- Gain on disposal of a subsidiary	**(8,288)**	-
- Currency exchange losses/(gains) - net	**514**	(498)
	14,674	3,969
Change in working capital, net of effects from disposal of a subsidiary:		
- Trade and other receivables	**(65,879)**	30,680
- Contract assets and liabilities – net	**88,072**	(12,031)
- Inventories	**-**	2,565
- Trade and other payables	**(14,452)**	(12,894)
Cash provided by operations	**22,415**	12,289
Interest received	**2,743**	1,423
Interest paid	**(274)**	(95)
Income tax paid	**(7,637)**	(4,173)
Net cash provided by operating activities	**17,247**	9,444

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Cash Flows

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

	Note	2023 $'000	2022 $'000
Cash flows from investing activities			
Purchase of property, plant and equipment		**(135)**	(638)
Government grant received		**-**	24
Addition to investment properties		**(652)**	(5,814)
Investment in associates		**(2,720)**	(3,774)
Interest received on loan to non-related party		**57**	78
Interest received on loan to a related party		**-**	1,585
Interest received on notes issued by an associate		**5,093**	3,524
Cash and cash equivalents in subsidiary disposed		**(4,147)**	-
Proceeds from disposal of property, plant and equipment		**900**	2,770
Proceeds from disposal of a subsidiary and joint ventures		**-**	519
Proceeds from repayment of loan by a related party		**-**	6,431
Proceeds from repayment of loan by a non-related party		**1,970**	-
Notes issued by an associate		**(12,500)**	(13,750)
Loan to a joint venture		**(4,155)**	-
Loan to a non-related party		**(1,970)**	-
Capital contributions to joint ventures		**(59,766)**	(1,906)
Repayment of loans by joint ventures		**-**	15,000
Deposits paid for investment		**-**	(12,297)
Dividends received from associates and joint ventures		**14,431**	15,182
Refund of deposits paid for an investment		**17,125**	-
Purchase of investment securities		**-**	(58,500)
Disposal of investment securities		**2,138**	-
Net cash used in investing activities		**(44,331)**	(51,566)
Cash flows from financing activities			
Repayment of borrowings		**(611)**	(201)
Proceeds from borrowings		**-**	8,268
Principal payment of lease liability		**(953)**	(1,662)
Interest payment of lease liability		**(1,306)**	(1,920)
Purchase of treasury shares		**-**	(316)
Proceeds from treasury shares re-issued		**-**	1,933
Dividends paid to equity holders of the Company		**(3,133)**	(48,291)
Net cash used in financing activities		**(6,003)**	(42,189)
Net decrease in cash and cash equivalents		**(33,087)**	(84,311)
Cash and cash equivalents			
Beginning of financial year		**213,866**	297,987
Effect of currency translation on cash and cash equivalents		**(3,074)**	190
End of financial year	13	**177,705**	213,866

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Cash Flows

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

Reconciliation of liabilities arising from financing activities

				Non-cash changes						
	1 April 2022	Proceeds from borrowings	Principal and interest payments	Addition during the financial year	Remeasurement/ Modification of lease liability	Interest capitalised	Interest expense	Foreign exchange movement	Disposal movement	31 March 2023
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Bank borrowings	10,566	-	(885)	-	-	-	274	38	(8,304)	1,689
Lease liabilities	43,632	-	(2,259)	8,750	703	59	2,126	438	(19,704)	33,745

				Non-cash changes					
	1 April 2021	Proceeds from borrowings	Principal and interest payments	Addition during the financial year	Remeasurement/ Modification of lease liability	Interest capitalised	Interest expense	Foreign exchange movement	31 March 2022
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Bank borrowings	2,500	8,268	(297)	-	-	-	95	-	10,566
Lease liabilities	44,895	-	(3,582)	-	-	645	1,275	399	43,632

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Cash Flows

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

Disposal of a subsidiary

Please refer to Note 33(b) for the details of the transaction.

The effects of the disposal of the subsidiary on the cash flows of the Group are as follows:

	2023 $'000
Carrying amounts of assets and liabilities disposed:	
Cash and cash equivalents	4,147
Trade receivables	2,724
Other receivables and prepayments	1,197
Investment properties	39,593
Total assets	47,661
Trade and other payables	(5,504)
Borrowings	(8,304)
Lease liabilities	(19,704)
Deferred income tax liabilities	(116)
Total liabilities	(33,628)
Net assets disposed of	14,033
Gain on disposal (Note 8)	8,288
Gain deferred due to retained interest in a joint venture	13,590
Reclassification of foreign currency translation reserve	773
Sales proceeds	36,684
Less: Amount receivable as at 31 March 2023 (Note 14)	(36,684)
Sale proceeds received	-
Less: Cash and cash equivalents in a subsidiary disposed of	(4,147)
Net decrease in cash and cash equivalents	(4,147)

The accompanying notes form an integral part of these financial statements.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. GENERAL INFORMATION

Boustead Projects Limited (the "Company") is listed on the Singapore Exchange and incorporated and domiciled in Singapore. The address of its registered office and principal place of business is 82 Ubi Avenue 4, #07-01 Edward Boustead Centre, Singapore 408832.

The principal activity of the Company is investment holding while the principal activities of the Group are to provide turnkey Engineering & Construction ("E&C") services, including design-and-build services, as well as development management, asset and leasing management, and fund management services for diversified classes of real estate. The principal activities of associates, joint ventures and subsidiaries are set out in Notes 20, 21 and 22 of the financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

These financial statements have been prepared in accordance with the Singapore Financial Reporting Standards (International) ("SFRS(I)s") under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with SFRS(I)s requires management to exercise its judgements in the process of applying the Group's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgements or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

Interpretations and amendments to published standards effective on 1 April 2022

On 1 April 2022, the Group has adopted the new or amended SFRS(I) and Interpretations of SFRS(I) ("INT SFRS(I)") that are mandatory for application for the financial year. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I) and INT SFRS(I).

The adoption of these new or amended SFRS(I) and INT SFRS(I) did not result in substantial changes to the Group's accounting policies and had no material effect on the amounts reported for the current or prior financial years.

2.2 Revenue recognition

(a) Revenue from Engineering & Construction contracts

The Group enters into contracts with customers to provide engineering and construction services which includes the design-and-build of buildings and facilities. Revenue is recognised when the control over the buildings and facilities has been transferred to the customer. At contract inception, the Group assesses whether the Group transfers control of the buildings and facilities over time or at a point in time by determining if (a) its performance does not create an asset with an alternative use to the Group; and (b) the Group has an enforceable right to payment for performance completed to date.

The buildings and facilities have no alternative use to the Group due to contractual restriction. The Group has also enforceable rights to payment arising from the contractual terms. For these contracts, revenue is recognised over time by reference to the progress towards satisfaction of performance obligations under contracts. Measurement of progress is determined based on the proportion of contract costs incurred to date to the estimated total contract costs ("input method"). Costs incurred that are not related to the contract or that do not contribute towards satisfying a performance obligation are excluded from the measure of progress and instead are expensed as incurred.

Management has determined that input method provides a faithful depiction of the Group's performance in transferring control over the buildings and facilities to the customers, as it reflects the Group's efforts incurred to date relative to the total inputs expected to be incurred for the buildings and facilities.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.2 Revenue recognition (cont'd)

(a) Revenue from Engineering & Construction contracts (cont'd)

The period between the transfer of the promised goods and payment by the customer may exceed one year. For such contracts, there is no significant financing component present as the payment terms is an industry practice to protect the customers from the performing entity's failure to adequately complete some or all of its obligations under the contract. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

Revenue from Engineering & Construction contracts are also adjusted with variations to the contracts claimable from customers, as well as liquidated damages due to delays or other causes, payable to customers.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in the profit or loss in the period in which the circumstances that give rise to the revision become known by management.

Based on the Group's experience with similar types of contracts, variable consideration is typically constrained and is included in the transaction only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

The customer is invoiced on a progressive work certification basis. If the value of the progress work transferred by the Group exceed the billings to customers, a contract asset is recognised. If the billings to customers exceed the value of the goods transferred, a contract liability is recognised.

(b) Sale of industrial properties

Gain from the sale of industrial properties is recognised when all the following conditions are satisfied:

- the Group has transferred to the buyer the control of the industrial properties;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the industrial properties sold;
- the amount of gain can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Group; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

(c) Interest income

Interest income, including income arising from financial instruments, is recognised using the effective interest method.

(d) Rental income

Refer to Note 2.22 for the accounting policy for rental income.

(e) Management fee income

Management fee from provision of project and development services, asset, property and lease management services are recognised over time as the services are rendered, except for acquisition and performance fees which are recognised at a point in time as and when the services are rendered.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.3 Government grants

Grants from the government are recognised as a receivable at their fair value when there is reasonable assurance that the grant will be received and the Group will comply with all the attached conditions.

Government grants receivable are recognised in profit or loss over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Government grants relating to expenses are deducted against the related expenses.

Government grants relating to assets are deducted against the carrying amount of the assets.

2.4 Group accounting

(a) Subsidiaries

(i) Consolidation

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date on which that control ceases.

In preparing the consolidated financial statements, transactions, balances and unrealised gains on transactions between group entities are eliminated. Unrealised losses are also eliminated but are considered an impairment indicator of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests comprise the portion of a subsidiary's net results of operations and its net assets, which is attributable to the interests that are not owned directly or indirectly by the equity holders of the Company. They are shown separately in the consolidated statement of comprehensive income, statement of changes in equity, and statement of financial position. Total comprehensive income is attributed to the non-controlling interests based on their respective interests in a subsidiary, even if this results in the non-controlling interests having a deficit balance.

(ii) Acquisitions

The acquisition method of accounting is used to account for business combinations entered into by the Group.

The consideration transferred for the acquisition of a subsidiary or business comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes any contingent consideration arrangement and any pre-existing equity interest in the subsidiary measured at their fair values at the acquisition date.

Acquisition-related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree at the date of acquisition either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

The excess of (a) the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over (b) fair value of the identifiable net assets acquired, is recorded as goodwill.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.4 Group accounting (cont'd)

(a) Subsidiaries (cont'd)

(iii) Disposals

When a change in the Group's ownership interest in a subsidiary results in a loss of control over the subsidiary, the assets and liabilities of the subsidiary including any goodwill are derecognised. Amounts previously recognised in other comprehensive income in respect of that entity are also reclassified to profit or loss or transferred directly to retained profits if required by a specific SFRS(I).

Any retained equity interest in the entity is remeasured at fair value. The difference between the carrying amount of the retained interest at the date when control is lost and its fair value is recognised in profit or loss.

Please refer to Note 2.5 for the accounting policy on investments in subsidiaries in the separate financial statements of the Company.

(iv) Transactions with non-controlling interests

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control over the subsidiary are accounted for as transactions with equity owners of the Company. Any difference between the change in the carrying amounts of the non-controlling interest and the fair value of the consideration paid or received is recognised within equity attributable to the equity holders of the Company.

(b) Associates and joint ventures

An associate is an entity over which the Group has significant influence, but not control, generally accompanied by a shareholding giving rise to voting rights of 20% and above.

A joint venture is an entity over which the Group has joint control as a result of contractual arrangements, and rights to the net assets of the entities.

Investments in associates and joint ventures are accounted for in the consolidated financial statements using the equity method of accounting less impairment losses, if any.

(i) Acquisitions

Investments in associates and joint ventures are initially recognised at cost. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Goodwill on associates or joint ventures represents the excess of the cost of acquisition of associates or joint ventures over the Group's share of the fair value of the identifiable net assets of associates or joint ventures and is included in the carrying amount of the investments.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.4 Group accounting (cont'd)

(b) Associates and joint ventures (cont'd)

(ii) Equity method of accounting

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise Group's share of its associates' or joint ventures' post-acquisition profits or losses of the investee in profit or loss and its share of movements in other comprehensive income of the investee's other comprehensive income. Dividends received or receivable from associates or joint ventures are recognised as a reduction of the carrying amount of the investments. When the Group's share of losses in associates or joint ventures equals to or exceeds its interest in the associates or joint ventures, the Group does not recognise further losses, unless it has legal or constructive obligations to make, or has made, payments on behalf of the associate or joint venture. If the associate or joint venture subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised. Interest in an associate or joint venture includes any long-term loans for which settlement is never planned nor likely to occur in the foreseeable future.

Unrealised gains on transactions between the Group and its associates or joint ventures are eliminated to the extent of the Group's interest in the associates or joint ventures. Unrealised losses are also eliminated unless the transactions provide evidence of impairment of the assets transferred. The elimination of unrealised gains and losses are made through "investments in associates" and "investments in joint ventures" on the statement of financial position and a proportionate reduction in "revenue", "cost of sales" and "other gains - net" on the consolidated statement of comprehensive income. The accounting policies of associates or joint ventures are changed where necessary to ensure consistency with the accounting policies adopted by the Group.

(iii) Disposals

When there are changes in the interest in an associate or a joint venture, without losing significant influence or joint control, the difference between the carrying amount of the interest disposed and proceeds is recognised in profit or loss.

Investments in associates and joint ventures are derecognised when the Group loses significant influence or joint control. If the retained equity interest in the former associate or joint venture is a financial asset, the retained equity interest is re-measured at its fair value. The difference between the carrying amount of the retained interest at the date when significant influence or joint control is lost and its fair value and any proceeds on partial disposal is recognised in profit or loss.

Please refer to Note 2.5 for the accounting policy on investments in associates and joint ventures in the separate financial statements of the Company.

2.5 Investments in subsidiaries, associates and joint ventures

Investments in subsidiaries, associates and joint ventures are carried at cost less accumulated impairment losses in the Company's statement of financial position. On disposal of such investments, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.6 Property, plant and equipment

(a) Measurement

Property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

The cost of an item of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

(b) Depreciation

Depreciation is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

	Estimated useful lives
Plant and machinery	5 - 15 years
Office computers	5 years
Office equipment, furniture and fittings	5 years
Renovations	5 years

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each balance sheet date. The effects of any revision are recognised in profit or loss when the changes arise.

(c) Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

(d) Disposal

On disposal of an item of property, plant and equipment, the difference between the disposal proceeds and its carrying amount is included in profit or loss.

2.7 Intangible asset

Club Membership

Club Membership acquired is initially recognised at cost and is subsequently carried at cost less accumulated amortisation and accumulated impairment losses. The cost is amortised to profit or loss using the straight-line method over its estimated useful life of 23 years.

The amortisation period and amortisation method of the intangible asset is reviewed at least at each balance sheet date. The effects of any revision are recognised in profit or loss when the change arise.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.8 Investment properties

Investment properties are properties and right-of-use assets relating to leasehold land that are held for long-term rental yields and/or for capital appreciation. Investment properties include properties that are being constructed or developed for future use as investment properties.

Investment properties are initially carried at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses. Cost includes land cost, related acquisition expenses, construction costs and finance costs incurred during the period of construction.

Depreciation is calculated using the straight-line method to allocate depreciable amounts over the estimated useful lives of 12 to 50 years for leasehold land and buildings and 15 years for machinery and equipment. No depreciation is provided for investment properties under construction and depreciation commences when the asset is ready for its intended use. The estimated useful lives and depreciation method are reviewed at each balance sheet date, with the effect of any changes in estimate accounted for on a prospective basis.

The cost of major renovations and improvements is capitalised and the carrying amounts of the replaced components are recognised in profit or loss. The cost of maintenance, repairs and minor improvements is recognised in profit or loss when incurred.

On disposal of an investment property, the difference between the disposal proceeds and the carrying amount is recognised in profit or loss.

2.9 Impairment of non-financial assets

Property, plant and equipment
Intangible asset
Investment properties
Right-of-use assets
Investments in subsidiaries, associates and joint ventures

Property, plant and equipment, intangible asset, investment properties, investments in subsidiaries, associates and joint ventures and right-of-use assets are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the cash-generating-units ("CGU") to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss.

Management assesses at the end of the reporting period whether there is any indication that an impairment recognised in prior periods may no longer exist or may have decreased. If any such indication exists, the recoverable amount of that asset is estimated and may result in a reversal of impairment loss. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss for an asset is recognised in profit or loss.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.10 Financial assets

(a) Classification and measurement

The Group classifies its financial assets in the following measurement categories:

- Amortised cost;
- Fair value through other comprehensive income (FVOCI); and
- Fair value through profit or loss (FVPL).

The classification of debt instruments depends on the Group's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

The Group reclassifies debt instruments when and only when its business model for managing those assets changes.

At initial recognition

At initial recognition, the Group measures a financial asset at its fair value. For a financial asset not carried at FVPL, this includes transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

At subsequent measurement

(i) Debt instruments

Debt instruments mainly comprise of cash and bank deposits, trade and other receivables, unlisted debt securities and loans/notes to subsidiaries, associates and joint ventures.

There are three subsequent measurement categories, depending on the Group's business model for managing the asset and the cash flow characteristics of the asset:

- Amortised cost: Debt instruments that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is recognised using the effective interest rate method and presented in "interest income".

- FVOCI: Debt instruments that are held for collection of contractual cash flows and for sale, and where the assets' cash flows represent solely payments of principal and interest, are classified as FVOCI. Movements in fair values are recognised in Other Comprehensive Income ("OCI") and accumulated in fair value reserve, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and presented in "other gains - net". Interest income from these financial assets is recognised using the effective interest rate method and presented in "interest income".

- FVPL: Debt instruments that are held for trading as well as those that do not meet the criteria for classification as amortised cost or FVOCI are classified as FVPL. Movement in fair values and interest income is recognised in profit or loss in the period in which it arises and presented in "other gains - net".

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.10 Financial assets (cont'd)

(a) Classification and measurement (cont'd)

At subsequent measurement (cont'd)

(ii) Equity instruments

The Group subsequently measures all its equity instruments at their fair values. Equity instruments are classified as FVPL with movements in their fair values recognised in profit or loss in the period in which the changes arise and presented in "other gain/(loss)", except for those equity securities which are not held for trading.

The Group has elected to recognise changes in fair value of equity investments not held for trading in OCI as these are strategic investments and the Group considered this to be more relevant. Movements in fair values of investments classified as FVOCI are presented as "fair value gain and losses" in OCI. Dividends from equity investments are recognised in profit or loss as "dividend income"

(b) Impairment

The Group assesses on a forward looking basis the expected credit losses associated with its debt financial assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 31(b) details how the Group determines whether there has been a significant increase in credit risk.

For trade receivables, lease receivables and contract assets, the Group applies the simplified approach permitted by the SFRS(I) 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(c) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date – the date on which the Group commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

On disposal of a debt instrument, the difference between the carrying amount and the sale proceeds is recognised in profit or loss. Any amount previously recognised in other comprehensive income relating to that asset is reclassified to profit or loss.

On disposal of an equity investment, the difference between the carrying amount and sales proceed is recognised in profit or loss if there was no election made to recognise fair value changes in other comprehensive income. If there was an election made, any difference between the carrying amount and sales proceed amount would be recognised in other comprehensive income and transferred to retained profits along with the amount previously recognised in other comprehensive income relating to that asset.

Trade receivables that are factored out to banks and other financial institutions with recourse to the Group are not derecognised until the recourse period has expired and the risks and rewards of the receivables have been fully transferred. The corresponding cash received from the financial institutions is recorded as borrowings.

Notes to the Financial Statements
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.11 Derivative financial instruments

A derivative financial instrument is initially recognised at its fair value on the date the contract is entered into and is subsequently carried at its fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

Fair value changes on derivatives that are not designated or do not qualify for hedge accounting are recognised in profit or loss when the changes arise.

The Group documents at the inception of the transaction the relationship between the hedging instruments and hedged items, as well as its risk management objective and strategies for undertaking various hedging transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives designated as hedging instruments are highly effective in offsetting changes in fair value or cash flows of the hedged items.

The carrying amount of a derivative designated as a hedge is presented as a non-current asset or liability if the remaining expected life of the hedged item is more than 12 months, and as a current asset or liability if the remaining expected life of the hedged item is less than 12 months. The fair value of a trading derivative is presented as a current asset or liability.

2.12 Borrowings

Borrowings are presented as current liabilities unless the Group has an unconditional right to defer settlement for at least 12 months after the reporting date, in which case they are presented as non-current liabilities.

Borrowings are initially recognised at fair value (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

2.13 Borrowing costs

Borrowing costs are recognised in profit or loss using the effective interest method except for those costs that are directly attributable to the construction or development of properties and assets under construction. This includes those costs on borrowings acquired specifically for the construction or development of properties and assets under construction, as well as those in relation to general borrowings used to finance the construction or development of properties and assets under construction.

The actual borrowing costs incurred during the period up to the issuance of the temporary occupation permit less any investment income on temporary investment of these borrowings, are capitalised in the cost of the property under development.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.14 Financial guarantees

The Company issues corporate guarantees to banks for bank borrowings if required. These guarantees are financial guarantees as they require the Company to reimburse the banks if the borrower fails to make principal or interest payments when due in accordance with the terms of their borrowings. Intra-Group transactions are eliminated on consolidation.

Financial guarantee contracts are initially measured at fair value plus transaction costs and subsequently measured at the higher of:

(a) amount initially recognised less the cumulative amount of income recognised in accordance with the principles of SFRS(I) 15; and

(b) the amount of expected loss allowance computed using the impairment methodology under SFRS(I) 9.

2.15 Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). Otherwise, they are presented as non-current liabilities.

Trade and other payables are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method.

2.16 Fair value estimation of financial assets and liabilities

The fair values of financial instruments that are not traded in an active market are determined by using valuation techniques. The Group uses a variety of methods and makes assumptions based on market conditions that are existing at each balance sheet date. Where appropriate, quoted market prices or dealer quotes for similar instruments are used. Valuation techniques, such as discounted cash flow analysis are also used to determine the fair values of the financial instruments.

The carrying amounts of current financial assets and liabilities carried at amortised cost approximate their fair values.

2.17 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.18 Income taxes

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a tax authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

A deferred income tax liability is recognised on temporary differences arising on investments in subsidiaries, associates and joint ventures, except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Deferred income tax is measured:

(i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date; and

(ii) based on the tax consequence that will follow from the manner in which the Group expects, at the balance sheet date, to recover or settle the carrying amounts of its assets and liabilities.

Current and deferred income taxes are recognised as income or expense in profit or loss, except to the extent that the tax arises from a business combination or a transaction which is recognised directly in equity. Deferred tax arising from a business combination is adjusted against goodwill on acquisition.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.19 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of a past event, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated.

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax discount rate that reflects the current market assessment of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised in the statement of comprehensive income as finance expense.

Changes in the estimated timing or amount of the expenditure or discount rate are recognised in profit or loss when the changes arise.

2.20 Employee compensation

Employee benefits are recognised as an expense, unless the cost qualifies to be capitalised as an asset.

(a) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The Group's contributions are recognised as employee compensation expense when they are due.

(b) Employee share-based compensation

The Group operates an equity-settled, share-based compensation plan. The value of the employee services received in exchange for the grant of share awards is recognised as an expense with a corresponding increase in the share-based compensation reserve over the vesting period. The total amount to be recognised over the vesting period is determined by reference to the fair value of the share awards granted on grant date. Non-market vesting conditions are included in the estimation of the number of shares under share awards that are expected to vest on the vesting date. At each balance sheet date, the Group revises its estimates of the number of shares under award that are expected to vest on the vesting date and recognises the impact of the revision of the estimates in profit or loss, with a corresponding adjustment to the share-based compensation reserve, over the remaining vesting period.

When the share awards are vested, the related balance previously recognised in the share-based compensation reserve are credited either to share capital account, when new ordinary shares are issued, or to the "treasury shares" account, when treasury shares are re-issued to the employees.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.21 Currency translation

(a) Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The consolidated financial statements are presented in Singapore Dollars ("presentation currency"), which is the functional currency of the Company.

(b) Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency exchange differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the balance sheet date are recognised in profit or loss. However, in the consolidated financial statements, currency translation differences arising from net investment in foreign operations are recognised in other comprehensive income and accumulated in the foreign currency translation reserve.

When a foreign operation is disposed of a proportionate share of the accumulated currency translation differences is reclassified to profit or loss, as part of the gain or loss on disposal.

All other foreign exchange gains and losses impacting profit or loss are presented in the profit or loss within "other gains - net".

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

(c) Translation of Group entities' financial statements

The results and statement of financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follow:

(i) assets and liabilities are translated at the closing exchange rates at the balance sheet date;

(ii) income and expenses are translated at average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of the transactions); and

(iii) all resulting currency translation differences are recognised in other comprehensive income and accumulated in the foreign currency translation reserve. These currency translation differences are reclassified to profit or loss on disposal or partial disposal of the entity giving rise to such reserve.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.22 Leases

(a) When the Group is the lessee:

At the inception of the contract, the Group assesses if the contract contains a lease. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Reassessment is only required when the terms and conditions of the contract are changed.

- Right-of-use assets

The Group recognises a right-of-use asset and lease liability at the date which the underlying asset is available for use. Right-of-use assets are measured at cost which comprises the initial measurement of lease liabilities adjusted for any lease payments made at or before the commencement date and lease incentive received. Any initial direct costs that would not have been incurred if the lease had not been obtained are added to the carrying amount of the right-of-use assets.

These right-of-use assets are subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Right-of-use assets (except for those which meets the definition of an investment property) are presented within "Right-of-use assets".

Right-of-use asset which meets the definition of an investment property is presented within "Investment properties" and accounted for in accordance with Note 2.8.

- Lease liabilities

The initial measurement of lease liability is measured at the present value of the lease payments discounted using the implicit rate in the lease, if the rate can be readily determined. If that rate cannot be readily determined, the Group shall use its incremental borrowing rate.

Lease payments include the following:

- Fixed payment (including in-substance fixed payments), less any lease incentives receivables;
- Variable lease payment that are based on an index or rate, initially measured using the index or rate as at the commencement date;
- Amount expected to be payable under residual value guarantees;
- The exercise price of a purchase option if reasonably certain to exercise the option; and
- Payment of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

For a contract that contains both lease and non-lease components, the Group allocates the consideration to each lease component on the basis of the relative stand-alone price of the lease and non-lease component. The Group has elected to not separate lease and non-lease components for property leases and account for these as one single lease component.

Lease liability is measured at amortised cost using the effective interest method. Lease liability shall be remeasured when:

- There is a change in future lease payments arising from changes in an index or rate;
- There is a change in the Group's assessment of whether it will exercise an extension option; or
- There are modification in the scope or the consideration of the lease that was not part of the original term.

Lease liability is remeasured with a corresponding adjustment to the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.22 Leases

(a) When the Group is the lessee: (cont'd)

- Short term and low value leases

  The Group has elected to not recognise right-of-use assets and lease liabilities for short-term leases that have lease terms of 12 months or less and low value leases. Lease payments relating to these leases are expensed to profit or loss on a straight-line basis over the lease term.

- Variable lease payments

  Variable lease payments that are not based on an index or a rate are not included as part of the measurement and initial recognition of the lease liability. The Group shall recognise those lease payments in profit or loss in the periods that triggered those lease payments.

(b) When the Group is the lessor:

The Group leases out investment properties under operating leases and sub-leases its right-of-use of a leasehold land to non-related parties.

- Lessor – Operating leases

  Leases where the Group retains substantially all risks and rewards incidental to ownership are classified as operating leases. Rental income from operating leases (net of any incentives given to the lessees) is recognised in profit or loss on a straight-line basis over the lease term.

  Initial direct costs incurred by the Group in negotiating and arranging operating leases are added to the carrying amount of the leased assets and recognised as an expense in profit or loss over the lease term on the same basis as the lease income.

  Contingent rents are recognised as income in profit or loss when earned.

- Lessor – Subleases

  In classifying a sublease, the Group as an intermediate lessor classifies the sublease as a finance or an operating lease with reference to the right-of-use asset arising from the head lease, rather than the underlying asset.

  When the sublease is assessed as a finance lease, the Group derecognises the right-of-use asset relating to the head lease that it transfers to the sublessee and recognises the net investment in the sublease within "Finance lease receivables". Any differences between the right-of-use asset derecognised and the net investment in sublease is recognised in profit or loss. Lease liability relating to the head lease is retained in the balance sheet, which represents the lease payments owed to the head lessor.

  When the sublease is assessed as an operating lease, the Group recognises lease income from sublease in profit or loss within "Interest income". The right-of-use asset relating to the head lease is not derecognised.

  For a contract which contains lease and non-lease components, the Group allocates the consideration based on a relative stand-alone selling price basis.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.23 Share capital and treasury shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

When any entity within the Group purchases the Company's ordinary shares ("treasury shares"), the carrying amount which includes the consideration paid and any directly attributable transaction cost is presented as a component within equity attributable to the Company's equity holders, until they are cancelled, sold or reissued.

When treasury shares are subsequently cancelled, the costs of treasury shares are deducted against the share capital account if the shares are purchased out of capital of the Company, or against the retained profits of the Company if the shares are purchased out of earnings of the Company.

When treasury shares are subsequently sold or reissued pursuant to an employee share award scheme, the cost of treasury shares is reversed from the treasury share account and the realised gain or loss on sale or reissue, net of any directly attributable incremental transaction costs and related income tax, is recognised in the capital reserve.

2.24 Dividends to the Company's shareholders

Dividends to the Company's shareholders are recognised when the dividends are approved for payment.

2.25 Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents include cash on hand and deposits with financial institutions which are subject to an insignificant risk of change in value.

2.26 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the senior management, whose members are responsible for allocating resources and assessing performance of the operating segments.

3. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

In preparing these financial statements and applying the Group's accounting policies as described in Note 2, management has applied judgements and made certain assumptions and estimations. Estimates, assumptions and judgements are based on historical experience and other factors and continually evaluated, including expectations of future events that are believed to be reasonable under the circumstances.

(a) *Volatility of the geoeconomics and geopolitical climate resulting in higher inflation risks and supply chain disruptions*

The volatility of the geoeconomic and geopolitical climate resulted in inflationary pressures and supply chain disruptions. While there had been greater construction activities in the financial year ended 31 March 2023, the progress of the Engineering & Construction contracts of the Group was affected by disruptions in the supply chain and a tight labour supply. These factors, and coupled with rising material costs, have resulted in additional costs (associated with project resumption, prolongation and acceleration) to complete the projects, and project delays beyond the contracted dates of completion, leading to the delayed recognition of construction revenue.

The Group has considered the market conditions as at 31 March 2023 in making estimates and judgements on the recoverability of assets and provision of liabilities as at that date. The significant estimates and judgements applied on revenue recognition and provision of onerous contracts relating to the Group's Engineering & Construction contracts are disclosed in Note 3(b).

As at the date these financial statements are authorised for issuance, the Group continues to face challenges arising from the effects of the pandemic and the volatility of the geoeconomic and geopolitical climate. Accordingly, the Group cannot reasonably ascertain the full extent of the probable impact arising from these challenges.

(b) *Revenue recognition of Engineering & Construction Contracts*

(i) *Estimated total contract sum and project costs*

As disclosed in Note 2.2(a), revenue on Engineering & Construction contracts is recognised over time using the input method. Under the input method, Management has to estimate the total contract sum and contract costs to be incurred up to the completion date of the projects ("costs-to-complete").

Significant judgement and assumptions are applied when estimating the total contract sum and the total contract costs which affect the accuracy of revenue recognition based on the percentage-of-completion of the on-going projects at the balance sheet date.

The estimation of total contract sum includes variation orders where management had determined that there was sufficient basis to claim from customers but pending final agreement with the customers. In making this assessment, management has relied on the terms of the contracts with customers and official instructions issued by customers to carry out the variation orders.

In making estimation of the value of variation orders to be included into the total contract sum, management has applied the contracted Schedule of Rates with subcontractors or quotations from subcontractors, on the basis that it is highly probable to recover from customers the cost of performing these variation orders.

If the estimated value of the variation orders that are considered recoverable decreases by 5% from management's estimates (with the total contract cost remaining unchanged), the Group's revenue and profit before income tax will decrease by approximately $395,000.

In estimating the total costs-to-complete, management has applied its past experience of completing similar projects, as well as quotations from and contracts with suppliers and sub-contractors. These estimations are also made with due consideration of the physical surveys of the construction in-progress and circumstances and relevant events that were known to management at the date of these financial statements. Construction projects are inherently complex and involve uncertainties that may not be apparent to management at the balance sheet date. Management has made provision for contingency on each project to address these inherent risks.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

3. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS (cont'd)

(b) Revenue recognition of Engineering & Construction Contracts (cont'd)

(i) Estimated total contract sum and project costss (cont'd)

In addition, management has taken into consideration the cost increase arising from the pandemic and the volatility of the geoeconomic and geopolitical climate.

Management has assessed for one (2022: two) on-going Engineering & Construction contracts where the total construction costs have exceeded the total contract sum, resulting in a provision for onerous contracts of $3,348,000 (2022: $11,691,000) (Note 23) as at the balance sheet date.

For on-going projects at the balance sheet date, if the estimated contract costs to be incurred from the balance sheet date to the completion date is higher/lower by 5% (2022: 5%) from management's estimates, the Group's revenue and profit before tax would have been lower/higher by $4,360,000 (2022: $5,104,000) and $4,641,000 respectively (2022: $7,625,000).

(ii) Estimation of customers' claim on liquidated damages for delay in completion of projects

Customers have a right to claim for liquidated damages under the contractual terms of the Engineering & Construction contracts if contractual obligations, including completion of the project by a specific date, are not fulfilled.

Management re-evaluates the probability of liquidated damages claims from customers by considering whether there are or may be significant delays in the progress of the projects and whether there are significant defects that could not be rectified by the Group. The determination of the probability of claims are based on the circumstances and relevant events that were known to management at the date of these financial statements.

In the estimation of liquidated damages payable to the Group's customers in respect of delay in completion of Engineering & Construction contracts as at the balance sheet date, the Group had taken into account direct and indirect delays caused by the COVID-19 pandemic, assessment of delays that may be attributable to the Group, changing instructions including variation orders from the customers and evidence of ongoing negotiations and physical occupancy by the customers. The management has also taken into consideration the contractual rights which afforded relief in force majeure events which are beyond the control of the Group and the application of COVID-19 (Temporary Measures) Act 2020 ("COTMA"), which provides temporary reliefs due to the inability to perform contractual obligations, where the inability was caused to a material extent by the COVID-19 pandemic.

(c) Estimation of sub-contractors' claim on variation orders

Payment claims from sub-contractors are subject to physical surveys of construction performed, verification to agreed schedule and pricing in contracts and consideration of other relevant circumstances and events by the Group before payments are made. As at 31 March 2023, the Group had payment claims from sub-contractors which were disputed by the Group and not recognised in the financial statements, taking into account relevant counter-claims to the sub-contractors (if any) and information known and available to management at the date of these financial statements.

(d) Valuation of investment securities

Investment securities are stated at their fair values based on valuations performed, using valuation methods that involve certain estimates. Valuation methods used are discounted cash flow approach, market approach, income capitalisation approach and asset based valuation approach. The significant inputs to the valuation methods would be credit-adjusted discount rate, latest transaction price, capitalisation rate and discount for lack of control. The key assumptions used to determine the fair value of these investment securities are provided in Note 16.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

4. REVENUE

	Over time	At a point in time	Total
	$'000	$'000	$'000
Group			
2023			
Revenue from Engineering & Construction contracts	**269,846**	**-**	**269,846**
Management fee income	**6,134**	**-**	**6,134**
	275,980	**-**	**275,980**
Property rental income			**7,996**
			283,976
2022			
Revenue from Engineering & Construction contracts	324,509	-	324,509
Management fee income	6,092	789	6,881
	330,601	789	331,390
Property rental income			7,823
Less: Government grant expense – rent concession			(124)
			339,089

Government grant expense for the previous financial year relates to government grant income (Note 5(a)) received from the Singapore Government that were transferred to tenants in the form of rental rebates and rental waivers.

Notes to the Financial Statements
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

5. EXPENSES BY NATURE

	Group	
	2023 **$'000**	**2022** **$'000**
Sub-contractor fees and other construction costs	**241,313**	309,301
Directors' fees to non-executive directors	**300**	265
Employee compensation (Note 6)	**21,387**	23,735
Share-based payment to non-executive directors	**-**	189
Depreciation expense	**3,809**	4,389
Auditor's remuneration paid/payable to:		
- auditor of the Company	**192**	178
- other auditors*	**36**	41
Other fees on non-audit services paid/payable to:		
- auditor of the Company	**51**	29
- other auditors*	**-**	27
Loss on disposal of property, plant and equipment	**-**	2,956
(Reversal of impairment loss)/Impairment loss on property, plant and equipment (Note 17)	**(25)**	962
Property tax (a)	**484**	370
Rental expenses	**49**	60
Maintenance expenses	**1,583**	1,224
Utilities expenses	**442**	547
Amortisation of intangible asset	**6**	6
Marketing expenses	**310**	469
Legal and professional fees	**990**	1,405
Training and recruitment expenses	**265**	371
Travel expenses	**60**	7
Collaboration costs	**1,253**	1,616
Write off of investment property (Note 19)	**557**	-
Others	**808**	106
Total cost of sales, selling and distribution and administrative expenses	**273,870**	348,253

(a) Included within property tax for the previous financial year was grant income of $103,000 in which the Group had passed the benefits to its tenants (Note 4).

* *Includes the network of members firms of PricewaterhouseCoopers International Limited (PwCIL).*

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

6. EMPLOYEE COMPENSATION

	Group	
	2023 **$'000**	**2022** **$'000**
Wages and salaries	**19,787**	21,084
Employer's contribution to defined contribution plans including Central Provident Fund	**1,600**	1,703
Share-based compensation expense	**-**	948
	21,387	23,735

In the previous financial year, government grants under the Job Support Scheme ("JSS") amounting to $207,000 were recorded as a reduction to the wages and salaries. The JSS is a temporary scheme introduced in the Singapore Budget 2020 to help enterprises retain local employees. Under the JSS, employers received cash grants in relation to the gross monthly wages of eligible employees.

Share-based compensation expense

(a) One-off share-based payment to directors

In the previous financial year, a one-off share-based payment to directors by way of transferring a total of 2,400,000 treasury shares at the transfer price of $0.806 per share was approved by the members of the Company at its Extraordinary General Meeting on 28 July 2021.

The fair value of the shares transferred was $0.474 each, determined based on the market value of the Company's share price of $1.28 as at 28 July 2021 less off the transfer price of $0.806 per share. Accordingly, a total share-based payment expense of $1,137,000 was recognised in the profit or loss for the financial year ended 31 March 2022, of which $948,000 related to directors who are also employees of the Group and $189,000 related to non-executive directors of the Company.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

6. EMPLOYEE COMPENSATION (cont'd)

(b) Employee share plans – Boustead Projects Restricted Share Plan 2016 (the "2016 Share Plan")

The Boustead Projects Restricted Share Plan 2016 (the "2016 Share Plan") was approved by the members of the Company at its Extraordinary General Meeting on 28 July 2016. Under the 2016 Share Plan, all eligible executive employees, non-executive directors of the Company as well as associates of controlling shareholders of the Company are invited to participate in the 2016 Share Plan. The selection of an eligible participant shall be determined at the absolute discretion of the committee appointed by the Board to administer the 2016 Share Plan. The participation of an associate of controlling shareholders shall be approved by independent members of the Company.

Awards granted under the 2016 Share Plan may be subject to performance-based and time-based restrictions. Performance-based restricted awards will vest after a further period of service beyond the performance target completion date. Time-based restricted awards granted under the 2016 Share Plan will vest only after satisfactory completion of time-based service conditions, that is, after the participant has served the Group for a specified number of years.

Participants are not required to pay for the grant of the awards. Awards are forfeited when the participant leaves the Group before the awards vest.

Details of the share awards granted and vested pursuant to the 2016 Share Plan during the financial year are as follows:

	2023 $'000	2022 $'000
Number of share awards		
Balance at the beginning of financial year	-	150,991
Vested and issued during the financial year	-	(150,991)
Balance at the end of financial year	-	-

There are no share awards outstanding at the end of the financial years ended 31 March 2023 and 31 March 2022.

No share awards were granted during the financial year.

In the previous financial year, the Company re-issued its treasury shares for share awards vested during the financial year. The cost of the treasury shares re-issued was $0.81 each.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

7. INTEREST INCOME

	Group	
	2023 **$'000**	**2022** **$'000**
Interest income on financial assets measured at amortised cost		
- Bank deposits	**3,037**	1,456
- Loan to associates	**488**	384
- Loan to joint venture	**360**	-
- Loan to a related party	**-**	142
- Notes issued by an associate	**5,095**	4,452
- Others	**150**	78
	9,130	6,512
Finance income on sublease	**683**	691
	9,813	7,203

The related party above is a subsidiary of an associate.

8. OTHER GAINS - NET

	Group	
	2023 **$'000**	**2022** **$'000**
Fair value gain on financial asset, at FVPL (Note 16(a))	**2,004**	3,777
Currency exchange (losses)/gains – net	**(514)**	498
Gain on disposal of a subsidiary (Note 33(b))	**8,288**	-
	9,778	4,275

9. FINANCE EXPENSES

	Group	
	2023 **$'000**	**2022** **$'000**
Interest expense		
- Bank borrowings	**274**	95
- Lease liabilities (Note 18(a)(ii))	**2,126**	1,275
	2,400	1,370

10. SHARE OF (LOSSES)/PROFITS OF ASSOCIATES AND JOINT VENTURES

	Group	
	2023 **$'000**	**2022** **$'000**
Share of (losses)/profits after income tax		
- Associates (Note 20)	**(2,570)**	1,089
- Joint ventures (Note 21)	**1,745**	12,260
	(825)	13,349

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

11. INCOME TAXES

Income tax expense

	Group	
	2023 $'000	**2022 $'000**
Tax expense attributable to profit is made up of:		
- Profit for the financial year:		
Current income tax		
- Singapore	**1,932**	3,897
- Foreign	**6,701**	973
	8,633	4,870
Deferred income tax (Note 25)	**(1,405)**	(871)
	7,228	3,999
- Under/(Over) provision in prior financial years		
Current income tax	**289**	(1,454)
Deferred income tax (Note 25)	**478**	(35)
	767	(1,489)
	7,995	2,510

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the Singapore standard rate of income tax as follows:

	Group	
	2023 $'000	**2022 $'000**
Profit before tax	**26,472**	13,841
Share of losses/(profits) of associates and joint ventures, net of tax	**825**	(13,349)
Profit before tax and share of losses/(profits) of associates and joint ventures	**27,297**	492
Tax calculated at tax rate of 17% (2022: 17%)	**4,640**	84
Effects of		
- tax incentives	**(444)**	(1,264)
- tax on share of profit of joint ventures under limited liability partnership structure	**995**	3,654
- expenses not deductible for tax purposes	**1,340**	987
- income not subject to tax	**(85)**	(35)
- different tax rates in other countries	**745**	320
- others	**37**	253
- under/(over) provision in prior financial years	**767**	(1,489)
Tax charge	**7,995**	2,510

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

12. EARNINGS PER SHARE

(a) Basic earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial year.

	2023	2022
Net profit attributable to equity holders of the Company ($'000)	**18,350**	11,336
Weighted average number of ordinary shares outstanding for basic earnings per share ('000)	**313,261**	312,473
Basic earnings per share (cents per share)	**5.9**	3.6

(b) Diluted earnings per share

For the purpose of calculating diluted earnings per share, profit attributable to equity holders of the Company and the weighted average number of ordinary shares outstanding are adjusted for the effects of all dilutive potential ordinary shares.

There are no dilutive potential ordinary shares outstanding as at the reporting dates. Accordingly, diluted earnings per share is the same as basic earnings per share.

13. CASH AND CASH EQUIVALENTS

	Group		Company	
	2023 $'000	2022 $'000	2023 $'000	2022 $'000
Cash at bank and on hand	**68,100**	141,218	**7,919**	88,933
Short-term bank deposits	**109,605**	72,648	**66,346**	30,149
	177,705	213,866	**74,265**	119,082

Cash and cash equivalents belonging to subsidiaries of the Group amounting to $9,999,000 (2022: $15,012,000) held in the People's Republic of China and the Socialist Republic of Vietnam are subject to local exchange control regulations. These local exchange control regulations provide for restrictions on exporting capital from the countries, other than through normal dividends.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

14. TRADE RECEIVABLES, OTHER RECEIVABLES AND PREPAYMENTS

	Group		Company	
	2023 $'000	2022 $'000	2023 $'000	2022 $'000
Current				
Trade receivables from:				
- Non-related parties	**90,077**	22,660	**11**	3
- Joint ventures	**1,916**	2,467	**-**	-
- Associate	**759**	636	**-**	-
Retention sum receivables from:				
- Non-related parties	**7,891**	15,351	**-**	-
- Joint ventures	**1,561**	3,722	**-**	-
- Associate	**-**	1,088	**-**	-
Trade receivables	**102,204**	45,924	**11**	3
Other receivables and prepayments				
Loans to:				
- Subsidiaries	**-**	-	**281,393**	227,356
Less: Allowance for impairment of loan to a subsidiary	**-**	-	**(2,056)**	(2,094)
	-	-	**279,337**	225,262
- Associate	**17,104**	17,685	**-**	-
Less: Allowance for impairment loss (Note 31(b))	**(5,440)**	(5,027)	**-**	-
	11,664	12,658	**-**	-
- Joint venture	**3,987**	-	**-**	-
Loans – net	**15,651**	12,658	**279,337**	225,262
Other receivables from:				
- Non-related parties	**3,105**	1,911	**490**	138
- Joint ventures	**528**	2,612	**181**	2,612
- Associates	**5,058**	5,056	**-**	-
- Related party*	**-**	15	**-**	-
- Fellow subsidiaries	**74**	62	**-**	-
- Subsidiaries	**-**	-	**22,199**	22,397
	8,765	9,656	**22,870**	25,147
Sales proceeds receivable from a joint venture (Note 33(b))	**36,684**	-	**-**	-
Tax recoverable	**1**	197	**-**	-
Deposits	**806**	18,333	**13**	622
Prepayments	**451**	855	**43**	52
Total other receivables and prepayments	**62,358**	41,699	**302,263**	251,083

* *The related party above is a subsidiary of an associate.*

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

14. TRADE RECEIVABLES, OTHER RECEIVABLES AND PREPAYMENTS (cont'd)

	Group		Company	
	2023 $'000	**2022 $'000**	**2023 $'000**	**2022 $'000**
Non-current				
Retention sum receivables from:				
- Non-related parties	**26,708**	12,320	**-**	-
Trade receivables	**26,708**	12,320	**-**	-
Other receivables and prepayments				
Notes issued by an associate (Note 20)	**85,250**	72,750	**-**	-
Other receivables	**186**	409	**-**	-
Prepayments	**165**	385	**-**	-
Total other receivables and prepayments	**85,601**	73,544	**-**	-

The loans to subsidiaries are unsecured, bear interest up to 3.77% (2022: 1.03%) per annum and are repayable on demand.

Loan to an associate, THAB Development Sdn Bhd (Note 20) is denominated in Malaysian Ringgit ("MYR"), unsecured, bears interest at 0.50% (2022: 0.50%) above the Kuala Lumpur Interbank Offered Rate ("KLIBOR") per annum and is repayable on demand. The movement in allowance for impairment of the loan receivable as follows:

	2023 $'000	**2022 $'000**
Allowance for impairment loss		
Balance at beginning of financial year	**5,027**	4,049
Share of loss (Note 20)	**413**	526
Impairment loss recognised in profit and loss	**-**	452
Balance at end of financial year	**5,440**	5,027

Current loan to a joint venture by the Group is denominated in United States Dollar ("USD"), unsecured, bears interest of 10% per annum and is repayable within the next 12 months.

The notes issued by an associate, Boustead Industrial Fund ("BIF"), are unsecured, bear fixed interest of 7.0% (2022: 7.0%) per annum and are repayable in March 2031, with an option to extend for another 10 years. The notes are "qualifying debt securities" for the purposes of the Singapore Income Tax Act, which entail a 10% concessionary tax rate on the net interest income earned by the Group. During the financial year ended 31 March 2023, the Group subscribed to new Notes amounting to $12,500,000 (2022: $13,750,000) issued by BIF.

Other receivables due from fellow subsidiaries, a related party, associates, joint ventures and subsidiaries unsecured, interest-free and are repayable on demand.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

15. CONTRACT ASSETS AND LIABILITIES

	Group		
	31 March 2023 $'000	31 March 2022 $'000	1 April 2021 $'000
Contract assets	**16,302**	10,656	10,783
Contract liabilities	**130,457**	36,022	48,180
*Trade receivables from contracts with customers**			
Current	**101,796**	43,462	66,800
Non-current	**26,708**	12,320	20,211

* *These balances are presented within Trade receivables in Note 14.*

Contract assets relate to Engineering & Construction contracts where the revenue accrued from progressive work done exceeds related billings to clients. Contract assets as at 31 March 2023 increased due to more contracts in progress where the Group provided services ahead of consideration billed and received.

Contract liabilities relate to Engineering & Construction contracts where billings to clients exceed revenue accrued for progressive work done. Contract liabilities as at 31 March 2023 increased due to more contracts in progress where the Group billed and received consideration ahead of the provision of services.

(a) Revenue recognised in relation to contract liabilities

Revenue recognised in current financial year that was included in the contract liabilities balance at the beginning of the financial year was $36,022,000 (2022: $48,180,000).

(b) Unsatisfied performance obligations

As at 31 March 2023, the aggregate amount of transaction price allocated to the remaining performance obligation was $401,826,000 (2022: $234,686,000) and the Group expects to recognise this revenue over the next 1 to 2 years.

16. INVESTMENT SECURITIES

	Group		Company	
	2023 $'000	2022 $'000	2023 $'000	2022 $'000
Financial asset, at FVPL	**-**	62,277	**-**	-
Financial asset, at FVOCI	**28,144**	31,661	**28,144**	31,661
Total	**28,144**	93,938	**28,144**	31,661
Less: Current portion	**-**	(62,277)	**-**	-
Non-current portion	**28,144**	31,661	**28,144**	31,661

Notes to the Financial Statements
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

16. INVESTMENT SECURITIES (cont'd)

(a) Financial asset, at FVPL

	Group	
	2023 $'000	**2022 $'000**
Beginning of financial year	**62,277**	-
Additions	**-**	58,500
Fair value gain (Note 8)	**2,004**	3,777
Disposals	**(64,281)**	-
End of financial year	**-**	62,277

In August 2021, the Group, together with two non-related parties, acquired $110,000,000 of notes issued by SC Aetas (Cayman) Limited ("SCA"). The Group paid $58,500,000 comprising 50% of the principal and interest outstanding on the notes, which were already in default on the acquisition date.

The notes are secured by the assignment of SCA's bank accounts and shareholder loan receivables, a charge over the shares ("Share Charge") in SC Aetas Holdings Pte Ltd, a subsidiary of SCA, ("Singapore Subsidiary"), and a personal guarantee from a shareholder of SCA.

In September 2021, the Group commenced the process of enforcing the Share Charge. The Singapore Subsidiary, which owns a mixed development property, was placed under creditors' voluntary liquidation and the liquidators initiated the sale of the property as part of the creditors' voluntary winding up.

On 24 June 2022, the Group's 50%-owned joint venture, Bideford House Pte Ltd, entered into an agreement to purchase the property from the Singapore Subsidiary at a consideration of $515,000,100. The consideration was funded by Bideford House Pte Ltd via external bank financing as well as shareholders' loan.

As agreed with the Singapore Subsidiary, $60,000,000 of the notes held by the Group was set-off against the Group's share of the consideration, with the remaining $4,281,000 receivable from SCA in cash. As at 31 March 2023, $2,138,000 had been received and the remaining receivable amount is $2,143,000.

The fair value of the notes as at 31 March 2022 have been determined using the discounted cash flow model where the expected future payments were discounted using a credit-adjusted discount rate. The expected future payments are projected based on the expected sale price of the mixed development property owned by the Singapore Subsidiary, less transaction costs and other costs as advised by the liquidators of the Singapore subsidiary.

Details of the significant valuation techniques and key inputs used in the determination of fair value categorised under Level 3 of the fair value hierarchy are as follows:

Valuation technique	Unobservable inputs	Relationship of unobservable inputs to fair value
Discounted cash flow approach and market approach	2022: Credit-adjusted discount rate of 10%	The higher the credit-adjusted discount rate, the lower the fair value.
	2022: Sale price of property at $515,000,100	The higher the sale price, the higher the fair value.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

16. INVESTMENT SECURITIES (cont'd)

(b) Financial asset, at FVOCI

	Group and Company	
	2023 $'000	**2022 $'000**
Beginning of financial year	**31,661**	31,421
Fair value (loss)/gain	**(3,517)**	240
End of financial year	**28,144**	31,661

The Group holds a 5.27% unquoted equity interest in Perennial Tongzhou Development Pte. Ltd. ("PTD"), which represents a 4.00% effective interest in Beijing Tongzhou Integrated Development (Phase 1), a mixed-use property project located in Tongzhou District, Beijing, The People's Republic of China.

The fair value of the investment is determined using an asset based valuation model taking into consideration the fair value of the underlying properties being developed by PTD. The fair value of the underlying properties as at 31 March 2023 is based on a valuation performed by an independent professional property valuer.

Details of the significant valuation techniques and key inputs used in the determination of fair value categorised under Level 3 of the fair value hierarchy are as follows:

Valuation technique	Unobservable inputs	Range of unobservable inputs	Relationship of unobservable inputs to fair value
Income capitalisation approach and asset based valuation	Capitalisation rate	4% - 7% (2022: 4% - 5%)	The higher the capitalisation rate, the lower the fair value.
	Discount for lack of control	20% (2022: 20%)	The higher the discount for lack of control, the lower the fair value.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

17. PROPERTY, PLANT AND EQUIPMENT

	Plant and machinery	Office computers	Office equipment, furniture and fittings	Renovations	Total
	$'000	$'000	$'000	$'000	$'000
Group					
2023					
Cost					
Beginning of financial year	**2,950**	**2,171**	**506**	**694**	**6,321**
Additions	**-**	**74**	**23**	**38**	**135**
Disposals	**(2,280)**	**-**	**(4)**	**-**	**(2,284)**
Currency translation differences	**-**	**-**	**(14)**	**-**	**(14)**
End of financial year	**670**	**2,245**	**511**	**732**	**4,158**
Accumulated depreciation					
Beginning of financial year	**943**	**1,487**	**434**	**284**	**3,148**
Depreciation charge	**25**	**284**	**39**	**133**	**481**
Disposals	**(443)**	**-**	**(4)**	**-**	**(447)**
Currency translation differences	**-**	**-**	**(5)**	**-**	**(5)**
End of financial year	**525**	**1,771**	**464**	**417**	**3,177**
Accumulated impairment					
Beginning of financial year	**962**	**-**	**-**	**-**	**962**
Reversal of impairment loss	**(25)**	**-**	**-**	**-**	**(25)**
Disposals	**(937)**	**-**	**-**	**-**	**(937)**
End of financial year	**-**	**-**	**-**	**-**	**-**
Net book value					
End of financial year	**145**	**474**	**47**	**315**	**981**
2022					
Cost					
Beginning of financial year	9,829	2,155	411	327	12,722
Additions	-	40	152	446	638
Disposal	(6,879)	-	(57)	(79)	(7,015)
Grant	-	(24)	-	-	(24)
End of financial year	2,950	2,171	506	694	6,321
Accumulated depreciation					
Beginning of financial year	1,633	1,379	225	214	3,451
Depreciation charge	571	108	214	94	987
Disposal	(1,261)	-	(5)	(24)	(1,290)
End of financial year	943	1,487	434	284	3,148
Accumulated impairment					
Beginning of financial year	-	-	-	-	-
Impairment loss	962	-	-	-	962
End of financial year	962	-	-	-	962
Net book value					
End of financial year	1,045	684	72	410	2,211

In the previous financial year, an impairment charge of $962,000 on certain plant and machinery was included within "administrative expenses" in the statement of comprehensive income. The impairment charge arose because the net book value of the plant and machinery exceeded the fair value less cost of disposal of the asset. The fair value of the asset was determined based on the selling price agreed with the buyer of the plant and machinery. During the current financial year, the impairment charge was partially reversed amounting to $25,000 on disposal of the plant and machinery.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

18. LEASES

(a) The Group as a lessee

Nature of the Group's leasing activities

The Group leases leasehold land for use as investment properties in Singapore and the People's Republic of China (2022: Singapore, the People's Republic of China and the Socialist Republic of Vietnam). The Group also leases buildings for use as storage and office.

For the Group's properties located in Singapore, the Group is required to pay Jurong Town Corporation ("JTC") annual land rent in respect of certain land used as investment properties, except for the properties where upfront payments were made. The annual land rent is based on market rent in the relevant year of the current lease term and the lease provides that any increase in annual land rent from year to year shall not exceed 5.5% of the annual land rent for the immediate preceding year. The leases are non-cancellable with remaining lease terms of 2 to 21 years, with option to extend a further 30 years for one of the leases.

For the Group's properties located in the People's Republic of China (2022: the People's Republic of China and the Socialist Republic of Vietnam), the Group is required to pay to land owners annual land rent in respect of land used as investment properties. The annual land rent is based on the contracted rate that is subject to escalation clauses. The lease is non-cancellable with remaining lease term of 30 years.

The right-of-use of land used for investment properties is presented within investment properties (Note 19).

The right-of-use of land for leased office space and storage are presented as right-of-use assets on the statement of financial position.

There is no externally imposed covenant on these lease arrangements.

(i) Carrying amount and depreciation charge during the financial year

	Right-of-use assets			Right-of-use assets classified within investment properties	
	Leasehold land	**Office**	**Storage**	**Leasehold land**	**Total**
	$'000	**$'000**	**$'000**	**$'000**	**$'000**
Group					
Net book value					
At 1 April 2022	-	187	16	24,054	24,257
Additions	144	1,991	55	6,560	8,750
Remeasurement	-	-	-	86	86
Reclassification	-	-	-	2,393	2,393
Disposal of a subsidiary (Note 33(b))	-	-	-	(16,814)	(16,814)
Depreciation charge	(84)	(429)	(28)	(1,335)	(1,876)
Currency translation differences	-	-	-	(1,306)	(1,306)
At 31 March 2023	**60**	**1,749**	**43**	**13,638**	**15,490**
Net book value					
At 1 April 2021	131	898	109	24,520	25,658
Additions	165	31	-	-	196
Disposals	-	(260)	-	-	(260)
Depreciation charge	(296)	(482)	(93)	(777)	(1,648)
Currency translation differences	-	-	-	311	311
At 31 March 2022	-	187	16	24,054	24,257

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

18. LEASES (cont'd)

(a) The Group as a lessee (cont'd)

(ii) Interest expense

	Group	
	2023 $'000	**2022 $'000**
Interest expense on lease liabilities charged to profit or loss	**2,126**	1,275
Interest expense on lease liabilities capitalised within investment properties	**59**	645

(iii) Lease expense not capitalised in lease liabilities

	Group	
	2023 $'000	**2022 $'000**
Lease expense - short-term leases	**49**	60

(iv) Total cash outflow for all the leases for the financial year was $2,308,000 (2022: $3,642,000).

(v) Extension options

Lease liabilities as at 31 March 2023 included lease payments within the lease extension period of the land associated with an investment property amounting to $6,560,000 (2022: $Nil), as the Group is reasonably certain to exercise the extension option.

The leases for an office contain extension periods for which the related lease payments had not been included in lease liabilities as the Group is not reasonably certain to exercise these extension options.

(b) The Group as a lessor

Nature of the Group's leasing activities – Group as a lessor

The Group has leased out investment properties to non-related parties for monthly lease payments. Where considered necessary to reduce credit risk, the Group may obtain bank guarantees or cash deposits for the payment of leases. These leases are classified as operating leases because the risk and rewards incidental to ownership of the assets are not substantially transferred.

The future minimum lease receivables under non-cancellable operating leases contracted for at the end of the balance sheet date but not recognised as receivable, are as follows:

	Group	
	2023 $'000	**2022 $'000**
Less than one year	**2,505**	7,107
One to two years	**2,155**	6,878
Two to three years	**625**	5,220
Three to four years	**235**	2,104
Four to five years	**235**	1,774
More than five years	**78**	9,969
	5,833	33,052

Lease income from investment properties are disclosed in Note 19.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

18. LEASES (cont'd)

(b) The Group as a lessor (cont'd)

Nature of the Group's leasing activities – Group as an intermediate lessor

Subleases – classified as finance leases

The Group's sub-lease of its right-of-use of a leasehold land is classified as a finance lease because the sub-lease is for the entire remaining lease term of the head lease. The net investment in the sub-lease is recognised under "Finance lease receivables".

Finance income recognised on the sub-lease during the financial year is $683,000 (2022: $691,000).

The following table shows the maturity analysis of the undiscounted lease payments to be received:

	Group	
	2023 **$'000**	**2022** **$'000**
Less than one year	**1,160**	1,126
One to two years	**1,160**	1,126
Two to three years	**1,160**	1,126
Three to four years	**1,160**	1,126
Four to five years	**1,160**	1,126
More than five years	**26,401**	26,754
Total undiscounted lease payments	**32,201**	32,384
Less: Unearned finance income	**(11,240)**	(11,500)
Net investment in finance lease	**20,961**	20,884
Current	**476**	522
Non-current	**20,485**	20,362
Total	**20,961**	20,884

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

19. INVESTMENT PROPERTIES

	Building and other costs	Right-of-use assets	Total
	$'000	$'000	$'000
Group			
2023			
Cost			
Beginning of financial year	**78,305**	**28,396**	**106,701**
Additions (Note (a))	**1,107**	**6,560**	**7,667**
Remeasurement	**-**	**86**	**86**
Disposal	**(7,223)**	**-**	**(7,223)**
Disposal of a subsidiary (Note 33(b))	**(23,952)**	**(18,614)**	**(42,566)**
Currency translation differences	**(1,917)**	**(1,446)**	**(3,363)**
End of financial year	**46,320**	**14,982**	**61,302**
Accumulated depreciation			
Beginning of financial year	**15,187**	**4,342**	**19,529**
Depreciation charge	**1,650**	**1,335**	**2,985**
Reclassification	**2,393**	**(2,393)**	**-**
Write-off	**557**	**-**	**557**
Disposal	**(7,223)**	**-**	**(7,223)**
Disposal of a subsidiary (Note 33(b))	**(1,173)**	**(1,800)**	**(2,973)**
Currency translation differences	**(95)**	**(140)**	**(235)**
End of financial year	**11,296**	**1,344**	**12,640**
Net book value			
End of financial year	**35,024**	**13,638**	**48,662**
2022			
Cost			
Beginning of financial year	71,494	28,070	99,564
Additions (Note (a))	6,459	-	6,459
Currency translation differences	352	326	678
End of financial year	78,305	28,396	106,701
Accumulated depreciation			
Beginning of financial year	13,426	3,550	16,976
Depreciation charge	1,754	777	2,531
Currency translation differences	7	15	22
End of financial year	15,187	4,342	19,529
Net book value			
End of financial year	63,118	24,054	87,172

(a) Included in additions are interest capitalised of $59,000 (2022: $645,000).

A write-off of $557,000 (2022: $Nil) in relation to an investment property was included within "administrative expenses" in the statement of comprehensive income during the financial year. The write-off arose because the Group has made redevelopment plans for the investment property and the building is no longer in use.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

19. INVESTMENT PROPERTIES (cont'd)

The following amounts are recognised in profit or loss:

	Group	
	2023 $'000	**2022 $'000**
Rental income	**7,996**	7,823
Direct operating expenses arising from:		
- Investment properties that generate rental income	**3,966**	2,338

As at 31 March 2023, details of the Group's investment properties are as follows:

Location	Description	Existing use	Terms of lease
Singapore			
31 Tuas South Ave 10	Industrial facilities	Rental	30 years lease from 16 December 2013
36 Tuas Road	Industrial facilities	Rental	12 years lease from 1 October 2013 with an option to extend a further 30 years
People's Republic of China			
No. 3 Xin Mei Road Plot 117, Wuxi New District Wuxi Jiangsu	Industrial facilities	Rental	50 years from 15 April 2003
No. 7 Xin Mei Road Plot 117, Wuxi New District Wuxi Jiangsu	Industrial facilities	Rental	50 years from 15 April 2003
No. 18 Xin Mei Road Plot 117, Wuxi New District Wuxi Jiangsu	Industrial facilities	Rental	50 years from 15 April 2003

As at 31 March 2023, investment properties amounting to $Nil (2022: $33,777,000) were pledged to banks for banking facilities (Note 24).

Valuations of the Group's investment properties have been performed by independent professional valuers with appropriate recognised professional qualifications and recent experience with the location and category of the properties being valued. The valuers have considered the direct comparison method for comparative properties, discounted cash flow method and capitalisation approach in deriving the valuation of $60,711,000 (2022: $111,236,000), net of lease payments.

Key inputs used in the valuations are the estimated annual net rent, discount rate and comparable sales in the area.

The fair values of investment properties are within Level 3 of the fair value hierarchy.

20. INVESTMENTS IN ASSOCIATES

	Group		Company	
	2023 $'000	2022 $'000	2023 $'000	2022 $'000
Beginning of financial year	**5,659**	4,671	**4,376**	3,752
Investment in Boustead Industrial Fund	**2,720**	3,150	**-**	-
Investment in DSCO Group Holdings Pte. Ltd.	**-**	624	**-**	624
Share of (loss)/profit net of tax (Note 10)	**(2,570)**	1,089	**-**	-
Share of other comprehensive income	**49**	353	**-**	-
Unrealised construction, project management and acquisition fee margins	**-**	(151)	**-**	-
Unrealised gain on disposal due to retained interests	**-**	(3,343)	**-**	-
Loss accounted for against loans (Note 14)	**413**	526	**-**	-
Reclassification from current liabilities (Note 23)	**-**	(1,406)	**-**	-
Reclassification to non-current liabilities (Note 23)	**3,169**	4,854	**-**	-
Reclassification to deferred income tax assets (Note 25)	**-**	(3,016)	**-**	-
Currency translation differences	**433**	(342)	**-**	-
Dividend received	**(3,638)**	(1,350)	**-**	-
End of financial year	**6,235**	5,659	**4,376**	4,376

Set out below are associates of the Group as at 31 March 2023. The associates as listed below have share capital consisting of ordinary shares or units, which are held directly by the Group. The associates are funded via a combination of share capital, notes, and shareholders' loans which are presented in "Other receivables".

Name of entity	Principal activities	Country of business/incorporation	% of ownership interest	
			2023	2022
THAB Development Sdn Bhd ("THAB") (1)	Property development and investment holding	Malaysia	**35%**	35%
DSCO Group Holdings Pte. Ltd. ("DSCO") (2)	Provide consultancy and management services	Singapore	**25%**	25%
Boustead Industrial Fund ("BIF") (3)	Holding of property for rental income	Singapore	**25%**	25%

(1) *Audited by KPMG PLT, Malaysia.*
(2) *Audited by RSM Chio Lim LLP, Singapore.*
(3) *Audited by PricewaterhouseCoopers LLP, Singapore.*

During the financial year ended 31 March 2023, the Group subscribed to new Units amounting to $2,720,000 (2022: $3,150,000) issued by BIF. As at 31 March 2023, the Group holds Units amounting to $19,545,000 (2022: $16,825,000) in BIF.

The carrying amounts of the Group's material associates are as follows:

	Group	
	2023 $'000	2022 $'000
THAB and its subsidiary	**-**	-
BIF	**-**	-
Immaterial associate - DSCO	**6,235**	5,659
	6,235	5,659

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

20. INVESTMENTS IN ASSOCIATES (cont'd)

The Group's share of results of its material associates are as follows:

	Group	
	2023 $'000	**2022 $'000**
THAB and its subsidiary	**(521)**	1,254
BIF	**(2,586)**	(779)
Immaterial associate - DSCO	**537**	614
	(2,570)	1,089

Summarised statement of financial position of material associates

	THAB and its subsidiary		Boustead Industrial Fund	
	2023 $'000	**2022 $'000**	**2023 $'000**	**2022 $'000**
Current assets	**44,314**	47,714	**82,224**	26,719
Non-current assets	**-**	1	**573,064**	597,603
Current liabilities	**(48,864)**	(50,776)	**(88,910)**	(14,282)
Non-current liabilities	**-**	-	**(542,267)**	(562,674)
Net (liabilities)/assets	**(4,550)**	(3,061)	**24,111**	47,366

Summarised statement of comprehensive income of material associates

	THAB and its subsidiary		Boustead Industrial Fund	
	2023 $'000	**2022 $'000**	**2023 $'000**	**2022 $'000**
Revenue	**969**	605	**49,241**	42,053
(Loss)/Profit before income tax	**(1,483)**	915	**(20,451)**	(13,018)
(Loss)/Profit after income tax	**(1,489)**	734	**(21,032)**	(14,460)
Other comprehensive income	**-**	-	**197**	1,412
Total comprehensive (loss)/income	**(1,489)**	734	**(20,835)**	(13,048)
Share of (loss)/profit, net of tax (35%, 25%)	**(521)**	257	**(5,258)**	(3,615)
Amortisation of previously capitalised unrealised gains and losses	**-**	997	**2,672**	2,836
Share of (loss)/profit after income tax	**(521)**	1,254	**(2,586)**	(779)
Share of other comprehensive income	**-**	-	**49**	353
Share of total comprehensive (loss)/income	**(521)**	1,254	**(2,537)**	(426)
Dividends received	**-**	-	**3,325**	1,100

The information above reflects the amounts presented in the financial statements of the associates (and not the Group's share of those amounts), adjusted for differences in accounting policies between the Group and the associates.

20. INVESTMENTS IN ASSOCIATES (cont'd)

Reconciliation of summarised financial information of material associates

Reconciliation of the summarised financial information presented to the carrying amount of the Group's interest in material associates is as follows:

	THAB and its subsidiary (1)		Boustead Industrial Fund (2)	
	2023 $'000	**2022 $'000**	**2023 $'000**	**2022 $'000**
Net (liabilities)/assets				
Beginning of financial year	**(3,061)**	(3,795)	**47,366**	52,214
(Loss)/profit for the financial year	**(1,489)**	734	**(21,032)**	(14,460)
Other comprehensive income for the financial year	**-**	-	**197**	1,412
Issuance of equity units	**-**	-	**10,880**	12,600
Dividends paid	**-**	-	**(13,300)**	(4,400)
End of financial year	**(4,550)**	(3,061)	**24,111**	47,366
Net (liabilities)/assets	**(4,550)**	(3,061)	**24,111**	47,366
Group's equity interest	**35%**		**25%**	
Group's share of net (liabilities)/assets	**(1,593)**	(1,071)	**6,028**	11,842
Unrealised construction, project management and acquisition fee margins (3)	**(502)**	(502)	**(415)**	(415)
Unrealised gain on disposal of properties due to retained interests (3)	**-**	-	**(46,172)**	(48,817)
Currency translation differences	**(449)**	(558)	**-**	-
	(2,544)	(2,131)	**(40,559)**	(37,390)
Reclassification to non-current liabilities (Note 23)	**-**	-	**40,559**	37,390
Reclassification to allowance for impairment loss (Note 14)	**2,544**	2,131	**-**	-
Carrying value	**-**	-	**-**	-

(1) *The Group has continued to equity account for its share of loss in THAB in excess of the Group's equity investment as it had given a loan to THAB. An amount of $2,544,000 has been applied against the loan within allowance for impairment loss (Note 14) as at 31 March 2023 (2022: $2,131,000).*

(2) *As at 31 March 2023, the carrying amount of the Group's equity interest in BIF (net of unrealised gain) amounting to $40,559,000 (2022: $37,390,000) is presented within non-current trade and other payables (Note 23).*

(3) *The unrealised profit will be recognised in the profit and loss over the useful life of the investment properties held by the associates, on disposal of the investment/development properties by the associates, or on disposal of the Group's interest in the associates.*

As at 31 March 2023, the Group's associates do not have any contingent liabilities.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

21. INVESTMENTS IN JOINT VENTURES

	Group		Company	
	2023 $'000	2022 $'000	2023 $'000	2022 $'000
Beginning of financial year	**54,866**	70,123	**71,334**	69,428
Capital contribution	**167,747**	1,906	**-**	1,906
Capital repayment	**-**	(15,000)	**-**	-
Liquidation of a joint venture	**(34)**	-	**(34)**	-
Share of profit, net of tax (Note 10)	**1,745**	12,260	**-**	-
Share of other comprehensive loss	**(414)**	-	**-**	-
Unrealised construction and project management margins	**(221)**	(3,433)	**-**	-
Reclassification of unrealised gain on disposal of properties	**-**	2,835	**-**	-
Unrealised gain on disposal of a subsidiary (Note 33(b))	**(13,590)**	-	**-**	-
Dividends received	**(10,793)**	(13,832)	**-**	-
Others	**25**	7	**-**	-
End of financial year	**199,331**	54,866	**71,300**	71,334

21. INVESTMENTS IN JOINT VENTURES (cont'd)

Set out below are the joint ventures of the Group. The joint ventures are funded via a combination of share capital and shareholders' loans.

Name of entity	Principal activities	Country of business/ incorporation	% of ownership interest 2023	% of ownership interest 2022
BP-Vista LLP [1] [4]	Dormant	Singapore	**30%**	30%
BP-DOJO LLP [1] [4]	Holding of property for rental income	Singapore	**51%**	51%
BP-Ubi Development Pte. Ltd. and its subsidiary [1]	Dormant	Singapore	**50%**	50%
BP-SF Turbo LLP [1] [4]	Holding of property for rental income	Singapore	**25.5%**	25.5%
BP-CA3 LLP [1]	Holding of property for rental income	Singapore	**50%**	50%
BP-AMC LLP [1] [4]	Holding of property for rental income	Singapore	**51%**	51%
BP-BBD2 Pte. Ltd. [1] [4]	Holding of property for rental income	Singapore	**51%**	51%
Snakepit-BP LLP [1] [4]	Holding of property for rental income	Singapore	**28%**	28%
Snakepit-BP 1 Pte. Ltd. [1] [4]	Investment holding	Singapore	**5%**	5%
Echo Base-BP Capital Pte Ltd and its subsidiary [1]	Provide real estate consultancy and management services	Singapore	**50%**	50%
Boustead & KTG Industrial Management Company Limited [2][4]	Provide real estate consultancy and management services	Socialist Republic of Vietnam	**25%**	25%
Efactory Vietnam Co Ltd [5]	Provide real estate consultancy and management services	Socialist Republic of Vietnam	**-**	50%
BP-Braddell LLP [1] [3]	Dormant	Singapore	**50%**	50%
BP-TPM LLP [1] [4]	Holding of property for rental income	Singapore	**51%**	51%
BP-TN Pte. Ltd. [1] [4]	Holding of property for rental income	Singapore	**51%**	51%
Bideford House Pte. Ltd. [1]	Holding of property for rental income	Singapore	**50%**	-
KTG & Boustead Joint Stock Company and its subsidiaries [2] [4]	Holding of property for rental income	Socialist Republic of Vietnam	**60%**	-

(1) *Audited by PricewaterhouseCoopers LLP, Singapore.*

(2) *Audited by PwC (Vietnam) Limited, Socialist Republic of Vietnam.*

(3) *Became dormant after the transaction with BIF as disclosed in Note 33(c).*

(4) *As the Group has joint control as a result of contractual agreements and rights to the net assets of the entity, the entity is therefore classified as a joint venture.*

(5) *Voluntary liquidation completed in April 2022.*

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

21. INVESTMENTS IN JOINT VENTURES (cont'd)

The carrying amounts of the Group's material joint ventures are as follows:

	Group	
	2023 $'000	**2022 $'000**
Echo Base-BP Capital Pte Ltd	**160**	*
BP-DOJO LLP	**6,787**	10,119
BP-TPM LLP	**8,884**	12,610
BP-Braddell LLP	*	372
BP-TN Pte. Ltd.	**14,933**	13,915
BP-BBD2 Pte. Ltd.	**9,065**	9,979
Bideford House Pte. Ltd.	**100,521**	-
KTG & Boustead Joint Stock Company and its subsidiaries ("KBJSC")	**51,860**	-
Immaterial joint ventures	**7,121**	7,871
	199,331	54,866

The Group's share of results of its material joint ventures, after eliminating unrealised gain on disposal of properties, are as follows:

	Group	
	2023 $'000	**2022 $'000**
Echo Base-BP Capital Pte Ltd	**693**	*
BP-DOJO LLP	**204**	372
BP-TPM LLP	**742**	990
BP-Braddell LLP	*	8,297
BP-TN Pte. Ltd.	**680**	1,298
BP-BBD2 Pte. Ltd.	**147**	270
Bideford House Pte. Ltd.	**(1,301)**	-
KBJSC	**78**	-
Immaterial joint ventures	**502**	1,033
	1,745	12,260

* *Not material in financial year ended 31 March 2023 and/or 31 March 2022 respectively.*

During the financial year ended 31 March 2023, the Group:

- Subscribed to new ordinary shares issued by Bideford House Pte. Ltd. which is settled via settlement of $60,000,000 of Notes issued by SCA (Note 16) and cash payment of $41,875,000. The Group had paid a deposit of $500,000 to SCA in the previous financial year; and

- Acquired from Khai Toan Joint Stock Company ("KTG") 60% ordinary shares in KBJSC. Cash consideration of $17,891,000 has been paid, and the remaining payable of $44,496,000 is presented within trade and other payables as at 31 March 2023 (Note 23).

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

21. INVESTMENTS IN JOINT VENTURES (cont'd)

Summarised financial information for material joint ventures

Set out below are the summarised financial information for Echo Base-BP Capital Pte Ltd, BP-DOJO LLP, BP-TPM LLP and BP-TN Pte. Ltd..

Summarised statement of financial position

	Echo Base-BP Capital Pte Ltd		BP-DOJO LLP		BP-TPM LLP		BP-TN Pte. Ltd.	
	2023 $'000	2022 $'000	2023 $'000	2022 $'000	2023 $'000	2022 $'000	2023 $'000	2022 $'000
As at 31 March								
Current assets	**1,774**	269	**18,725**	15,683	**10,400**	11,836	**7,638**	3,889
Includes:								
- Cash and cash equivalents	**878**	196	**11,808**	9,718	**5,114**	6,406	**5,083**	1,344
Non-current assets	**330**	71	**156,856**	164,180	**74,705**	79,182	**38,174**	41,882
Current liabilities	**(1,784)**	(1,405)	**(11,111)**	(7,891)	**(2,887)**	(1,756)	**(1,897)**	(1,564)
Includes:								
- Financial liabilities (including trade and other payables)	**-**	**-**	**-**	-	**(69)**	-	**(463)**	(235)
- Other liabilities (including trade and other payables)	**(1,784)**	(1,405)	**(11,111)**	(7,891)	**(2,818)**	(1,756)	**(1,434)**	(1,329)
Non-current liabilities	**-**	-	**(131,640)**	(131,636)	**(62,242)**	(62,243)	**(7,107)**	(8,285)
Includes:								
- Financial liabilities (excluding trade and other payables)	**-**	-	**(131,640)**	(131,636)	**(62,242)**	(62,243)	**(6,681)**	(6,929)
- Other liabilities (including trade and other payables)	**-**	-	**-**	-	**-**	-	**(426)**	(1,356)
Net assets/(liabilities)	**320**	(1,065)	**32,830**	40,336	**19,976**	27,019	**36,808**	35,922

Overview

Strategic Review

Financial Statements

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

21. INVESTMENTS IN JOINT VENTURES (cont'd)

Summarised financial information for material joint ventures (cont'd)

Set out below are the summarised financial information for BP-BBD2 Pte. Ltd., Bideford House Pte. Ltd., KTG & Boustead Joint Stock Company ("KBJSC") and BP-Braddell LLP.

Summarised statement of financial position (cont'd)

	BP-BBD2 Pte. Ltd.		Bideford House Pte. Ltd.	KBJSC	BP-Braddell LLP*
	2023 $'000	2022 $'000	2023 $'000	2023 $'000	2022 $'000
As at 31 March					
Current assets	**10,214**	8,453	**27,131**	**13,766**	1,403
Includes:					
- Cash and cash equivalents	**1,663**	3,048	**26,732**	**9,252**	1,280
Non-current assets	**65,497**	68,352	**551,126**	**162,489**	-
Current liabilities	**(45,735)**	(2,358)	**(3,866)**	**(65,949)**	(659)
Includes:					
- Other liabilities (including trade and other payables)	**(2,773)**	(2,130)	**(757)**	**(18,856)**	-
- Financial liabilities (excluding trade and other payables)	**(42,962)**	(228)	**(3,109)**	**(47,093)**	(659)
Non-current liabilities	**(9,356)**	(51,971)	**(373,000)**	**(45,632)**	-
Includes:					
- Financial liabilities (excluding trade and other payables)	**(9,356)**	(51,971)	**(373,000)**	**(345)**	-
- Other liabilities (including trade and other payables)	**-**	-	**-**	**(45,287)**	-
Net assets	**20,620**	22,476	**201,391**	**64,674**	744

* *These joint ventures are not material to the Group and hence summarised financial information as at 31 March 2023 are not disclosed.*

21. INVESTMENTS IN JOINT VENTURES (cont'd)

Summarised statement of comprehensive income

	Echo Base-BP Capital Pte Ltd		BP-DOJO LLP		BP-TPM LLP		BP-TN Pte. Ltd.	
	2023 $'000	2022 $'000	2023 $'000	2022 $'000	2023 $'000	2022 $'000	2023 $'000	2022 $'000
Financial year ended 31 March								
Revenue	**3,211**	64	**16,277**	12,987	**8,874**	8,576	**6,008**	5,995
Interest income	**-**	-	**63**	12	**-**	-	**-**	1
Other income	**-**	-	**1,184**	1,116	**2,868**	2,081	**-**	-
Expenses	**(1,826)**	(760)	**(18,030)**	(14,354)	**(10,416)**	(8,885)	**(5,122)**	(3,930)
Includes:								
- Depreciation and amortisation	**-**	-	**(7,205)**	(7,199)	**(4,522)**	(4,521)	**(2,982)**	(2,148)
- Interest expense	**-**	-	**(4,704)**	(2,081)	**(2,163)**	(1,065)	**(242)**	(242)
- Other expenses	**(1,825)**	(760)	**(6,121)**	(5,074)	**(3,731)**	(3,299)	**(1,211)**	(22)
- Income tax expense	**(1)**	-	**-**	-	**-**	-	**(687)**	(1,518)
Profit/(Loss) after income tax	**1,385**	(696)	**(506)**	(239)	**1,326**	1,772	**886**	2,066
Other comprehensive loss	**-**	-	**-**	-	**(69)**	-	**-**	-
Total comprehensive income/(loss)	**1,385**	(696)	**(506)**	(239)	**1,257**	1,772	**886**	2,066
Share of profit/(loss), net of tax (50%; 51%; 51%; 51%)	**693**	(348)	**(258)**	(122)	**676**	904	**452**	1,054
Amortisation of previously capitalised unrealised gains and other adjustments	**-**	-	**462**	494	**66**	86	**228**	244
Share of profit/(loss) after income tax	**693**	(348)	**204**	372	**742**	990	**680**	1,298
Share of other comprehensive income	**-**	-	**-**	-	**(35)**	-	**-**	-
Share of total comprehensive income/(loss)	**693**	(348)	**204**	372	**707**	990	**680**	1,298
Dividends received	**-**	-	**3,570**	3,621	**4,233**	1,224	**-**	2,550

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

21. INVESTMENTS IN JOINT VENTURES (cont'd)

Summarised statement of comprehensive income (cont'd)

	BP-BBD2 Pte. Ltd.		Bideford House Pte. Ltd.^	KBJSC #	BP-Braddell LLP*
	2023 $'000	2022 $'000	2023 $'000	2023 $'000	2022 $'000
Financial year ended 31 March					
Revenue	**7,359**	4,469	**-**	**6,750**	4,551
Interest income	**3**	1	**112**	**121**	5
Other income	**-**	-	**-**	**747**	13,166
Expenses	**(7,218)**	(4,052)	**(2,714)**	**(6,630)**	(5,452)
Includes:					
- Depreciation and amortisation	**(3,228)**	(2,500)	**-**	**(1,385)**	(2,397)
- Interest expense	**(1,892)**	(769)	**-**	**(2,431)**	(1,154)
- Other expenses	**(1,366)**	(347)	**(3,069)**	**(2,095)**	(1,901)
- Income tax expense	**(732)**	(436)	**355**	**(719)**	-
Profit/(Loss) after income tax	**144**	418	**(2,602)**	**988**	12,270
Other comprehensive income	**-**	-	**(757)**	**-**	-
Total comprehensive income/(loss)	**144**	418	**(3,359)**	**988**	12,270
Share of profit/(loss), net of tax (51%; 50%; 60%; 50%)	**73**	213	**(1,301)**	**593**	6,135
Amortisation of previously capitalised unrealised gains and other adjustments	**74**	57	**-**	**(515)**	2,162
Share of profit/(loss) after income tax	**147**	270	**(1,301)**	**78**	8,297
Share of other comprehensive income	**-**	-	**(379)**	**-**	-
Share of total comprehensive income/(loss)	**147**	270	**(1,680)**	**78**	8,297
Dividends received	**1,020**	-	**-**	**-**	5,636

^ *For the financial period from 13 May 2022 (date of incorporation) to 31 March 2023.*

For the financial period from 1 September 2022 (date of acquisition) to 31 March 2023.

* *This joint venture is not material to the Group and hence summarised financial information as at 31 March 2023 are not disclosed.*

The information above reflects the amounts presented in the financial statements of the joint ventures (and not the Group's share of those amounts), adjusted for differences in accounting policies between the Group and the joint ventures.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

21. INVESTMENTS IN JOINT VENTURES (cont'd)

Reconciliation of summarised financial information

Reconciliation of the summarised financial information presented, to the carrying amount of the Group's interest in joint ventures, is as follows:

	Echo Base-BP Capital Pte Ltd		BP-DOJO LLP		BP-TPM LLP		BP-TN Pte. Ltd.	
	2023 $'000	2022 $'000	2023 $'000	2022 $'000	2023 $'000	2022 $'000	2023 $'000	2022 $'000
Net assets								
Beginning of financial year	**(1,065)**	(369)	**40,336**	47,675	**27,019**	27,647	**35,922**	38,856
Profit/(loss) for the financial year	**1,385**	(696)	**(506)**	(239)	**1,326**	1,772	**886**	2,066
Other comprehensive income for the financial year	**-**	-	**-**	-	**(69)**	-	**-**	-
Dividends paid	**-**	-	**(7,000)**	(7,100)	**(8,300)**	(2,400)	**-**	(5,000)
End of financial year	**320**	(1,065)	**32,830**	40,336	**19,976**	27,019	**36,808**	35,922
Net assets/(liabilities)	**320**	(1,065)	**32,830**	40,336	**19,976**	27,019	**36,808**	35,922
Group's equity interest	50%		51%		51%		51%	
Group' share of net assets/(liabilities)	**160**	(533)	**16,743**	20,571	**10,188**	13,780	**18,772**	18,320
Unrealised construction and project management margins*	**-**	-	**(9,956)**	(10,452)	**(1,304)**	(1,170)	**(3,839)**	(4,405)
Carrying value	**160**	(533)	**6,787**	10,119	**8,884**	12,610	**14,933**	13,915

* *The unrealised profit will be recognised in the profit and loss over the useful life of the investment properties held by the joint ventures, on disposal of the investment properties by the joint ventures, or on disposal of the Group's interest in the joint ventures.*

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

21. INVESTMENTS IN JOINT VENTURES (cont'd)

Reconciliation of summarised financial information

Reconciliation of the summarised financial information presented, to the carrying amount of the Group's interest in joint ventures, is as follows:

	BP-BBD2 Pte. Ltd.		Bideford House Pte. Ltd.^	KBJSC#	BP-Braddell LLP*
	2023 $'000	2022 $'000	2023 $'000	2023 $'000	2022 $'000
Net assets					
Beginning of financial year/period	**22,476**	18,321	**-**	**62,512**	29,746
Profit/(Loss) for the financial year/period	**144**	418	**(2,602)**	**988**	12,270
Share of other comprehensive income	**-**	-	**(757)**	**-**	-
Dividends paid	**(2,000)**	-	**-**	**-**	-
Capital contribution/(repayment)	**-**	3,737	**204,750**	**1,174**	(30,000)
End of financial year/period	**20,620**	22,476	**201,391**	**64,674**	744
Net assets	**20,620**	22,476	**201,391**	**64,674**	744
Group's equity interest	51%		50%	60%	50%
Group's share of net assets	**10,516**	11,463	**100,696**	**38,804**	372
Fair value adjustments at acquisition, net of depreciation	**-**	-	**-**	**26,646**	-
Unrealised construction and project management margins*	**(1,451)**	(1,484)	**(175)**	**-**	-
Unrealised gain on disposal of subsidiary due to retained interests*	**-**	-	**-**	**(13,590)**	-
Carrying value	**9,065**	9,979	**100,521**	**51,860**	372

* *The unrealised profit will be recognised in the profit and loss over the useful life of the investment properties held by the joint ventures, on disposal of the investment properties by the joint ventures, or on disposal of the Group's interest in the joint ventures.*

^ *For the financial period from 13 May 2022 (date of incorporation) to 31 March 2023.*

For the financial period from 1 September 2022 (date of acquisition) to 31 March 2023.

There are no contingent liabilities relating to the Group's interest in the joint ventures.

The Group has committed to provide funding if called, to its joint ventures amounting to $Nil as at 31 March 2023 (2022: $1,282,000).

22. INVESTMENTS IN SUBSIDIARIES

	Company	
	2023 $'000	**2022 $'000**
Unquoted equity shares at cost		
Beginning and end of financial year	**17,926**	17,926
Less: Allowance for impairment losses	**(233)**	(233)
	17,693	17,693
Loan to a subsidiary	**16,434**	21,638
Less: Allowance for impairment losses	**(7,208)**	(7,208)
Total investments in subsidiaries	**26,919**	32,123

The loan to a subsidiary forms part of the Company's net investment in the subsidiary. The loan is unsecured and bears interest at 0.50% (2022: 0.50%) above KLIBOR per annum. Full repayment of the loan is neither planned nor likely to occur in the foreseeable future.

The Company assessed the carrying amount of its investments in subsidiaries for indicators of impairment. Based on the assessment, the Company recognised an impairment loss of $7,208,000 (2022: $7,208,000) on its investment in a wholly-owned subsidiary as at 31 March 2023. The recoverable amount of the subsidiary was estimated taking into consideration the fair values of the underlying assets and the liabilities of the subsidiary. The fair value measurement was categorised as Level 3 of the fair value hierarchy based on the inputs in the valuation techniques used.

The Group had the following significant subsidiaries:

Name of entity	Principal activities	Country of business/ incorporation	Equity holding	
			2023 %	**2022 %**
Boustead Projects E&C Pte. Ltd. (1)	Provide design, engineering, project management, construction management and property-related services	Singapore	**100**	100
BP Engineering Solutions Sdn Bhd (2)	Provide design, engineering, project management, construction management and property-related services	Malaysia	**100**	100
Boustead Projects (Vietnam) Co. Ltd (3)	Provide design, engineering, project management, construction management and property-related services	Socialist Republic of Vietnam	**100**	100
PIP Pte. Ltd. (1)	Rental and leasing out of land for rental income	Singapore	**100**	100
BP-CA Pte. Ltd. (1)	Dormant	Singapore	**100**	100
BP-SFN Pte. Ltd. (1)	Dormant	Singapore	**100**	100
BP-Tuas 1 Pte. Ltd. (1)	Dormant	Singapore	**100**	100
CN Logistics Pte. Ltd. (1)	Dormant	Singapore	**100**	100
BP-BBD Pte. Ltd. (1)	Dormant	Singapore	**100**	100
BP-JCS Pte. Ltd. (1)	Dormant	Singapore	**100**	100
BP-EA Pte. Ltd. (1)	Holding of property for rental income	Singapore	**100**	100
Wuxi Boustead Industrial Development Co. Ltd (7)	Development of industrial space for lease/sale	People's Republic of China	**100**	100

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

22. INVESTMENTS IN SUBSIDIARIES (cont'd)

Name of entity	Principal activities	Country of business/ incorporation	Equity holding	
			2023 %	2022 %
Boustead Real Estate Fund [1]	Private business trust	Singapore	**100**	100
Boustead Trustees Pte. Ltd. [1]	Trustee for real estate trust	Singapore	**100**	100
Boustead Funds Management Pte. Ltd. [1]	Property fund management	Singapore	**100**	100
Boustead Property Services Pte. Ltd. [1]	Management of properties	Singapore	**100**	100
Boustead Industrial Fund Management Pte. Ltd. [1]	Property fund management	Singapore	**100**	100
BIF Property Services Pte. Ltd. [1]	Management of properties	Singapore	**100**	100
BP-Real Estate Investment Pte. Ltd. [1]	Investment holding	Singapore	**100**	100
BP-PRC Pte. Ltd. [1]	Investment holding	Singapore	**100**	100
BP Lands Sdn Bhd [2]	Investment holding	Malaysia	**100**	100
BP-Vietnam Development Pte. Ltd. [1]	Investment holding	Singapore	**100**	100
BP-GD1 Pte. Ltd. [1]	Investment holding	Singapore	**100**	100
BP-SH1 Pte. Ltd. [1]	Investment holding	Singapore	**100**	100
BP-TM Pte. Ltd. [6]	Dormant	Singapore	**100**	100
BP-IDN Pte. Ltd. [6]	Dormant	Singapore	**100**	100
BP-TPM1 Pte. Ltd. [1]	Investment holding	Singapore	**100**	100
Boustead Projects Land (Vietnam) Co. Ltd [3][9]	Holding of property for rental income	Socialist Republic of Vietnam	**-**	100
PT Boustead Projects Land [6][8]	Dormant	Indonesia	**-**	100
BP-UMS Pte. Ltd. [1][5]	Dormant	Singapore	**100**	100
BP Xilin Sdn. Bhd. [4]	Investment holding	Malaysia	**100**	100
BP Aerotech (Subang) Sdn Bhd [4]	Investment holding	Malaysia	**100**	100
BP Malaysia Airports Subang Aerotech Sdn. Bhd. [2]	Investment holding	Malaysia	**-**	70
BPMA HS Sdn. Bhd. [2]	Development of building projects	Malaysia	**-**	70

(1) *Audited by PricewaterhouseCoopers LLP, Singapore.*

(2) *Audited by KPMG PLT, Malaysia.*

(3) *Audited by PwC (Vietnam) Limited, Socialist Republic of Vietnam.*

(4) *Audited by CLW & Associates, Malaysia.*

(5) *In the process of voluntary liquidation/strike-off.*

(6) *Not required to be audited.*

(7) *Audited by Wuxi DaZhong Certified Public Accountants China Co., Ltd.*

(8) *Liquidated/struck-off completed in November 2022.*

(9) *On 20 December 2022, the Group disposed 100% of equity interest in the investee (Note 33(b)) and it became an investment in joint venture of the Group.*

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

23. TRADE AND OTHER PAYABLES

	Group		Company	
	2023 $'000	2022 $'000	2023 $'000	2022 $'000
Current				
Trade payables	**21,920**	20,409	**126**	110
Other payables to:				
- Non-related parties	**3,832**	2,871	**-**	19
- Fellow subsidiary	**2**	6	**-**	-
- Subsidiaries	**-**	-	**23,476**	19,278
- Joint ventures	**157**	-	**157**	-
	3,991	2,877	**23,633**	19,297
Consideration payable to acquire a joint venture (Note 21)	**44,496**	-	**-**	-
Retention sum payables	**21,208**	21,819	**138**	395
Accruals for contract costs	**45,191**	50,594	**-**	-
Accruals for operating expenses	**5,435**	6,403	**458**	602
Advanced billings - Property rental income	**364**	520	**-**	-
Deposits	**2,101**	6,650	**30**	30
Provision for onerous contracts	**3,348**	11,691	**-**	-
Loans from subsidiaries	**-**	-	**75,050**	83,680
	148,054	120,963	**99,435**	104,114
Non-current				
Retention sum payables	**13,258**	13,958	**-**	-
Carrying amount of equity interest in BIF (net of unrealised gain) (Note 20)	**40,559**	37,390	**-**	-
	53,817	51,348	**-**	-

Other payables to a fellow subsidiary, subsidiaries and joint ventures are unsecured, interest free and repayable on demand.

Loans from subsidiaries are unsecured, bear interest up to 3.77% (2022: 1.03%) per annum and are repayable on demand.

24. BORROWINGS

	Group		Company	
	2023 $'000	2022 $'000	2023 $'000	2022 $'000
Bank borrowings				
- Current	**623**	610	**-**	-
- Non-current	**1,066**	9,956	**-**	-
Total	**1,689**	10,566	**-**	-

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

24. BORROWINGS (cont'd)

The exposure of the borrowings of the Group and of the Company to interest rate changes and the contractual repricing dates at the balance sheet date are as follows:

	Group		Company	
	2023 $'000	**2022 $'000**	**2023 $'000**	**2022 $'000**
6 months or less	**-**	8,267	**-**	-

(a) Security granted

As at 31 March 2022, total borrowings included secured liabilities of $8,267,000 for the Group. The borrowings were secured over the Group's investment properties (Note 19).

During the financial year ended 31 March 2023, the Group disposed a subsidiary which obtained the above-mentioned borrowings (Note 33). There are no borrowings that are secured as at 31 March 2023.

(b) Fair value of non-current borrowings

As at 31 March 2023, carrying amount of non-current borrowings of $1,066,000 (2022: $1,689,000) with fixed interest rate approximated their fair values, which was computed based on the present value of the cash flows on the borrowings discounted at the rate of 2.0% (2022: 2.0%). The borrowing rate is based on an equivalent instrument that the management expect to be available to the Group at the balance sheet date.

As at 31 March 2022, non-current borrowings of $8,267,000 approximated their fair value as all the amounts are at floating interest rates which are revised every three to six months.

The fair value of borrowings are within Level 2 of the fair values hierarchy.

25. DEFERRED INCOME TAXES

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred income taxes relate to the same tax authority. The amounts, determined after appropriate offsetting, are shown on the statement of financial position as follows:

	Group		Company	
	2023 $'000	**2022 $'000**	**2023 $'000**	**2022 $'000**
Deferred income tax assets	**11,960**	9,618	**-**	-
Deferred income tax liabilities	**(2,108)**	(1,319)	**(1,241)**	(703)
	9,852	8,299	**(1,241)**	(703)

Deferred income tax liabilities of $273,000 (2022: $210,000) have not been recognised by the Group for the withholding and other taxes that will be payable on the earnings of an overseas subsidiary when remitted to the holding company. These unremitted profits are permanently reinvested and amount to $5,457,000 (2022: $4,192,000) at the balance sheet date.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

25. DEFERRED INCOME TAXES (cont'd)

The movement in deferred income tax assets and liabilities (prior to offsetting of balances within the same tax jurisdiction) is as follows:

	Group		Company	
	2023 $'000	2022 $'000	2023 $'000	2022 $'000
Deferred income tax liabilities				
Accelerated tax depreciation				
Beginning of financial year	**1,925**	1,281	**703**	324
Charged to profit or loss	**250**	636	**276**	379
Others	**(27)**	8	**-**	-
End of financial year	**2,148**	1,925	**979**	703
Others				
Beginning of financial year	**436**	436	**-**	-
Charged to profit or loss	**710**	-	**262**	-
Disposal of a subsidiary	**(134)**	-	**-**	-
Others	**(10)**	-	**-**	-
End of financial year	**1,002**	436	**262**	-
Total				
End of financial year	**3,150**	2,361	**1,241**	703
Deferred income tax assets				
Unrealised construction and project management margins				
Beginning of financial year	**3,494**	4,337	**-**	-
Charged to profit or loss	**(217)**	(844)	**-**	-
Disposal of a subsidiary	**(18)**	-	**-**	-
Others	**(3)**	1	**-**	-
End of financial year	**3,256**	3,494	**-**	-
Tax losses				
Beginning of financial year	**4,096**	5,162	**-**	-
(Charged)/Credited to profit or loss	**(982)**	2,065	**-**	-
Reversal of utilisation/(Utilisation) for group relief	**476**	(3,131)	**-**	-
End of financial year	**3,590**	4,096	**-**	-
Unrealised gain on disposal due to retained interests in a subsidiary and an associate				
Beginning of financial year	**3,337**	-	**-**	-
Credited to profit or loss	**3,086**	321	**-**	-
Reclassification from investments in associates (Note 20)	**-**	3,016	**-**	-
End of financial year	**6,423**	3,337	**-**	-
Others				
Beginning and end of financial year	**(267)**	(267)	**-**	-
Total				
End of financial year	**13,002**	10,660	**-**	-

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

26. SHARE CAPITAL AND TREASURY SHARES

	No. of ordinary shares		Amount	
	Issued share capital	Treasury shares	Share capital	Treasury shares
	’000	’000	$’000	$’000
Group and Company				
2023				
Beginning and end of financial year	**320,000**	**(6,739)**	**15,000**	**(5,495)**
2022				
Beginning of financial year	320,000	(8,973)	15,000	(7,236)
Purchase of treasury shares	-	(317)	-	(316)
Treasury shares re-issued	-	2,551	-	2,057
End of financial year	320,000	(6,739)	15,000	(5,495)

All issued ordinary shares are fully paid up. There is no par value for these ordinary shares. Fully paid ordinary shares carry one vote per share and carry a right to dividends as and when declared by the Company.

In the previous financial year, the Company re-issued 151,000 treasury shares in the Company pursuant to the Boustead Projects Restricted Share Plan 2016 at a buyback price of $0.81 per share.

In the previous financial year, the Company re-issued 2,400,000 treasury shares to Directors of the Company as approved at the Extraordinary General Meeting held on 28 July 2021 at a buyback price of $0.81 per share.

27. DIVIDENDS

	Group	
	2023 $'000	**2022 $'000**
Ordinary dividends paid in respect of the previous financial year of 0.2 cents (2022: 0.9 cents) per share	**627**	2,822
Special dividends paid in respect of the previous financial year of 0.8 cents (2022: 14.5 cents) per share	**2,506**	45,469
	3,133	48,291

At the forthcoming Annual General Meeting on 28 July 2023, a final ordinary dividend of 0.7 cents per share and special dividend of 0.7 cents per share amounting to a total of $4,386,000 will be recommended. These financial statements do not reflect this dividend, which will be accounted for in shareholders' equity as an appropriation of retained profits in the financial year ending 31 March 2024.

28. RETAINED PROFITS

(a) Retained profits of the Group are distributable except for:

(i) accumulated retained profits of associates and joint ventures amounting to $6,658,000 (2022: $6,960,000)

(ii) 10% of accumulated retained profits of a subsidiary in the People's Republic of China amounting to $606,000 (2022: $466,000).

(b) Retained profits of the Company are distributable. Movement in retained profits for the Company is as follows:

	Company	
	2023 $'000	**2022 $'000**
Beginning of financial year	**381,855**	247,805
Net profit	**8,008**	182,341
Dividends paid (Note 27)	**(3,133)**	(48,291)
End of financial year	**386,730**	381,855

Notes to the Financial Statements
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

29. OTHER RESERVES

	Group		Company	
	2023 $'000	**2022 $'000**	**2023 $'000**	**2022 $'000**
(a) **Composition:**				
Foreign currency translation reserve	**(1,932)**	918	**-**	-
Capital reserve	**1,201**	1,201	**1,201**	1,201
Merger reserve	**(2,854)**	(2,854)	**-**	-
Fair value reserve	**7,625**	11,142	**7,625**	11,142
Hedging reserve	**(12)**	353	**-**	-
	4,028	10,760	**8,826**	12,343
(b) **Movement:**				
(i) Foreign currency translation reserve				
Beginning of financial year	**918**	656	**-**	-
Net currency translation differences arising from consolidation	**(3,623)**	262	**-**	-
Reclassification on disposal of a subsidiary	**773**	-	**-**	-
End of financial year	**(1,932)**	918	**-**	-
(ii) Share-based compensation reserve				
Beginning of financial year	**-**	124	**-**	124
Employee share-based compensation				
- Value of employee services (Note 6)	**-**	1,137	**-**	1,137
- Treasury shares re-issued	**-**	(1,261)	**-**	(1,261)
End of financial year	**-**	-	**-**	-
(iii) Capital reserve				
Beginning of financial year	**1,201**	64	**1,201**	64
Treasury shares re-issued	**-**	1,137	**-**	1,137
End of financial year	**1,201**	1,201	**1,201**	1,201
(iv) Merger reserve				
Beginning and end of financial year	**(2,854)**	(2,854)	**-**	-
(v) Fair value reserve				
Beginning of financial year	**11,142**	10,902	**11,142**	10,902
Fair value (loss)/gain	**(3,517)**	240	**(3,517)**	240
End of financial year	**7,625**	11,142	**7,625**	11,142
(vi) Hedging reserve				
Beginning of financial year	**353**	-	**-**	-
Share of joint ventures and an associate's movement in cash flow hedge	**(365)**	353	**-**	-
End of financial year	**(12)**	353	**-**	-

Other reserves are non-distributable.

30. CONTINGENCIES AND COMMITMENTS

Contingencies

As at the balance sheet date, the Group and the Company has the following guarantee whereby management are of the view that it is more likely than not that no amount will be payable under these arrangements. The earliest period that the guarantees could be called is upon demand.

The Company has outstanding performance guarantees of $112,460,000 (2022: $99,293,000) issued by banks in favour of non-related parties in respect of the Group's performance on construction contracts.

Commitments

Capital expenditures contracted for at the balance sheet date but not recognised in the financial statements are as follows:

	Group	
	2023 $'000	**2022 $'000**
Investment properties	**115,870**	-

31. FINANCIAL RISK MANAGEMENT

Financial risk factors

The Group's activities expose it to market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management strategy seeks to minimise any adverse effects from the unpredictability of financial markets on the Group's financial performance.

The Board of Directors is responsible for setting the objectives and underlying principles of financial risk management for the Group. The management team then establishes the detailed policies such as risk identification and measurement, exposure limits and hedging strategies. Financial risk management is carried out by finance personnel.

(a) Market risk

(i) Currency risk

The Group operates in Asia with significant operation in Singapore. It also has operations in Malaysia, the Socialist Republic of Vietnam and the People's Republic of China albeit in a smaller scale.

Translation risks of overseas net investments are not hedged through hedging instruments.

Currency exposure to the net assets of the Group's foreign operations in the People's Republic of China, Malaysia and the Socialist Republic of Vietnam are managed primarily through natural hedges of matching assets and liabilities. Management reviews periodically so that the net exposure is kept at an acceptable level.

The Group does not have any other significant unhedged exposure to currency risks as sales and purchases are primarily denominated in the respective functional currencies of the Group entities, mainly Singapore Dollars ("SGD"), Malaysian Ringgit ("MYR"), Renminbi ("RMB") and Vietnamese Dong ("VND"), except as disclosed below:

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

31. **FINANCIAL RISK MANAGEMENT (cont'd)**

(a) **Market risk (cont'd)**

(i) Currency risk (cont'd)

	USD	MYR
	$'000	$'000
At 31 March 2023		
Financial assets		
Other receivables and prepayments	**40,588**	**12,052**
	40,588	**12,052**
Financial liabilities		
Trade and other payables	**44,496**	**-**
	44,496	**-**
Currency exposure of financial (liabilities)/assets	**(3,908)**	**12,052**
At 31 March 2022		
Financial assets		
Other receivables and prepayments	16,913	12,658
	16,913	12,658
Financial liabilities		
Borrowings	(7,442)	-
	(7,442)	-
Currency exposure of financial assets	9,471	12,658

The following table details the sensitivity to a 10% (2022: 10%) increase and decrease in the relevant foreign currencies against the functional currency of each Group entity. The sensitivity analysis is performed on outstanding foreign currency denominated monetary items and reflects the impact on profit after tax when there is a 10% (2022: 10%) change in foreign currency rates. If the relevant foreign currency change against the SGD by 10% (2022: 10%) with all other variables including tax rate being held constant, the effects to the profit after tax of the Group and the Company arising from the net financial liability/asset position will be as follows:

	← Increase/(Decrease) →	
	31 March 2023 Profit after tax	31 March 2022 Profit after tax
	$'000	$'000
Group		
USD against SGD		
- Strengthened	**(324)**	758
- Weakened	**324**	(758)
MYR against SGD		
- Strengthened	**1,000**	1,089
- Weakened	**(1,000)**	(1,089)

31. FINANCIAL RISK MANAGEMENT (cont'd)

(a) Market risk (cont'd)

(ii) Price risk

The Group and the Company is exposed to equity security price risk arising from its investment securities. Please refer to Note 16 for details of the fair value measurement.

(iii) Cash flow and fair value interest rate risks

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates.

As at 31 March 2023, the Group's exposure to cash flow interest rate risks arises mainly from a loan to an associate (2022: bank borrowings and loan to an associate) at variable rates.

If the interest rates had been higher/lower by 2% (2022: 1%) with all other variables including tax rate being held constant, the Group's profit after tax for the financial year ended 31 March 2023 would have been higher/lower by $200,000 (2022: $17,000) as a result of higher/lower interest income from loan to an associate (2022: higher/lower interest income from loan to an associate and higher/lower interest expense on borrowings).

As at 31 March 2023, the Company's exposure to cash flow interest rate risks arises mainly from loans to/from subsidiaries (2022: loans to/from subsidiaries) at variable rates.

If the interest rates had been higher/lower by 2% (2022: 1%) with all other variables including tax rate being held constant, the Company's profit after tax for the financial year ended 31 March 2023 would have been higher/lower by $3,391,000 (2022: $1,175,000), as a result of higher/lower interest income on loans to subsidiaries and higher/lower interest expense on loans from subsidiaries.

(b) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group.

The Group adopts the policy of dealing only with customers of appropriate credit standing and history, and obtaining appropriate and sufficient collateral such as security deposits or bankers guarantee from customers, where appropriate, to mitigate credit risk. For other financial assets, the Group adopts the policy of dealing only with high credit quality counterparties.

Before accepting any new customer, the Group assesses the potential customer's credit quality and their financial ability to pay for the services engaged. Management periodically monitors and reviews the customer's long overdue payment and proactively engages with the customer to resolve the causes of the overdue payment. As at 31 March 2023, there are three (2022: five) external customers which individually represents more than 5% of the Group's total trade receivables. There is no (2022: no) external customer which individually represents more than 5% of the Company's total trade receivables.

The maximum exposure to credit risk for each class of financial assets is the carrying amount of that class of financial instruments presented on the statement of financial position.

In determining the recoverability of a trade receivable, the Group considers any change in the credit quality of the trade receivable from the date credit was initially assessed up to the balance sheet date. The concentration of credit risk is limited due to the customer base being large and unrelated. Accordingly, management believes that there is no further credit provision required in excess of the allowance for impairment of receivables.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

31. FINANCIAL RISK MANAGEMENT (cont'd)

(b) Credit risk (cont'd)

Trade receivables and contract assets

In measuring expected credit losses ("ECL"), trade receivables and contract assets are grouped based on shared credit risk characteristics. The contract assets relate mainly to projects where the revenue has been accrued ahead of billings to customers, which have substantially the same risk characteristics as the trade receivables for the same contracts.

The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

In calculating the expected credit loss rates, the Group considers historical loss rates for each category of customers and adjusts to reflect current and forward-looking macroeconomic factors affecting the ability of the customers to settle the receivables.

Some of the forward-looking macroeconomic factors include:

- Historical default rate of the customer
- Any publicly available information on the customer
- Any macroeconomic or geopolitical information relevant to the customer
- Any other objectively supportable information on the quality and abilities of the customer's management relevant for its performance

Trade receivables (including retention receivables) and contract assets grouped with shared risk characteristics as at 31 March 2023 and 31 March 2022 are as follows:

	Group 2023			
	Current and not due	Past due under 3 months	Past due over 3 months	Total
	$'000	$'000	$'000	$'000
- Singapore				
• Trade receivables	112,462	573	1,099	114,134
• Contract assets	15,954	-	-	15,954
- Socialist Republic of Vietnam				
• Trade receivables	726	-	137	863
• Contract assets	165	-	-	165
- Malaysia				
• Trade receivables	9,202	2	4,428	13,632
• Contract assets	183	-	-	183
- People's Republic of China				
• Trade receivables	283	-	-	283
	138,975	575	5,664	145,214

31. FINANCIAL RISK MANAGEMENT (cont'd)

(b) Credit risk (cont'd)

Trade receivables and contract assets (cont'd)

	Group 2022			
	Current and not due	**Past due under 3 months**	**Past due over 3 months**	**Total**
	$'000	**$'000**	**$'000**	**$'000**
- Singapore				
• Trade receivables	47,244	455	1,396	49,095
• Contract assets	3,058	-	-	3,058
- Socialist Republic of Vietnam				
• Trade receivables	2,551	-	26	2,577
• Contract assets	143	-	-	143
- Malaysia				
• Trade receivables	5,231	350	216	5,797
• Contract assets	7,455	-	-	7,455
- People's Republic of China				
• Trade receivables	775	-	-	775
	66,457	805	1,638	68,900

The amount of trade receivables that are past due for more than 3 months are immaterial. Accordingly, the Group's trade receivables and contract assets are subject to immaterial credit loss.

Cash and cash equivalents

The Group and the Company held cash and cash equivalents with reputable banks which are assessed to be of lower credit risk. The cash balances are measured on 12-month expected credit losses and subject to immaterial credit loss.

Finance lease receivables and other receivables

Finance lease receivables, loans to a joint venture and subsidiaries, notes issued by an associate, and other receivables are measured on 12-month expected credit losses and subject to immaterial credit loss, except for loan to an associate as disclosed in Note 14 and loan to a subsidiary as disclosed in Note 22.

An allowance for credit loss, measured on 12-month expected credit loss basis amounting to $7,208,000 (2022: $7,208,000) has been made against the loan to a subsidiary of $16,434,000 (2022: $21,638,000) (Note 22). The Group monitors the credit risk of the associate based on the past due information to assess if there is any significant increase in credit risk. An allowance for credit loss, measured on 12-month expected credit loss basis amounting to $5,440,000 (2022: $5,027,000) has been made against the loan to an associate of $17,104,000 (2022: $17,685,000) (Note 14).

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

31. FINANCIAL RISK MANAGEMENT (cont'd)

(c) Liquidity risk

Prudent liquidity risk management includes maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. At the balance sheet date, assets held by the Group and the Company for managing liquidity risk included cash and short-term bank deposits as disclosed in Note 13.

Management monitors rolling forecasts of the liquidity reserve (comprises undrawn borrowing facilities and cash and cash equivalents (Note 13)) of the Group and the Company on the basis of expected cash flow. This is generally carried out at the local level in the operating companies of the Group in accordance with the practice and limits set by the Group. In addition, the Group's liquidity management policy involves considering the level of liquid assets necessary to meet projected cash flows, monitoring liquidity ratios and maintaining debt financing plans.

The table below analyses non-derivative financial liabilities of the Group and the Company into relevant maturity groupings based on the remaining period from the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months approximate their carrying amounts as the impact of discounting is not significant. The maximum amount of the financial guarantee contracts is allocated to the earliest period in which the guarantee could be called.

	Less than 1 year	Between 2 and 5 years	Over 5 years
	$'000	$'000	$'000
Group			
At 31 March 2023			
Trade and other payables	**147,690**	**13,258**	**-**
Borrowings	**650**	**1,084**	**-**
Lease liabilities	**1,930**	**15,138**	**30,216**
At 31 March 2022			
Trade and other payables	120,443	13,958	-
Borrowings	889	10,827	-
Lease liabilities	3,091	10,042	71,856
Company			
At 31 March 2023			
Trade and other payables	**24,385**	**-**	**-**
Loans from subsidiaries	**75,050**	**-**	**-**
At 31 March 2022			
Trade and other payables	20,434	-	-
Loans from subsidiaries	83,680	-	-

31. FINANCIAL RISK MANAGEMENT (cont'd)

(d) Capital risk

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value. In order to maintain or achieve an optimal capital structure, the Group may adjust the amount of dividend payment, return capital to shareholders, issue new shares, buy back issued shares, obtain new borrowings or sell assets to reduce borrowings.

Management monitors capital based on gearing ratios and the level of total net tangible assets, which are in tandem with the requirements of the banks. The banks require the Group to have minimum total net tangible assets of $120,000,000, a maximum total liability gearing ratio of 275% and a maximum consolidated gearing of 1.5 times. The Group's strategy which was unchanged from 2022, is to maintain gearing ratios and minimum level of total net tangible assets within the banks' requirements.

The total liability gearing ratio is calculated as a percentage of consolidated total liabilities divided by the consolidated tangible net worth and the maximum consolidated gearing ratio is calculated as total bank debts divided by tangible net worth. Tangible net worth is calculated as the sum of share capital and retained profits.

The Group is in compliance with all externally imposed capital requirements for the financial years ended 31 March 2023 and 31 March 2022.

(e) Financial instruments by category

The carrying amount of the different categories of financial instruments is as disclosed in Note 16 to the financial statements, except for the following:

	Group		Company	
	2023 $'000	**2022 $'000**	**2023 $'000**	**2022 $'000**
Financial assets, at amortised cost	**474,180**	403,553	**376,485**	370,113
Financial liabilities, at amortised cost	**191,849**	188,410	**99,435**	104,130

Notes to the Financial Statements
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

31. FINANCIAL RISK MANAGEMENT (cont'd)

(f) Fair value measurements

The table below presents assets and liabilities recognised and measured at fair value and classified by level of the following fair value measurement hierarchy:

(a) quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);

(b) inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2); and

(c) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

	Level 1	Level 2	Level 3	Total
	$'000	$'000	$'000	$'000
Group				
31 March 2023				
Assets				
Financial asset, at FVPL	**-**	**-**	**-**	**-**
Financial asset, at FVOCI	**-**	**-**	**28,144**	**28,144**
31 March 2022				
Assets				
Financial asset, at FVPL	-	-	62,277	62,277
Financial asset, at FVOCI	-	-	31,661	31,661
Company				
31 March 2023				
Assets				
Financial asset, at FVOCI	**-**	**-**	**28,144**	**28,144**
31 March 2022				
Assets				
Financial asset, at FVOCI	-	-	31,661	31,661

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

31. **FINANCIAL RISK MANAGEMENT (cont'd)**

(f) **Fair value measurements (cont'd)**

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy level as at the end of the reporting period.

There were no transfers between the levels of fair value hierarchy during the financial year.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each balance sheet date. In infrequent circumstances, where a valuation technique for these instruments is based on significant unobservable inputs, such instruments are classified as Level 3.

The following table presents the changes in Level 3 instruments:

	Financial asset, at FVPL	Financial asset, at FVOCI
	$'000	$'000
2023		
Beginning of financial year	**62,277**	**31,661**
Addition		
Fair value gain recognised in		
- profit or loss within "other gains– nets"	**2,004**	**-**
- other comprehensive income within "fair value gain"	**-**	**(3,517)**
Disposals	**(64,281)**	-
End of financial year	**-**	**28,144**
2022		
Beginning of financial year	-	31,421
Addition	58,500	-
Fair value gain recognised in		
- profit or loss within "other gains– nets"	3,777	-
- other comprehensive income within "fair value gain"	-	240
End of financial year	62,277	31,661

Valuation techniques and inputs disclosed in Note 16 to the financial statements.

32. **IMMEDIATE AND ULTIMATE HOLDING COMPANY**

The Company's immediate and ultimate holding company is Boustead Singapore Limited, incorporated in the Republic of Singapore and listed on the Singapore Exchange.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

33. RELATED PARTY TRANSACTIONS

In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Group and related parties at terms agreed between the parties:

(a) Sales and purchases of goods and services

	Group	
	2023 $'000	**2022 $'000**
Office expense to a fellow subsidiary (includes shared expenses such as IT, utilities and common area usage)	**(43)**	(59)
Office expense to an associate [1]	**(43)**	-
Lease payment to a joint venture [1]	**(4)**	-
Lease payment to an associate [1]	**(383)**	(806)
Project and development management fees from joint ventures* [1]	**-**	106
Construction contract revenue from joint ventures* [1]	**571**	7,053
Assets, property and lease management and performance fees from joint ventures [1]	**2,480**	3,638
Assets, acquisition and property management fees from an associate* [1]	**3,222**	3,243
Interest income from:		
- associates [1]	**5,583**	4,836
- related party (a subsidiary of an associate) [1]	**-**	142

* *Transaction values disclosed are after elimination of the Group's shares in the transaction.*

1 *These related party transactions are not interested party transactions in accordance with SGX Listing Rules because the parties do not fall within the definition of interested persons as they are not (i) a controlling shareholder of the Company; or (ii) an associate of any of the Company's directors, chief executive officer or controlling shareholder.*

(b) Disposal of a subsidiary to KTG & Boustead Joint Stock Company Group ("KBJSC")

On 20 December 2022, the Group disposed its equity interest in its wholly-owned subsidiary, Boustead Projects Land (Vietnam) Co. Ltd to KTG & Boustead Industrial Logistics Joint Stock Company ("KBIL"), a wholly-owned subsidiary of the Group's 60% joint venture, KTG & Boustead Joint Stock Company ("KBJSC").

Consideration for sale amounting to $36,684,000 has been presented within "Trade and other receivables" (Note 14) and will be received subject to finalisation of certain conditions.

Gain on disposal of the subsidiary, net of unrealised gain arising from the Group's retained interest in KBJSC and reclassification of foreign currency loss from the currency translation reserve, amounted to $8,288,000.

33. RELATED PARTY TRANSACTIONS (cont'd)

(c) Disposal of property by a joint venture

On 30 November 2021, BP-Braddell LLP, a 50.0% joint venture of the Group, disposed its investment property to the Group's associate, Boustead Industrial Fund ("BIF") for a consideration of $121,000,000.

Total pre-tax and post-tax gains on the transaction, net of unrealised gain arising from retained interest in BIF, recognised by the Group during the financial year ended 31 March 2022 amounted to $8,503,000 and $6,875,000 respectively.

(d) Key management personnel compensation

Key management personnel compensation is as follows:

	Group	
	2023 $'000	**2022 $'000**
Wages and salaries	**2,205**	2,296
Employer's contribution to defined contribution plans, including Central Provident Fund	**69**	87
Share-based compensation expense	**-**	948
Share-based payment to non-executive directors	**-**	189
Director's fees to non-executive directors	**300**	265
	2,574	3,785

34. SEGMENT INFORMATION

Segment information is presented in respect of the Group's reportable segment provided to the senior management which comprises the Executive Deputy Chairman, Managing Director and Chief Financial Officer for the purpose of resource allocation and assessment of segment performance.

The senior management considers the business from both a business and geographical segment perspective.

The Group's businesses comprise the following:

(i) Engineering & Construction: Provision of turnkey Engineering & Construction services.

(ii) Real Estate: Developing, owning, managing, leasing and sale of properties, and real estate fund management.

(iii) HQ Activities: Management of financial assets and other investments.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

34. SEGMENT INFORMATION (cont'd)

(a) Segment revenue and results

The segment information for the reportable segments is as follows:

	Engineering & Construction		Real Estate		HQ Activities		Group	
	2023 $'000	2022 $'000	2023 $'000	2022 $'000	2023 $'000	2022 $'000	2023 $'000	2022 $'000
Revenue								
External revenue	**269,846**	324,509	**14,130**	14,580	**-**	-	**283,976**	339,089
Total revenue	**269,846**	324,509	**14,130**	14,580	**-**	-	**283,976**	339,089
Results								
Segment results	**9,843**	(6,530)	**9,117**	13,283	**99**	1,255	**19,059**	8,008
Includes:								
Depreciation expense	**(268)**	(904)	**(1,828)**	(1,800)	**(36)**	(37)	**(2,132)**	(2,741)
Depreciation of right-of-use assets	**(318)**	(589)	**(1,321)**	(1,011)	**(38)**	(48)	**(1,677)**	(1,648)
Amortisation of intangible assets	**(6)**	(6)	**-**	-	**-**	-	**(6)**	(6)
Loss on disposal of property, plant and equipment	**-**	(2,956)	**-**	-	**-**	-	**-**	(2,956)
Reversal of impairment loss/(Impairment loss) on property, plant and equipment	**25**	(962)	**-**	-	**-**	-	**25**	(962)
Write off of investment property	**-**	-	**(557)**	-	**-**	-	**(557)**	-
Subcontractor fees and other construction costs	**(241,313)**	(309,301)	**-**	-	**-**	-	**(241,313)**	(309,301)
Other gains – net	**(162)**	13	**7,936**	485	**2,004**	3,777	**9,778**	4,275
Impairment loss on financial asset	**-**	-	**-**	(452)	**-**	-	**-**	(452)
Employee compensation	**(16,087)**	(18,104)	**(4,477)**	(3,741)	**(823)**	(942)	**(21,387)**	(22,787)
Employee (including directors) share-based compensation expense	**-**	(350)	**-**	(241)	**-**	(546)	**-**	(1,137)
Share of profit of associates and joint ventures	**537**	4,827	**(1,362)**	8,522	**-**	-	**(825)**	13,349
Marketing expenses	**(2)**	(23)	**(197)**	(444)	**(111)**	(2)	**(310)**	(469)
Legal and professional fees	**(156)**	(463)	**(588)**	(647)	**(246)**	(295)	**(990)**	(1,405)
Property related expenses	**(85)**	(60)	**(2,050)**	(1,733)	**(6)**	(3)	**(2,141)**	(1,796)
Other income	**518**	92	**7,000**	5,937	**2,295**	1,174	**9,813**	7,203
Finance expenses	**(88)**	(74)	**(2,312)**	(1,296)	**-**	-	**(2,400)**	(1,370)
Profit before income tax	**10,273**	(6,512)	**13,805**	17,924	**2,394**	2,429	**26,472**	13,841
Income tax expense							**(7,995)**	(2,510)
Total profit							**18,477**	11,331

The accounting policies of the reportable segments are the same as the Group's accounting policies described in Note 2. Segment results represent profit earned by each segment without allocation of income tax expense. This is the measure reported to the senior management for the purposes of resource allocation and assessment of segment performance.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

34. SEGMENT INFORMATION (cont'd)

(b) Segment assets and liabilities

	Engineering & Construction		Real Estate		HQ Activities		Inter-segment Elimination		Group	
	2023 $'000	2022 $'000	2023 $'000	2022 $'000	2023 $'000	2022 $'000	2023 $'000	2022 $'000	2023 $'000	2022 $'000
Segment assets										
Segment assets	**272,640**	184,057	**171,794**	200,364	**353,743**	274,612	**(351,659)**	(235,858)	**446,518**	423,175
Investment in securities	**-**	-	**-**	-	**28,144**	93,938	**-**	-	**28,144**	93,938
Investments in associates	**5,883**	5,659	**352**	-	**-**	-	**-**	-	**6,235**	5,659
Investments in joint ventures	**-**	-	**199,331**	54,866	**-**	-	**-**	-	**199,331**	54,866
Loan to an associate	**-**	-	**11,664**	12,658	**-**	-	**-**	-	**11,664**	12,658
Notes issued by an associate	**-**	-	**85,250**	72,750	**-**	-	**-**	-	**85,250**	72,750
Deferred income tax assets	**-**	-	**-**	-	**-**	-	**-**	-	**11,960**	9,618
Consolidated total assets							-		**789,102**	672,664
Additions to:										
- property, plant and equipment	**135**	638	**-**	-	**-**	-	**-**	-	**135**	638
- right-of-use assets	**2,190**	196	**-**	-	**-**	-	**-**	-	**2,190**	196
- investment properties	**-**	-	**7,753**	6,459	**-**	-	**-**	-	**7,753**	6,459
- investment securities	**-**	-	**-**	-	**-**	58,500	**-**	-	**-**	58,500
- investments in associates	**-**	624	**2,720**	3,150	**-**	-	**-**	-	**2,720**	3,774
- Notes issued by an associate	**-**	-	**12,500**	13,750	**-**	-	**-**	-	**12,500**	13,750
- investments in joint ventures	**-**	-	**167,747**	1,906	**-**	-	**-**	-	**167,747**	1,906
Segment liabilities										
Segment liabilities	**246,295**	161,453	**356,608**	214,422	**75,959**	85,124	**(351,659)**	(235,858)	**327,203**	225,141
Unrealised gain on disposal due to retained interests	**-**	-	**40,559**	37,390	**-**	-	**-**	-	**40,559**	37,390
Income tax payable									**18,237**	16,442
Deferred income tax liabilities									**2,108**	1,319
Consolidated total liabilities									**388,107**	280,292

For the purposes of monitoring segment performance and allocating resources between segments, the senior management monitors the tangible and financial assets, as well as the financial liabilities attributable to each segment.

All assets are allocated to reportable segments other than deferred income tax assets.

All liabilities are allocated to reportable segments other than income tax payable and deferred income tax liabilities.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

34. SEGMENT INFORMATION (cont'd)

(c) Geographical information

The Group operates primarily in Singapore and has operations in Malaysia and the Socialist Republic of Vietnam. The Group's revenue from external customers and non-current assets (excluding financial assets and deferred income tax assets) by geographical locations are as follows:

	Revenue from external customers		Non-current assets (excluding financial assets and deferred income tax assets)	
	2023 $'000	**2022 $'000**	**2023 $'000**	**2022 $'000**
Singapore	**239,004**	263,900	**202,415**	105,300
Malaysia	**36,243**	64,013	**404**	64
Socialist Republic of Vietnam	**5,299**	4,556	**52,079**	42,491
Other countries	**3,430**	6,620	**2,426**	2,744
Group	**283,976**	339,089	**257,324**	150,599

(d) Information about major customers

For the financial year ended 31 March 2023, there are three (2022: four) customers from the Group's Engineering & Construction segment that each contributed more than 10% of the Group's revenue. The customers contributed $50,846,000, $54,258,000 and $75,110,000 (2022: $42,000,000, $60,573,000, $64,507,000 and $65,835,000) respectively in revenue to the Group.

35. NEW OR REVISED ACCOUNTING STANDARDS AND INTERPRETATIONS

Below are the mandatory standards, amendments and interpretations to existing standards that have been published, and are relevant for the Group's accounting periods beginning on or after 1 April 2023 and which the Group has not early adopted.

Amendments to SFRS(I) 1-1 *Presentation of Financial Statements*: Classification of Liabilities as Current or Non-current (effective for annual periods beginning on or after 1 January 2023)

The narrow-scope amendments to SFRS(I) 1-1 Presentation of Financial Statements clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date (e.g. the receipt of a waiver or a breach of covenant). The amendments also clarify what SFRS(I) 1-1 means when it refers to the 'settlement' of a liability.

The amendments could affect the classification of liabilities, particularly for entities that previously considered management's intentions to determine classification and for some liabilities that can be converted into equity.

The Group does not expect any significant impact arising from applying these amendments.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

35. NEW OR REVISED ACCOUNTING STANDARDS AND INTERPRETATIONS (cont'd)

Amendments to SFRS(I) 1-12 *Income Taxes:* Deferred Tax related to Assets and Liabilities arising from a Single Transaction (effective for annual periods beginning on or after 1 January 2023)

The amendments to SFRS(I) 1-12 Income Taxes require companies to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. They will typically apply to transactions such as leases of lessees and decommissioning obligations, and will require the recognition of additional deferred tax assets and liabilities.

The amendment should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, entities should recognise deferred tax assets (to the extent that it is probable that they can be utilised) and deferred tax liabilities at the beginning of the earliest comparative period for all deductible and taxable temporary differences associated with:

- right-of-use assets and lease liabilities, and
- decommissioning, restoration and similar liabilities, and the corresponding amounts recognised as part of the cost of the related assets.

The cumulative effect of recognising these adjustments is recognised in retained earnings, or another component of equity, as appropriate.

SFRS(1) 1-12 did not previously address how to account for the tax effects of on-balance sheet leases and similar transactions and various approaches were considered acceptable. Some entities may have already accounted for such transactions consistent with the new requirements. These entities will not be affected by the amendments.

The Group does not expect any significant impact arising from applying these amendments.

36. EVENTS OCCURRING AFTER BALANCE SHEET DATE

On 16 June 2023, the Group was served with a notice of arbitration by the liquidator of Technics Steel Pte. Ltd. (in liquidation) ("Technics'). Technics is claiming for (i) payment of $830,000 for work done under the sub-contract; and (ii) damages of $680,000 in the form of prolongation costs incurred by Technics due to alleged breaches of the sub-contract by the Group that prevented Technics from carrying out its works in accordance with the sub-contract. The Group had appointed Technics as a subcontractor to provide structure steelworks and staircase works for one of its projects. The sub-contract was terminated by the Group on the 14 April 2021 due to breaches of the sub-contract by Technics, including but not limited to the winding up of Technics and their failure to complete the works. At this preliminary juncture, the eventual financial impact, if any, arising from the claim cannot yet be determined.

On 23 June 2023, the Company entered into the following transactions:

(a) Sale of 49% interest in its wholly-owned subsidiary, Boustead Real Estate Fund ("BREF"), to two investors. BREF owns the investment property at 36 Tuas Road, Singapore and plans to redevelop it into a joint logistics and manufacturing facility. The consideration for the 49% interest is $8,900,000 and was arrived at on a willing-buyer, willing-seller basis. The consideration is settled subject to the finalisation of certain conditions, which include but not limited to, obtaining the consent of JTC Corporation, being the head lessor of the land.

(b) Commitment to subscribe for its proportionate share of new unit to be issued by BREF amount to a maximum of $33,150,000.

37. AUTHORISATION OF FINANCIAL STATEMENTS

These financial statements were authorised for issue in accordance with a resolution of the Board of Directors of Boustead Projects Limited on 28 June 2023.

UNAUDITED FINANCIAL INFORMATION OF THE GROUP FOR HY2024

The HY2024 results set out below have been extracted from the announcement by the Company on 14 November 2023 and were not specifically prepared for inclusion in this Company's Letter to Shareholders. The figures have not been audited.

BOUSTEAD®
Projects

Boustead Projects Limited

SGX Announcement
Unaudited Results for 1H FY2024
Ended 30 September 2023

bousteadprojects.com

Corporate Profile

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**.

BOUSTEAD PROJECTS LIMITED
(Incorporated in Singapore)
AND ITS SUBSIDIARIES

CONDENSED INTERIM FINANCIAL STATEMENTS
For the six months financial period ended 30 September 2023

Contents

BOUSTEAD PROJECTS LIMITED AND ITS SUBSIDIARIES

A) CONDENSED INTERIM CONSOLIDATED INCOME STATEMENT

For the six months financial period ended 30 September 2023

	Note	6 months ended 30 Sep 2023 $'000	6 months ended 30 Sep 2022 $'000	Inc/(Dcr) %
Revenue	4.2	**170,227**	117,729	45%
Cost of sales		**(149,560)**	(106,532)	40%
Gross profit		**20,667**	11,197	85%
Interest income	5	**6,348**	4,341	46%
Other (losses)/gains – net	6	**(265)**	1,408	(119%)
Expenses				
- Selling and distribution		**(1,424)**	(1,267)	12%
- Administrative		**(8,062)**	(5,862)	38%
- Finance	8	**(448)**	(942)	(52%)
Share of (loss)/profit of associates and joint ventures		**(6,247)**	1,720	NM
Profit before income tax	7	**10,569**	10,595	0%
Income tax expense	9	**(3,572)**	(2,931)	22%
Total profit		**6,997**	7,664	(9%)
Profit attributable to:				
Equity holders of the Company		**6,997**	7,666	(9%)
Non-controlling interests		**-**	(2)	(100%)
		6,997	7,664	(9%)
Earnings per share for profit attributable to equity holders of the Company (cents per share)				
- Basic and diluted	15	**2.2**	2.4	(8%)

NM – not meaningful

BOUSTEAD PROJECTS LIMITED AND ITS SUBSIDIARIES

B) CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months financial period ended 30 September 2023

	Note	6 months ended 30 Sep 2023 $'000	30 Sep 2022 $'000	Inc/(Dcr) %
Total profit		**6,997**	7,664	(9%)
Other comprehensive income:				
Items that may be reclassified subsequently to profit or loss:				
Share of other comprehensive income of an associate and joint venture		**1,053**	405	160%
Currency translation differences arising from consolidation				
- Losses		**(945)**	(1,240)	(24%)
Items that will not be reclassified subsequently to profit or loss:				
Financial assets, at FVOCI				
- Fair value loss	11	**(1,543)**	-	NM
Other comprehensive loss net of tax		**(1,435)**	(835)	72%
Total comprehensive income		**5,562**	6,829	(19%)
Total comprehensive income attributable to:				
Equity holders of the Company		**5,562**	6,831	(19%)
Non-controlling interests		**-**	(2)	(100%)
		5,562	6,829	(19%)

NM – not meaningful

C) CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

As at 30 September 2023

	Note	GROUP 30 Sep 2023 $'000	GROUP 31 Mar 2023 $'000	COMPANY 30 Sep 2023 $'000	COMPANY 31 Mar 2023 $'000
ASSETS					
Current assets					
Cash and cash equivalents		**254,818**	177,705	**96,418**	74,265
Trade receivables		**74,668**	102,204	**10**	11
Other receivables and prepayments		**22,463**	62,358	**293,271**	302,263
Finance lease receivables		**484**	476	**-**	-
Contract assets		**9,140**	16,302	**-**	-
		361,573	359,045	**389,699**	376,539
Non-current assets					
Trade receivables		**31,644**	26,708	**-**	-
Other receivables and prepayments		**85,369**	85,601	**-**	-
Investment securities	11	**26,601**	28,144	**26,601**	28,144
Property, plant and equipment		**805**	981	**-**	-
Rights-of-use assets		**1,573**	1,852	**-**	-
Finance lease receivables		**20,239**	20,485	**-**	-
Investment properties	10	**70,597**	48,662	**-**	-
Intangible assets		**95**	98	**-**	-
Investments in associates		**5,551**	6,235	**4,376**	4,376
Investments in joint ventures		**205,178**	199,331	**72,320**	71,300
Investments in subsidiaries		**-**	-	**18,458**	26,919
Deferred income tax assets		**10,550**	11,960	**-**	-
		458,202	430,057	**121,755**	130,739
Total assets		**819,775**	789,102	**511,454**	507,278
LIABILITIES					
Current liabilities					
Trade and other payables		**130,406**	148,054	**104,912**	99,435
Lease liabilities		**1,051**	1,049	**-**	-
Income tax liabilities		**19,312**	18,237	**2,124**	1,541
Contract liabilities		**130,005**	130,457	**-**	-
Borrowings	12	**629**	623	**-**	-
		281,403	298,420	**107,036**	100,976
Non-current liabilities					
Trade and other payables		**62,110**	53,817	**-**	-
Lease liabilities		**32,225**	32,696	**-**	-
Borrowings	12	**39,780**	1,066	**-**	-
Deferred income tax liabilities		**2,086**	2,108	**1,189**	1,241
		136,201	89,687	**1,189**	1,241
Total liabilities		**417,604**	388,107	**108,225**	102,217
NET ASSETS		**402,171**	400,995	**403,229**	405,061
EQUITY					
Capital and reserves attributable to equity holders of the Company					
Share capital	13	**15,000**	15,000	**15,000**	15,000
Treasury shares	13	**(5,495)**	(5,495)	**(5,495)**	(5,495)
Retained profits		**390,073**	387,462	**386,441**	386,730
Other reserves		**2,593**	4,028	**7,283**	8,826
		402,171	400,995	**403,229**	405,061
Total equity		**402,171**	400,995	**403,229**	405,061

D) CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY

For the six months financial period ended 30 September 2023

				(--------------Other reserves				-------------)		
	Share capital $'000	Treasury shares $'000	Retained profits $'000	Merger reserve $'000	Capital reserve $'000	Foreign currency translation reserve $'000	Fair value reserve $'000	Hedging reserve $'000	Subtotal $'000	Equity attributable to equity holders of the Company $'000	Total $'000
GROUP											
1H FY2024											
Balance at 1 April 2023	15,000	(5,495)	387,462	(2,854)	1,201	(1,932)	7,625	(12)	4,028	400,995	400,995
Profit for the period	-	-	6,997	-	-	-	-	-	-	6,997	6,997
Other comprehensive (loss)/income for the period	-	-	-	-	-	(945)	(1,543)	1,053	(1,435)	(1,435)	(1,435)
Total comprehensive income/ (loss) for the period	-	-	6,997	-	-	(945)	(1,543)	1,053	(1,435)	5,562	5,562
Dividends	-	-	(4,386)	-	-	-	-	-	-	(4,386)	(4,386)
Total transactions with owners, recognised directly in equity	-	-	(4,386)	-	-	-	-	-	-	(4,386)	(4,386)
Balance at 30 September 2023	15,000	(5,495)	390,073	(2,854)	1,201	(2,877)	6,082	1,041	2,593	402,171	402,171

D) CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY (cont'd)

For the six months financial period ended 30 September 2023

				(----------		Other reserves		----------)				
	Share capital $'000	Treasury shares $'000	Retained profits $'000	Merger reserve $'000	Capital reserve $'000	Foreign currency translation reserve $'000	Fair value reserve $'000	Hedge reserve $'000	Subtotal $'000	Equity attributable to equity holders of the Company $'000	Non-controlling interests $'000	Total $'000
GROUP												
1H FY2023												
Balance at 1 April 2022	15,000	(5,495)	372,245	(2,854)	1,201	918	11,142	353	10,760	392,510	(138)	392,372
Profit for the period	-	-	7,666	-	-	-	-	-	-	7,666	(2)	7,664
Other comprehensive (loss)/income for the period	-	-	-	-	-	(1,240)	-	405	(835)	(835)	-	(835)
Total comprehensive income/(loss) for the period	-	-	7,666	-	-	(1,240)	-	405	(835)	6,831	(2)	6,829
Dividends	-	-	(3,133)	-	-	-	-	-	-	(3,133)	-	(3,133)
Total transactions with owners, recognised directly in equity	-	-	(3,133)	-	-	-	-		-	(3,133)	-	(3,133)
Balance at 30 September 2022	15,000	(5,495)	376,778	(2,854)	1,201	(322)	11,142	758	9,925	396,208	(140)	396,068

D) CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY (cont'd)

For the six months financial period ended 30 September 2023

			(----------------------Other reserves	----------------------)			
	Share capital $'000	**Treasury shares $'000**	**Capital reserve $'000**	**Fair value reserve $'000**	**Subtotal $'000**	**Retained profits $'000**	**Total $'000**
COMPANY							
1H FY2024							
Balance at 1 April 2023	15,000	(5,495)	1,201	7,625	8,826	386,730	405,061
Profit for the year	-	-	-	-	-	4,097	4,097
Other comprehensive loss for the year	-	-	-	(1,543)	(1,543)	-	(1,543)
Total comprehensive (loss)/income for the period	-	-	-	(1,543)	(1,543)	4,097	2,554
Dividends	-	-	-	-	-	(4,386)	(4,386)
Total transactions with owners, recognised directly in equity	-	-	-	-	-	(4,386)	(4,386)
Balance at 30 September 2023	15,000	(5,495)	1,201	6,082	7,283	386,441	403,229

D) CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY (cont'd)

For the six months financial period ended 30 September 2023

			(------------------Other reserves	---------------------)			
	Share capital $'000	Treasury shares $'000	Capital reserve $'000	Fair value reserve $'000	Subtotal $'000	Retained profits $'000	Total $'000
COMPANY							
1H FY2023							
Balance at 1 April 2022	15,000	(5,495)	1,201	11,142	12,343	381,855	403,703
Profit for the period, representing total comprehensive income for the period	-	-	-	-	-	2,283	2,283
Dividends	-	-	-	-	-	(3,133)	(3,133)
Total transactions with owners, recognised directly in equity	-	-	-	-	-	(3,133)	(3,133)
Balance at 30 September 2022	15,000	(5,495)	1,201	11,142	12,343	381,005	402,853

BOUSTEAD PROJECTS LIMITED AND ITS SUBSIDIARIES

E) CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months financial period ended 30 September 2023

	Group	
	6 months ended 30 Sep 2023 $'000	**6 months ended 30 Sep 2022 $'000**
Cash flows from operating activities		
Profit before income tax	**10,569**	10,595
Adjustments for:		
- Amortisation of intangible asset	**3**	3
- Depreciation of right-of-use assets	**354**	669
- Depreciation expense	**478**	1,263
- Reversal of impairment loss on property, plant and equipment	**-**	(25)
- Share of loss/(profit) of associates and joint ventures	**6,247**	(1,720)
- Elimination of share of unrealised construction, project management and acquisition fee margins	**138**	200
- Fair value gain on financial assets, at FVPL	**-**	(1,549)
- Interest income	**(6,348)**	(4,341)
- Loss on winding up of a joint venture	**-**	21
- Finance expenses	**448**	942
- Currency exchange losses - net	**265**	141
	12,154	6,199
Change in working capital:		
- Trade and other receivables	**26,779**	(30,064)
- Contract assets and liabilities – net	**7,184**	35,948
- Trade and other payables	**17,247**	(25,410)
Cash provided by / (used in) operations	**63,364**	(13,327)
Interest received	**2,788**	1,149
Interest paid	**(16)**	(175)
Income tax paid	**(1,108)**	(1,306)
Net cash provided by / (used in) operating activities	**65,028**	(13,659)

E) CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (cont'd)

For the six months financial period ended 30 September 2023

	Group	
	6 months ended 30 Sep 2023 $'000	6 months ended 30 Sep 2022 $'000
Cash flows from investing activities		
Purchase of property, plant and equipment	**(45)**	(39)
Proceeds from disposal of property, plant and equipment	**-**	900
Proceeds from winding up of a joint venture	**-**	15
Proceeds from disposal of a subsidiary in prior financial year	**32,462**	-
Additions to investment property	**(22,221)**	(433)
Loan to a non-related party	**-**	(1,970)
Repayment from / (Loan to) a joint venture	**4,065**	(4,155)
Dividends received from associates and joint ventures	**7,309**	9,016
Investments in an associate	**(950)**	-
Investments in joint ventures	**(43,546)**	(34,374)
Interest received on loan to non-related party	**20**	31
Interest received on notes issued by an associate	**2,746**	2,553
Net cash used in investing activities	**(20,160)**	(28,456)
Cash flows from financing activities		
Repayment of borrowings	**(310)**	(304)
Proceeds from borrowings	**39,030**	-
Principal payment of lease liabilities	**(450)**	(421)
Interest payment of lease liabilities	**(554)**	(963)
Dividends paid to equity holders of the Company	**(4,386)**	(3,133)
Net cash provided by / (used in) financing activities	**33,330**	(4,821)
Net increase / (decrease) in cash and cash equivalents	**78,198**	(46,936)
Cash and cash equivalents		
Beginning of financial period	**177,705**	213,866
Effect of currency translation on cash and cash equivalents	**(1,085)**	(1,520)
End of financial period	**254,818**	165,410

F) NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the six months financial period ended 30 September 2023

1) Corporate information

Boustead Projects Limited (the "Company") is listed on the Singapore Exchange and incorporated and domiciled in Singapore. The address of its registered office and principal place of business is 82 Ubi Avenue 4, #07-01 Edward Boustead Centre, Singapore 408832. These condensed interim financial statements as at and for the six months ended 30 September 2023 are related to the Company and its subsidiaries (collectively, the "Group"), along with the Group's investments in associates and joint ventures.

The principal activity of the Company is investment holding, while the principal activities of the Group are to provide turnkey Engineering & Construction ("E&C") services, including design-and-build services, as well as development management, asset and leasing management, and fund management services for diversified classes of real estate.

The principal activities of the significant subsidiaries, associates and joint ventures are:

a) Providing turnkey engineering, full-fledged integrated digital delivery ("IDD"), project management and construction management, including design-and-build and property-related services;
b) Real estate development management, asset management and leasing management, including the holding of property for rental income; and
c) Real estate fund management.

2) Basis of preparation

The condensed interim financial statements for the six months ended 30 September 2023 have been prepared in accordance with the Singapore Financial Reporting Standards (International) ("SFRS(I)s") 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant for an understanding of the changes in the Group's financial position and the Group's performance since the last audited annual financial statements for the financial year ended 31 March 2023.

The condensed interim financial statements are presented in Singapore Dollars, which is the Group's functional currency. All financial information presented in Singapore Dollars have been rounded to the nearest thousand, unless otherwise stated.

The accounting policies and method of computations used in the condensed interim consolidated financial statements are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out as set out in Note 2.1 below.

2.1) New and amended SFRS(I)s adopted by the Group

The Group has adopted the new and revised SFRS(I)s and SFRS(I) Interpretations and amendments to SFRS(I)s that are mandatory for application from 1 April 2023:

- Amendments to SFRS(I) 1-1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current
- Amendments to SFRS(I) 1-12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction
- SFRS(I) 17 – Insurance contracts for non-insurers

The adoption of the above amendments to SFRS(I)s did not result in material changes to the Group's accounting policies and have no material effect on the amounts reported for the current financial year.

2.2) Use of judgements and estimates

In preparing the condensed interim financial statements, management has applied judgements, and made certain assumptions and estimations. Estimates, assumptions and judgements are based on historical experience and other factors and are continually evaluated, including expectations of future events that are believed to be reasonable under the circumstances.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 March 2023:

a) Volatility of the geoeconomics and geopolitical climate resulting in inflation risks and supply chain disruptions
b) Revenue recognition of Engineering & Construction Contracts
c) Estimation of subcontractors' claim on variation orders
d) Valuation of investment securities

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

3) Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors, notwithstanding pandemic-related impacts.

4) Revenue and segment information

Segment information is presented in respect of the Group's reportable segment provided to the senior management which comprises the Executive Deputy Chairman, Managing Director and Chief Financial Officer for the purpose of resource allocation and assessment of segment performance.

The senior management considers the business from both a business and geographical segment perspective.

The Group's businesses comprise the following:

a) E&C : Provision of turnkey E&C services.

b) Real Estate : Developing, owning, managing, leasing and sale of properties, and real estate fund management.

c) HQ Activities : Management of financial assets and other investments.

4.1) Segment information

a) Segment revenue and results

	Engineering & Construction		Real Estate		HQ Activities		GROUP	
	30 Sep 2023	30 Sep 2022	30 Sep 2023	30 Sep 2022	30 Sep 2023	30 Sep 2022	30 Sep 2023	30 Sep 2022
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
6 months ended								
Revenue								
External sales	**165,198**	109,102	**5,029**	8,627	**-**	-	**170,227**	117,729
Total revenue	**165,198**	109,102	**5,029**	8,627	**-**	-	**170,227**	117,729
Results								
Segment results	**11,497**	2,296	**(6,054)**	4,140	**(774)**	760	**4,669**	7,196
Includes:								
Depreciation expense	**(131)**	(171)	**(332)**	(1,078)	**(15)**	(14)	**(478)**	(1,263)
Depreciation of right-of-use assets	**(171)**	(197)	**(165)**	(452)	**(18)**	(20)	**(354)**	(669)
Amortisation of intangible assets	**(3)**	(3)	**-**	-	**-**	-	**(3)**	(3)
Reversal of impairment loss on property, plant and equipment	**-**	25	**-**	-	**-**	-	**-**	25
Subcontractor fees and other construction costs	**(143,726)**	(97,762)	**-**	-	**-**	-	**(143,726)**	(97,762)
Other (losses) / gains– net	**(49)**	(35)	**(216)**	(106)	**-**	1,549	**(265)**	1,408
Employee compensation	**(7,384)**	(8,021)	**(2,824)**	(2,284)	**(452)**	(447)	**(10,660)**	(10,752)
Share of profit of associates and joint ventures	**93**	327	**(6,340)**	1,393	**-**	-	**(6,247)**	1,720
Marketing expenses	**(1)**	(2)	**(37)**	(115)	**-**	-	**(38)**	(117)
Legal and professional fees	**(27)**	(117)	**(280)**	(97)	**(27)**	(4)	**(334)**	(218)
Property related expenses	**(3)**	(56)	**(583)**	(1,158)	**(5)**	(3)	**(591)**	(1,217)
Interest income	**206**	238	**3,786**	3,405	**2,356**	698	**6,348**	4,341
Finance expenses	**(46)**	(36)	**(402)**	(906)	**-**	-	**(448)**	(942)
Profit before income tax	**11,657**	2,498	**(2,670)**	6,639	**1,582**	1,458	**10,569**	10,595
Income tax expense							**(3,572)**	(2,931)
Total profit							**6,997**	7,664
Attributable to:								
Equity holders of the Company							**6,997**	7,666
Non-controlling interests							**-**	(2)
							6,997	7,664

b) Segment assets and liabilities

	Engineering& Construction		Real Estate		HQ Activities		Inter-segment Elimination		GROUP	
	30 Sep 2023	**31 Mar 2023**	**30 Sep 2023**	**31 Mar 2023**	**30 Sep 2023**	**31 Mar 2023**	**30 Sep 2023**	**31 Mar 2023**	**30 Sep 2023**	**31 Mar 2023**
	$'000	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Segment assets										
Segment assets	**290,538**	272,640	**164,235**	171,794	**366,736**	353,743	**(346,152)**	(351,659)	**475,357**	446,518
Investment securities	**-**	-	**-**	-	**26,601**	28,144	-	-	**26,601**	28,144
Investments in associates	**5,551**	5,883	**-**	352	**-**	-	-	-	**5,551**	6,235
Investments in joint ventures	**-**	-	**205,178**	199,331	**-**	-	-	-	**205,178**	199,331
Loan to an associate	**-**	-	**11,288**	11,664	**-**	-	-	-	**11,288**	11,664
Notes issued by an associate	**-**	-	**85,250**	85,250	**-**	-	-	-	**85,250**	85,250
Deferred income tax assets									**10,550**	11,960
Consolidated total assets									**819,775**	789,102
Segment liabilities										
Segment liabilities	**262,020**	246,295	**357,848**	356,608	**79,242**	75,959	**(346,152)**	(351,659)	**352,958**	327,203
Unrealised gain on disposal due to retained interests	**-**	**-**	**43,248**	40,559	**-**	**-**	**-**	**-**	**43,248**	40,559
Income tax payable									**19,312**	18,237
Deferred income tax liabilities									**2,086**	2,108
Consolidated total liabilities									**417,604**	388,107
6 months ended	**30 Sep 2023**	**30 Sep** 2022	**30 Sep 2023**	**30 Sep** 2022	**30 Sep 2023**	**30 Sep** 2022	**30 Sep 2023**	**30 Sep** 2022	**30 Sep 2023**	**30 Sep** 2022
Additions to:										
- Property, plant and equipment	**45**	39	**-**	-	**-**	-	-	-	**45**	39
- Investment properties	**-**	-	**22,488**	629	**-**	-	-	-	**22,488**	629
- Investments in an associate	**-**	-	**950**	-	**-**	-	-	-	**950**	-
- Investments in joint ventures	**-**	-	**14,345**	135,909	**-**	-	-	-	**14,345**	135,909

Cash from business segments are managed under HQ activities segment as per the Group's cash management policy.

4.1) Segment information (cont'd)

c) Geographical information

	Revenue from external customers	
	6 months ended	
	30 Sep 2023	30 Sep 2022
	$'000	$'000
Singapore	**139,383**	99,381
Malaysia	**30,285**	12,888
Socialist Republic of Vietnam	**-**	3,747
Other countries	**559**	1,713
	170,227	117,729

	Non-current assets (excluding financial assets and deferred income tax assets)	
	30 Sep 2023	31 Mar 2023
	$'000	$'000
Singapore	**222,147**	202,415
Malaysia	**52**	404
Socialist Republic of Vietnam	**59,342**	52,079
Other countries	**2,340**	2,426
	283,881	257,324

The Group operates primarily in Singapore and has operations in Malaysia and the Socialist Republic of Vietnam. Other than Singapore and Malaysia, no single country accounted for 10% or more of the Group's revenue for six months ended 30 September 2023.

4.2) Disaggregation of revenue

	Over time $'000	At a point in time $'000	Total $'000
GROUP			
6 months ended 30 Sep 2023			
Revenue from E&C contracts	**165,198**	**-**	**165,198**
Management fee income	**3,210**	**454**	**3,664**
	168,408	**454**	**168,862**
Property rental income			**1,365**
			170,227

	Over time $'000	Total $'000
GROUP		
6 months ended 30 Sep 2022		
Revenue from E&C contracts	109,102	109,102
Management fee income	3,162	3,162
	112,264	112,264
Property rental income		5,465
		117,729

5) Interest income

	GROUP 6 months ended	
	30 Sep 2023 $'000	30 Sep 2022 $'000
Interest income on financial assets measured at amortised cost	**6,006**	4,001
Finance income on sublease	**342**	340
	6,348	4,341

6) Other (losses) /gains – net

	GROUP 6 months ended	
	30 Sep 2023 $'000	30 Sep 2022 $'000
Currency exchange losses – net	**(265)**	(141)
Fair value gain on financial assets, at FVPL	**-**	1,549
	(265)	1,408

7) Expenses by nature

	GROUP 6 months ended	
	30 Sep 2023 $'000	30 Sep 2022 $'000
Profit before income tax is arrived at after charging the following:		
Depreciation expense	**478**	1,263
Depreciation of right-of-use assets	**354**	669
Amortisation of intangible assets	**3**	3
Subcontractor fees and other construction costs	**143,726**	97,762
Employee compensation	**10,660**	10,752
Marketing expenses	**38**	117
Legal and professional fees	**334**	218
Property related expenses	**591**	1,217

8) Finance expenses

	GROUP 6 months ended	
	30 Sep 2023 $'000	30 Sep 2022 $'000
Interest expense on borrowings	**16**	175
Interest expense on lease liabilities	**432**	767
	448	942

9) Income tax expense

The Group calculates the period income tax expense based on the statutory tax rates of the respective countries that the Group operates in. The major components of income tax expense in the condensed interim consolidated income statement are:

	GROUP 6 months ended	
	30 Sep 2023 $'000	**30 Sep 2022 $'000**
Current income tax expense	**2,207**	2,147
Deferred income tax expense	**1,516**	451
	3,723	2,598
(Over)/Under provision in prior financial years		
Current income tax expense	**(124)**	345
Deferred income tax expense	**(27)**	(12)
	3,572	2,931

10) Investment properties

	Building and other costs $'000	Right-of-use assets $'000	Total $'000
GROUP			
30 Sep 2023			
Cost			
Beginning of financial period	**46,320**	**14,982**	**61,302**
Additions	**22,488**	**-**	**22,488**
Currency translation differences	**(61)**	**(20)**	**(81)**
End of financial period	**68,747**	**14,962**	**83,709**
Accumulated depreciation			
Beginning of financial period	**11,296**	**1,344**	**12,640**
Depreciation charge	**257**	**221**	**478**
Currency translation differences	**(4)**	**(2)**	**(6)**
End of financial period	**11,549**	**1,563**	**13,112**
Net book value			
End of financial period	**57,198**	**13,399**	**70,597**
30 Sep 2022			
Cost			
Beginning of financial period	78,305	28,396	106,701
Additions	629	-	629
Currency translation differences	287	295	582
End of financial period	79,221	28,691	107,912
Accumulated depreciation			
Beginning of financial period	15,187	4,342	19,529
Depreciation charge	1,009	418	1,427
Currency translation differences	9	23	32
End of financial period	16,205	4,783	20,988
Net book value			
End of financial period	63,016	23,908	86,924

The Group's investment properties are carried at cost less accumulated depreciation and impairment losses. The Group has considered that there are no impairment indicators on these investment properties as at 30 September 2023.

As at 30 September 2023, investment property amounting to $59,078,000 (31 March 2023: $nil) has been pledged to banks for banking facilities.

11) Investment securities

	GROUP		COMPANY	
	30 Sep 2023 $'000	**31 Mar 2023 $'000**	**30 Sep 2023 $'000**	**31 Mar 2023 $'000**
Financial assets, at FVOCI	**26,601**	28,144	**26,601**	28,144
Non-current	**26,601**	28,144	**26,601**	28,144

This is related to equity interest in a company that holds a mixed-used property project located in Tongzhou District, Beijing, The People's Republic of China. The fair value of the financial assets, at FVOCI is determined using an asset-based valuation model taking into consideration the fair value of the underlying properties being developed. The fair value of the underlying property as at 30 September 2023 is based on a valuation performed by an independent professional property valuer. Translating the asset based valuation into the functional currency of the Group, a fair value loss of $1,543,000 (For the financial year ended 31 March 2023: fair value loss of $3,517,000) has been recognised in other comprehensive income during the financial period ended 30 September 2023.

Details of the significant valuation techniques and key inputs used in the determination of fair value categorised under Level 3 of the fair value hierarchy are as follows:

Description	**Valuation technique**	**Unobservable inputs**	**Range of unobservable inputs**	**Relationship of unobservable inputs to fair value**
Financial assets, at FVOCI	Income capitalisation approach and asset-based valuation	Capitalisation rate	4% - 7% (2023: 4% - 7%)	The higher the capitalisation rate, the lower the fair value.
		Discount for lack of control	20% (2023: 20%)	The higher the discount for lack of control, the lower the fair value.

12) Borrowings

	GROUP	
	30 Sep 2023 $'000	**31 Mar 2023 $'000**
Amount repayable within one year or less, or on demand		
Unsecured	**629**	623
Amount repayable after one year		
Unsecured	**750**	1,066
Secured	**39,030**	-
	39,780	1,066

As at 30 September 2023, total borrowings of $39,030,000 (31 March 2023: $nil) are secured by investment property of the Group.

13) Share capital and treasury shares

	No. of ordinary shares		Amount	
	Issued share capital '000	Treasury shares '000	Share capital $'000	Treasury shares $'000
GROUP and COMPANY				
30 Sep 2023				
Beginning and end of financial year	**320,000**	**(6,739)**	**15,000**	**(5,495)**
31 Mar 2023				
Beginning and end of financial year	320,000	(6,739)	15,000	(5,495)

All issued ordinary shares are fully paid-up. There is no par value for these ordinary shares. Fully paid-up ordinary shares carry one vote per share and carry a right to dividends as and when declared by the Company.

During the 6 months period ended 30 September 2023, there was no change to the issued and paid-up capital of the Company (excluding treasury shares) of 313,260,631 (31 March 2023: 313,260,631) ordinary shares. As at 30 September 2023, there were a total of 6,739,369 (31 March 2023: 6,739,369) treasury shares.

14) Dividends

	GROUP 6 months ended	
	30 Sep 2023 $'000	30 Sep 2022 $'000
Ordinary dividends paid		
Dividends paid in respect of the previous financial year of 0.7 cents (2023: 0.2 cents) per share	**2,193**	627
Special dividends paid		
Dividends paid in respect of the previous financial year of 0.7 cents (2023: 0.8 cents) per share	**2,193**	2,506
	4,386	3,133

15) Earnings per share

a) Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial year.

	GROUP 6 months ended	
	30 Sep 2023	**30 Sep 2022**
Profit attributable to equity holders of the Company ($'000)	**6,997**	7,666
Weighted average number of ordinary shares outstanding for basic earnings per share ('000)	**313,261**	313,261
Basic earnings per share (cents per share)	**2.2**	2.4

b) Diluted earnings per share

For the purpose of calculating the diluted earnings per share, profit attributable to equity holders of the Company and the weighted average number of ordinary shares outstanding are adjusted for the effects of all potential dilutive ordinary shares.

There are no dilutive potential ordinary shares outstanding as at the reporting dates. Accordingly, diluted earnings per share is the same as basic earnings per share.

16) Net Asset Value

	GROUP		COMPANY	
	30 Sep 2023	**31 Mar 2023**	**30 Sep 2023**	**31 Mar 2023**
Net asset value per ordinary share based on issued shares (excluding treasury shares) as at the end of the period reported on ($)	**1.284**	1.280	**1.287**	1.293
Number of issued shares (excluding treasury shares) as at the end of the period reported on	**313,260,631**	313,260,631	**313,260,631**	313,260,631

17) Financial risk management

a) Fair value measurements

The table below presents the assets and liabilities recognised and measured at fair value and classified by level of the following fair value measurement hierarchy:

i) Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
ii) Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2); and
iii) Inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
GROUP				
30 Sep 2023				
Assets				
Investment securities	**-**	**-**	**26,601**	**26,601**
31 Mar 2023				
Assets				
Investment securities	-	-	28,144	28,144

	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
COMPANY				
30 Sep 2023				
Assets				
Investment securities	**-**	**-**	**26,601**	**26,601**
31 Mar 2023				
Assets				
Investment securities	-	-	28,144	28,144

Valuation techniques and inputs disclosed in Note 11.

17) Financial risk management (cont'd)

a) Fair value measurements (cont'd)

The following table presents the changes in Level 3 instruments:

	Financial assets, at FVPL $'000	Financial assets, at FVOCI $'000
Balance at 1 April 2023	**-**	**28,144**
Fair value loss recognised in other comprehensive income within "fair value loss"	**-**	**(1,543)**
Balance at 30 September 2023	**-**	**26,601**
Balance at 1 April 2022	62,277	31,661
Fair value gain recognised in profit or loss within "other gains-net"	1,549	-
Disposals	(63,826)	-
Balance at 30 September 2022	-	31,661

Financial assets, at FVPL

In August 2021, the Group, together with two non-related parties, acquired $110,000,000 of notes issued by SC Aetas (Cayman) Limited ("SCA"). The Group paid $58,500,000 comprising 50% of the principal and interest outstanding on the notes, which were already in default on the acquisition date.

The notes are secured by the assignment of SCA's bank accounts and shareholder loan receivables, a charge over the shares ("Share Charge") in SC Aetas Holdings Pte Ltd, a subsidiary of SCA, ("Singapore Subsidiary"), and a personal guarantee from a shareholder of SCA.

In September 2021, the Group commenced the process of enforcing the Share Charge. The Singapore Subsidiary, which owns a mixed development property, was placed under creditors' voluntary liquidation and the liquidators initiated the sale of the property as part of the creditors' voluntary winding up.

On 24 June 2022, the Group's 50%-owned joint venture, Bideford House Pte Ltd, entered into an agreement to purchase the property from the Singapore Subsidiary at a consideration of $515,000,100. The consideration was funded by Bideford House Pte Ltd via external bank financing as well as shareholders' loan.

As agreed with the Singapore Subsidiary, $60,000,000 of the notes held by the Group was set-off against the Group's share of the consideration, with the remaining $3,826,000 receivable from SCA in cash as at 30 September 2022.

18) Related party transactions

In addition to the information disclosed elsewhere in the interim condensed financial statements, the following transactions took place between the Group and related parties at terms agreed between the parties:

a) Sales and purchases of goods and services

	GROUP 6 months ended 30 Sep 2023	GROUP 6 months ended 30 Sep 2022
Office expense to a fellow subsidiary (includes shared expenses such as IT, utilities and common area usage)	**(36)**	(23)
Office expense to an associate	**(42)**	(20)
Lease payment to a joint venture	**-**	(2)
Lease payment to an associate	**(249)**	(254)
Project and development management fees from joint ventures*	**17**	-
Construction contract revenue from joint ventures*	**-**	81
Assets, property, lease management and performance fees from joint ventures	**1,132**	1,203
Assets, acquisition, and property management fees from an associate	**2,249**	1,615
Interest income from:		
- Associates	**3,266**	2,575
- Joint venture	**51**	-

* Transaction values disclosed are after elimination of the Group's share in the transaction.

19) Subsequent events

There are no known subsequent events which have led to adjustments to this set of interim financial statements.

G) OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2

For the six months financial period ended 30 September 2023

1) Review

The condensed statements of financial position of Boustead Projects Limited and its subsidiaries as at 30 September 2023 and the related condensed consolidated profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the six months financial period ended 30 September 2023 have been reviewed by our auditors, PricewaterhouseCoopers LLP, in accordance with the Singapore Standard on Review Engagements 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. Please refer to the auditor's report attached as Appendix A.

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

For the first half-year ended 30 September 2023 ("1H FY2024"), overall revenue was 45% higher year-on-year at $170.2 million, mainly attributable to higher revenue contributions from the Engineering & Construction ("E&C") Business, in line with a higher order backlog of E&C projects carried forward at the end of FY2023. However, this was partially offset by lower revenue contributions from the Real Estate Business due to lower rental income following the sale of a subsidiary (holding Boustead Industrial Park) to a joint venture in Vietnam during 2H FY2023. Total profit for 1H FY2024 was 9% lower year-on-year at $7.0 million, mainly attributable to share of loss of associates and joint ventures, other losses and higher overhead expenses, partially offset by higher gross profit and interest income.

Segment Revenue (Section A; Section F, Note 4.1a)

	Revenue		Favourable/ (Unfavourable)
	6 months ended		
Segment	**1H FY2024**	**1H FY2023**	**Change**
	$'m	**$'m**	**%**
E&C	**165.2**	109.1	+51
Real Estate	**5.0**	8.6	-42
BP Group Total	**170.2**	117.7	+45

Note: Any differences in summation are due to rounding differences.

E&C revenue for 1H FY2024 was 51% higher year-on-year at $165.2 million, mainly due to higher revenue recognition from the order backlog of E&C projects carried forward at the end of FY2023, as mentioned earlier.

Real Estate revenue for 1H FY2024 was 42% lower year-on-year at $5.0 million, mainly due to the absence of rental income from real estate activities in Vietnam, as mentioned earlier.

Group Profitability (Section A; Section F, Note 4.1a)

A breakdown of profit before income tax ("PBT") by business segment is provided as follows.

	PBT		Favourable/ (Unfavourable)
	6 months ended		
Segment	**1H FY2024**	**1H FY2023**	**Change**
	$'m	**$'m**	**%**
E&C	**11.7**	2.5	+367
Real Estate	**(2.7)**	6.6	NM
Investment	**1.6**	1.5	+9
BP Group Total	**10.6**	10.6	0

Note: Any differences in summation are due to rounding differences.
NM – not meaningful

The BP Group's overall gross profit for 1H FY2024 (Section A) was 85% higher year-on-year at $20.7 million, mainly attributable to higher revenue, variations from ongoing projects as well as cost savings achieved.

E&C PBT was 367% higher year-on-year at $11.7 million, mainly due to higher revenue recognition, as mentioned earlier. Real Estate loss before income tax was $2.7 million, mainly due to increased share of loss of associates and joint ventures arising from higher interest expense on borrowings, higher operating expenses incurred prior to and during the opening phase of the mixed development at 28 & 30 Bideford Road (COMO Orchard) where income will take time to reach a stabilised state, along with the additional depreciation expense from this asset.

Interest income for 1H FY2024 (Section F, Note 5) was 46% higher year-on-year at $6.4 million, mainly due to higher interest income derived from short-term bank deposits at higher bank interest rates and higher interest income derived from holdings of additional notes issued by Boustead Industrial Fund ("BIF"), following the completion of acquisition of 26 Tai Seng Street in April 2023.

Other losses for 1H FY2024 (Section F, Note 6) were $0.3 million, a reversal from other gains for 1H FY2023 which were significantly boosted by the fair value gain on purchased mezzanine debt.

Total overhead expenses for 1H FY2024 (Section A) were 33% higher year-on-year at $9.5 million (selling and distribution expenses of $1.4 million and administrative expenses of $8.1 million), mainly due to higher collaboration costs in Malaysia and higher employee compensation.

Finance expenses for 1H FY2024 (Section F, Note 8) were 52% lower year-on-year at $0.4 million, due to a reduction of interest expenses on borrowings and lease liabilities, following the sale of Boustead Industrial Park to a joint venture in Vietnam.

Share of loss of associates and joint ventures for 1H FY2024 (Section A) was at $6.2 million, mainly due to higher interest expense on borrowings, higher operating expenses incurred prior to and during the opening phase of mixed development at 28 & 30 Bideford Road (COMO Orchard) where income will take time to reach a stabilised state, along with the additional depreciation expense of this asset, as mentioned earlier.

PBT for 1H FY2024 (Section F, Note 7) is similar to 1H FY2023 at $10.6 million. There were higher gross profit from the E&C Business and interest income and lower finance expenses, offset by share of loss of associates and joint ventures and other losses, and higher overhead expenses.

Income tax expense for 1H FY2024 (Section F, Note 9) was 22% higher year-on-year at $3.6 million, in line with the increase in PBT excluding the share of results of associates and joint ventures.

Both total profit and profit attributable to equity holders of the Company ("net profit") for 1H FY2024 were 9% lower year-on-year at $7.0 million, for reasons explained earlier.

Statement of Cash Flows (Section E)

During 1H FY2024, cash and cash equivalents (after taking into account the effects of currency translation) increased by $77.1 million to $254.8 million, due to net cash provided by operating and financing activities, partially offset by net cash used in investing activities.

Net cash provided by operating activities for 1H FY2024 amounted to $65.0 million, supported by operating cash flow before changes in working capital of $12.2 million, a positive change in working capital of $51.2 million, net interest received of $2.8 million and income tax paid of $1.1 million.

Net cash used in investing activities for 1H FY2024 amounted to $20.2 million, mainly due to investments in a joint venture and redevelopment of 36 Tuas Road, partially offset by proceeds from disposal of a subsidiary, dividends and interest received from BIF and other associates and joint ventures, and repayment of a loan from a related party.

Net cash provided by financing activities for 1H FY2024 amounted to $33.3 million, mainly due to drawdown of bank loan to finance the redevelopment of 36 Tuas Road, partially offset by dividends paid to equity holders of the Company, and principal and interest payments of lease liabilities.

Balance Sheets (Section C)

At the end of 1H FY2024, the BP Group's financial position remained healthy, with cash and cash equivalents of $254.8 million and total equity of $402.2 million.

Under assets, cash and cash equivalents increased to $254.8 million as explained earlier under the commentary for Statement of Cash Flows. Total trade receivables (both current and non-current) decreased to $106.3 million, mainly due to the collections of progress billings made to clients since the end of FY2023. Other receivables and prepayments (both current and non-current) decreased to $107.8 million, mainly due to receipt of partial consideration from the disposal of a subsidiary to a joint venture in Vietnam.

Under non-current assets, investment properties increased to $70.6 million, mainly due to redevelopment of 36 Tuas Road.

Under liabilities, total trade and other payables (both current and non-current) decreased to $192.5 million, mainly attributable to partial payment for investment in a joint venture in Vietnam, partially offset by increased projects cost accruals under the E&C Business. Borrowings (both current and non-current) increased to $40.4 million, due to drawdown of a bank loan to finance the redevelopment of 36 Tuas Road.

The BP Group's net asset value per share (Section F, Note 16) rose slightly to $1.284, while the net cash position (cash and cash equivalents less total borrowings) increased to $214.4 million.

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

None.

4) **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 BP Group's current order backlog (unrecognised project revenue remaining at the end of 1H FY2024 plus the total value of new orders secured since then) stands at $281 million (compared to an order backlog of $452 million as announced in the 1H FY2023 financial results announcement). This includes a variation order for the record design-and-build contract for an integrated manufacturing, logistics and office facility in Singapore.

During 1H FY2024, the BP Group fully progressed into the post-pandemic phase, with further normalisation of project management and construction management activities and having completed all projects that had been secured pre-pandemic. Nonetheless, the E&C Business expects to face continued challenges including occasional volatility in raw material prices and a shortage of skilled labour, compounded by the current complex geopolitical landscape and business environment. The slowing global demand has also resulted in increased project cycles and longer conversion timeline for the BP Group's pipeline of opportunities. In the midst of challenging competition to the E&C Business, the BP Group will continue with its strategy of selectively building its order backlog in high value-added sectors where it has the expertise and familiarity to mitigate longer term challenges, supported by the use of construction and real estate technology (ConTech and PropTech) that will help to sharpen its competitive advantage and enhance risk management.

Under the Real Estate Business, notwithstanding the announced financial results of the business, progress was made on several fronts in growing fund management capabilities and building recurring income streams. During 1H FY2024, the BP Group announced the long-awaited redevelopment of 36 Tuas Road with two other leading real estate players, a move which will see the property become a modern five-floor multi-tenanted logistics hub that will cater to the needs of market-leading logistics players in the region. COMO Orchard also opened its doors at joint venture property 28 & 30 Bideford Road, featuring COMO Metropolitan Singapore and other highly anticipated multi-label fashion, lifestyle and F&B offerings. Going forward, the asset stabilisation of COMO Orchard will be a priority. Aligned with its commitment to sustainability, the BP Group also successfully secured a green loan of $70 million from UOB – its second green loan thus far – to refinance joint venture property, Razer SEA HQ in Singapore.

Moving forward, the BP Group will continue to explore various value creation opportunities in a cautious and prudent approach in order to generate long-term sustainable growth. With a relatively healthy order backlog and steady financial position, the BP Group expects to deliver a firm performance in FY2024, barring any unforeseen circumstances or disruptions.

5) **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?

No.

c) **Date payable**

Not applicable.

d) **Record and payment date**

Not applicable.

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

No dividend has been declared/recommended for this period, as it is not a practice for the Company to declare interim dividends.

7) 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.

8) Disclosures on acquisition and realisation of shares pursuant to Rule 706A

Not applicable. The Company did not acquire and dispose shares in any companies during 1H FY2024.

9) Confirmation of undertakings from Directors and Executive Officers

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

10) Confirmation by the Board

We, John Lim Kok Min and Wong Yu Wei, being two of the directors of Boustead Projects 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 1H FY2024 financial results to be false or misleading in any material aspect.

11) The Singapore Code on Take-overs and Mergers

In an announcement made on 17 October 2023 (**"Update Announcement"**), Boustead Singapore Limited (**"BSL"**) announced that it was in the midst of discussions with the Company regarding the proposal for an exit offer, and that it intended to comply with the directives of the Singapore Exchange Regulation Pte. Ltd. (**"SGX RegCo"**) in the notice of compliance issued by SGD RegCo on 26 September 2023. BSL also announced that as the Update Announcement raised the possibility that an offer might be made for all the issued share capital of the Company (excluding treasury shares and other than the shares held by BSL) (**"Offer Shares"**), the Securities Industry Council (**"SIC"**) has required BSL to clarify its intention by the 28th day from the date of the Update Announcement by either: (i) announcing a firm intention to make an offer for the Offer Shares in accordance with Rule 3.5 of the Singapore Code on Take-overs and Mergers (the **"Code"**), or (ii) announcing that it does not intend to make an offer for the Offer Shares, in which case the Update Announcement would be treated as a statement to which Rule 33.1(c) of the Code applies. Under the Code, the offer period has commenced from the date of the Update Announcement.

In accordance with Rule 25 of the Code, please find attached:

(a) Appendix A - Report on Review of Condensed Interim Financial Statements of Boustead Projects Limited and its Subsidiaries; and

(b) Appendix B - Report from the Independent Financial Adviser in respect of the Unaudited Condensed Interim Consolidated Financial Statements of Boustead Projects Limited and its subsidiaries for the six-month period ended 30 September 2023.

On behalf of the Board of Directors

John Lim Kok Min Chairman	Wong Yu Wei Executive Deputy Chairman

By Order of the Board

Tay Chee Wah
Company Secretary
14 November 2023

pwc

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

Attention: The Board of Directors

14 November 2023

Our ref: ASR GA1 /1719748-A040 (871297) / TSO / GN (10)
(When Replying Please Quote Our Reference)

REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS OF BOUSTEAD PROJECTS LIMITED AND ITS SUBSIDIARIES

Dear Sirs

Introduction
We have reviewed the accompanying condensed interim statement of financial position of Boustead Projects Limited ("the Company") and its subsidiaries ("the Group") and condensed interim statement of financial position of the Company as at 30 September 2023 and the related condensed consolidated interim income statement, statement of comprehensive income, changes in equity and cash flows for the 6-month period then ended for the Group, and condensed interim changes in equity for the 6-month period then ended for the Company, and notes, comprising significant accounting policies and other explanatory notes. Management is responsible for the preparation and presentation of this condensed interim financial statements in accordance with Singapore Financial Reporting Standard (International) 1-34 *Interim Financial Reporting*. Our responsibility is to express a conclusion on this condensed interim financial statements based on our review.

Scope of Review
We conducted our review in accordance with Singapore Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Singapore Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

PricewaterhouseCoopers LLP, 7 Straits View, Marina One East Tower Level 12, Singapore 018936
T: (65) 6236 3388, F: -, www.pwc.com/sg GST No.: M90362193L Reg. No.: T09LL0001D

Conclusion
Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements is not prepared, in all material respects, in accordance with Singapore Financial Reporting Standard (International) 1-34 *Interim Financial Reporting*.

Restriction on Distribution and Use
Our report is provided solely to assist the Company to meet the requirements of paragraph 3 of Appendix 7.2 of the Listing Manual of the Singapore Exchange Securities Trading Limited and for the purpose of complying with Rule 25 of the Singapore Code on Take-overs and Mergers and is not to be used for any other purpose. We do not accept or assume liability or responsibility to anyone other than the Company for our work or this report.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants
Singapore, 14 November 2023

PricewaterhouseCoopers LLP, 7 Straits View, Marina One East Tower Level 12, Singapore 018936
T: (65) 6236 3388, F: -, www.pwc.com/sg GST No.: M90362193L Reg. No.: T09LL0001D

14 November 2023

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

Dear Sirs,

REPORT FROM THE INDEPENDENT FINANCIAL ADVISER IN RESPECT OF THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS OF BOUSTEAD PROJECTS LIMITED (THE "COMPANY") AND ITS SUBSIDIARIES (COLLECTIVELY, THE "GROUP") FOR THE SIX-MONTH PERIOD ENDED 30 SEPTEMBER 2023 ("1H FY2024") ("1H FY2024 RESULTS")

By way of background, on 6 February 2023, Boustead Singapore Limited ("**BSL**") had launched a voluntary unconditional cash offer (the "**Previous Offer**") for all the issued and paid-up ordinary shares (excluding treasury shares) (the "**Shares**") in the capital of the Company, other than those Shares already owned, controlled or agreed to be acquired by BSL, its related corporations and their respective nominees and parties acting in concert with it as at the date of the Previous Offer in accordance with Rule 15 of the Singapore Code on Take-overs and Mergers (the "**Code**"). As at the close of the Previous Offer, BSL announced that the total number of (i) Shares owned, controlled or agreed to be acquired by BSL and parties acting in concert with it, and (ii) valid acceptances of the Previous Offer, amounted to an aggregate of 299,158,020 Shares, representing approximately 95.50% of the total number of Shares.

Accordingly, as at the close of the Previous Offer, the Company had ceased to meet the free float requirements under Rule 723 of the listing manual of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") (the "**Listing Manual**"), and the SGX-ST suspended the trading of the Shares of the Company with effect from 9.00 am on 28 March 2023.

On 26 September 2023, the Company and BSL each received a notice of compliance ("**NOC**") from Singapore Exchange Regulation Pte. Ltd. ("**SGX RegCo**") setting out the following directives:

(a) the Company to be delisted pursuant to Rule 724(2) of the Listing Manual if its free float is not restored to at least 10% on or before 26 September 2023; and

(b) pursuant to Rule 1306 of the Listing Manual, BSL and/or the Company to make an exit offer to the Company's shareholders, in compliance with Rule 1309 of the Listing Manual ("**Exit Offer**"). In particular, the Exit Offer must be fair and reasonable, and include a cash alternative as the default alternative. The independent financial adviser ("**IFA**") must opine that the Exit Offer is fair and reasonable.

On 17 October 2023, BSL had announced that (i) BSL was in the midst of discussions with the Company regarding the Exit Offer proposal; and (ii) BSL intended to comply with SGX RegCo's directives in the NOC ("**Update Announcement**"). BSL also announced that as the Update Announcement raised the possibility that an offer might be made for the Shares (other than those already owned, controlled or agreed to be acquired by BSL as at the date of the Exit Offer), the offer period has commenced from the date of the Update Announcement (being 17 October 2023) in accordance with the Code.

PrimePartners Corporate Finance Pte. Ltd. *(Co Regn No: 200207389D)*
16 Collyer Quay #10-00 Collyer Quay Centre Singapore 049318 Tel: (65) 6229 8088 Fax: (65) 6229 8089

This letter is prepared pursuant to Rule 25 of the Code and is appended to the Company's announcement dated 14 November 2023 in relation to the 1H FY2024 Results.

We have given and have not withdrawn our consent to the release of the 1H FY2024 Results with the inclusion therein of our name and this letter.

For the purpose of this letter, we have examined the 1H FY2024 Results and have discussed the same with the directors and management of the Company who are responsible for its preparation. We have also considered the report issued by PricewaterhouseCoopers LLP to the Company, being the Company's independent auditors, dated 14 November 2023 on their review of the 1H FY2024 Results. We have relied on and assumed the accuracy and completeness of all information provided to us by the Company. We have not assumed any responsibility for independently verifying such information or undertaken any independent evaluation or appraisal of any of the assets or liabilities of the Group. The Company's Board of Directors (the "**Board**") remain solely responsible for the 1H FY2024 Results. Save as provided in this letter, we do not express any other opinions or views on the 1H FY2024 Results.

Based on the above, we are of the opinion that the 1H FY2024 Results have been prepared by the Company after due and careful enquiry.

This letter is provided to the Board solely for the purpose of complying with Rule 25 of the Code and not for any other purpose. We do not accept any responsibility to any person(s), other than the Board in respect of, arising out of, or in connection with this letter.

Yours sincerely
For and on behalf of
PrimePartners Corporate Finance Pte. Ltd.

Mark Liew
Chief Executive Officer and Executive Director

Annex E

LIST OF SUBJECT PROPERTIES

Section 1 – List of Properties Owned by the Company

Address	Country
31 Tuas South Ave 10	Singapore
36 Tuas Road	Singapore
No. 3, No. 7 and No. 8 Xin Mei Road Plot 117, Wuxi New District Wuxi Jiangsu	China

Section 2 – List of Properties Owned by Joint Venture Companies

Address	Country
29 Media Circle Alice @ Mediapolis	Singapore
11 Seletar Aerospace Link	Singapore
84 Boon Keng Road	Singapore
98 Tuas Bay Drive	Singapore
8 & 12 Seletar Aerospace Heights	Singapore
1 One-north Crescent	Singapore
6 Tampines Industrial Avenue 5	Singapore
10 Tukang Innovation Drive	Singapore
28 & 30 Bideford Road	Singapore
Tam Phuoc B Industrial Park	Vietnam
Nhon Trach Textile Industrial Park	Vietnam
Nhon Trach Textile 3A Industrial Park	Vietnam
Nhon Trach Textile 3B Industrial Park	Vietnam
Yen Phuong 1 Industrial Park	Vietnam
Yen Phuong 2 Industrial Park	Vietnam
Yen Phuong 2C Industrial Park	Vietnam
Road No. 3, Nhon Trach II Industrial Park - Nhon Phu, Phu Hoi Commune, Nhon Trach District, Dong Nai Province	Vietnam

Section 3 – List of Properties Owned by the Boustead Industrial Fund

Address	Country
10 Seletar Aerospace Heights	Singapore
10 Changi North Way	Singapore
12 Changi North Way	Singapore
16 Changi North Way	Singapore
16 Tampines Industrial Crescent	Singapore
20-23 Rochester Park	Singapore
26 Changi North Rise	Singapore
82 Ubi Avenue 4	Singapore
85 Tuas South Avenue 1	Singapore
80 Boon Keng Road – Phase 1	Singapore
80 Boon Keng Road – Phase 2	Singapore
351 on Braddell	Singapore
26 Tai Seng Street	Singapore

Section 4 – List of Properties Owned by Other Associates and Held through Investment Securities

Address	Country
Mukim of Pulai, District of Johor Bahru, Johor (IBP Nusajaya, Kawasan Perindustrian SILC, Iskandar Puteri, Johor)	Malaysia
Plots 13, 14-1 & 14-2 West Bank of Core Tongzhou Grand Canal Zone, Tongzhou District, Beijing	China

Annex F

VALUATION REPORTS

TEHO PROPERTY CONSULTANTS PTE LTD
1 COMMONWEALTH LANE #09-23 ONE COMMONWEALTH SINGAPORE 149544
T 65 6744 8777 F 65 6472 5874
W WWW.TEHOPROPERTY.COM.SG E VALUATION@TEHOPROPERTY.COM.SG

BUSINESS REG. NO. 201019970H

TEHO

VALUATION CERTIFICATE

Our Ref	:	23/CORP/DT2085/CK/LV
Property	:	31 Tuas South Avenue 10 Singapore 637015
Valuation Prepared for	:	Boustead Projects Limited
Purpose	:	To determine the market value of the subject property for privatisation purposes
Legal Description	:	MK7 – 4806V
Tenure	:	Leasehold 30 years commencing from 16/12/2013
Land Area	:	15,000 sq m (Approximately 161,459 sq ft) *(according to Title)*
Gross Floor Area	:	Approximately 10,530.87 sq m (113,353 sq ft), *subject to survey (according to floor plans provided by your good self)*
Master Plan 2019	:	Business 2 with plot ratio of 1.4
Brief Description	:	The subject property is a part single-storey / part 2-storey single-user JTC factory. The building is constructed of reinforced concrete frame with brick in-fill / metal cladding walls, reinforced concrete floors and metal / RC flat roofs, with appropriate water proofing and insulation.
Age	:	Circa 2010's
Valuation Approaches	:	Discounted Cash Flow Analysis, Capitalisation of Income Approach and Market Comparison Method • Gross Rental : S$1.50 psf/month • Rental Escalation Rate : 2.0% • Discount Rate : 8.0% • Terminal Yield : 7.0%
Date of Valuation	:	25 October 2023
Market Value	:	S$20,200,000/- (Singapore Dollars Twenty Million and Two Hundred Thousand Only)
Fire Insurance Value	:	S$19,000,000/- (Singapore Dollars Nineteen Million Only)

Assumptions, Disclaimers, Limitations & Qualifications

This valuation certificate is provided subject to the assumptions, qualifications, limitations and disclaimers detailed in the full valuation report and the limiting conditions. This valuation is for the use only of the party to whom it is addressed and for no other purpose. No responsibility is accepted to any third party who may use or rely on the whole or any part of the content of this valuation. The valuer is independent and has no pecuniary interest that would conflict with the proper valuation of the property.

Prepared By:

Richard Tay	**Tran Le Van**
Senior Director, Valuation & Consultancy	Senior Manager, Valuation
BRE (Valuation), FSISV	B Sc (Real Estate), MSISV
(Licence No. AD041-2009476K)	(Licence No. AD041-2010023V)

LIMITING CONDITIONS

This valuation report has been prepared subject to the following limiting conditions:-

1. This valuation report is restricted to the use of our client or person(s) to whom this valuation report is specifically addressed to and for the specific purpose stated therein and to be used within a reasonable time. We disclaim any liability should it be used by other person(s) or for any other purpose(s) or beyond a reasonable time.

2. Neither the whole or any part of this valuation report or any reference to it may be included in any document, circular or statement or be published in any way without our prior written consent to the form and context in which it may appear. We shall bear no responsibility for any unauthorized inclusion or publication.

3. Where it is stated in the Report that information has been supplied to the Valuer by another party or obtained by the Valuer from any enquiries, searches or investigations made from any government or statutory bodies, this information is believed to be reliable. The Valuer accepts no responsibility if this should prove not to be so.

4. Unless otherwise instructed, we do not normally carry out requisitions with the various public authorities to confirm that the property is not adversely affected by any public schemes. No requisition on road or drainage proposals has been made.

5. Unless expressly instructed, we do not carry out structural survey, nor do we test the building services. We will not be able to report that the building is free from rot, infestations or other hidden defects.

6. Our valuation assumes that as at the date of valuation, the property is free and clear of all mortgages, encumbrances and other outstanding premiums, charges and liabilities.

7. The title to the property is presumed to be good and marketable and, unless mentioned in this report, be free from any encumbrances, restrictions and other legal impediments. We accept no responsibility for investigations into title, searches and requisitions and other such legal matters.

8. Any sketch, plan or map in this report is for identification purposes only and should not be treated as certified copies of areas or other particulars contained therein.

9. The report was prepared on the basis that we are not required to give testimony or appear in court or any other tribunal or to any government agency by reason of this valuation report or with reference to the property in question unless prior arrangements have been made and we be properly reimbursed.

TEHO PROPERTY CONSULTANTS PTE LTD
1 COMMONWEALTH LANE #09-23 ONE COMMONWEALTH SINGAPORE 149544
T 65 6744 8777 F 65 6472 5874
W WWW.TEHOPROPERTY.COM.SG E VALUATION@TEHOPROPERTY.COM.SG

BUSINESS REG. NO. 201019970H

TEHO

VALUATION CERTIFICATE

Our Ref	:	23/CORP/DT2086/CK/LV
Property	:	36 Tuas Road Singapore 638505
Valuation Prepared for	:	Boustead Projects Limited
Purpose	:	To determine the land value and gross development value (GDV) of the subject property for privatisation purposes
Legal Description	:	MK7 – 2772C
Tenure	:	Leasehold 30 +30 years commencing from 16 May 1995
Land Area	:	29,893.1 sq m (321,766 sq ft) *(based on Title)*
Gross Floor Area	:	Approximately 59,786 sq m (643,531 sq ft), *subject to survey (according to information provided by your good self)*
Master Plan 2019	:	Business 2 with plot ratio of 2.0
Brief Description	:	The subject property will be a 5-storey multi-tenant ramp-up warehouse development with mezzanine and rooftop trailer parking.
Total Development Costs	:	In the region of S$150,000,000-S$170,000,000
Target Ground Break	:	2nd Quarter 2023
Construction Period	:	24 months
Valuation Approaches	:	Market Comparison Method and Residual Method
Date of Valuation	:	25 October 2023
Land Value	:	S$35,800,000/- (Singapore Dollars Thirty-Five Million and Eight Hundred Thousand Only)
Gross Development Value	:	S$220,000,000/- (Singapore Dollars Two Hundred and Twenty Million Only)

Assumptions, Disclaimers, Limitations & Qualifications

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Prepared By:

Richard Tay Senior Director, Valuation & Consultancy BRE (Valuation), FSISV (Licence No. AD041-2009476K)	**Tran Le Van** Senior Manager, Valuation B Sc (Real Estate), MSISV (Licence No. AD041-2010023V)

LIMITING CONDITIONS

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2. Neither the whole or any part of this valuation report or any reference to it may be included in any document, circular or statement or be published in any way without our prior written consent to the form and context in which it may appear. We shall bear no responsibility for any unauthorized inclusion or publication.

3. Where it is stated in the Report that information has been supplied to the Valuer by another party or obtained by the Valuer from any enquiries, searches or investigations made from any government or statutory bodies, this information is believed to be reliable. The Valuer accepts no responsibility if this should prove not to be so.

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5. Unless expressly instructed, we do not carry out structural survey, nor do we test the building services. We will not be able to report that the building is free from rot, infestations or other hidden defects.

6. Our valuation assumes that as at the date of valuation, the property is free and clear of all mortgages, encumbrances and other outstanding premiums, charges and liabilities.

7. The title to the property is presumed to be good and marketable and, unless mentioned in this report, be free from any encumbrances, restrictions and other legal impediments. We accept no responsibility for investigations into title, searches and requisitions and other such legal matters.

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9. The report was prepared on the basis that we are not required to give testimony or appear in court or any other tribunal or to any government agency by reason of this valuation report or with reference to the property in question unless prior arrangements have been made and we be properly reimbursed.

房 产 估 价 咨 询 报 告

估价项目名称：无锡市新吴区开发区 117 号地块无锡宝德工业开发有限公司所属工交仓储用途房产现值、重建成本价值评估

估价委托人：无锡宝德工业开发有限公司

房地产估价机构：江苏铭诚土地房地产评估测绘工程咨询有限公司

注册房地产估价师：王立平　3220120036　　王永宣　3220140084

估价报告出具日期：2023 年 10 月 20 日

估价报告编号：铭诚评报[2023]（锡）（房）字第 2423 号

致估价委托人函

无锡宝德工业开发有限公司：

承蒙所托，本公司秉着独立、客观、公正、合法、谨慎的原则，对位于无锡市新吴区开发区117号地块贵公司所属总建筑面积为13014.21m² 工交仓储用途房产进行评估，价值时点为2023年10月20日，估价目的为估价委托人确定房产现值、重建成本价值提供参考依据而评估房产价值。

本公司经过实地勘查和市场调查，根据估价目的，遵循估价原则，采用科学合理的估价方法，按照《房地产估价规范》及相关法律、法规和规定，结合估价师经验对影响房地产市场价值的因素进行分析和测算，①采用成本法对估价对象进行测算后确定估价对象在满足本次估价假设和限制条件下的房产市场价值为1829.24万元，大写人民币**壹仟捌佰贰拾玖万贰仟肆佰元整**;②采用收益法对估价对象进行测算后确定估价对象在满足本次估价假设和限制条件下的房产市场价值为2974.77万元，大写人民币**贰仟玖佰柒拾肆万柒仟柒佰元整**;③采用比较法对估价对象进行测算后确定估价对象在满足本次估价假设和限制条件下的房产市场价值为3107.15万元，大写人民币**叁仟壹佰零柒万壹仟伍佰元整**; ④采用成本法对估价对象进行测算后确定估价对象的重建成本价值为2122.80万元，大写人民币**贰仟壹佰贰拾贰万捌仟元整**。

特别提示：欲了解本评估项目的全面情况，请详细阅读“估价结果报告”全文。

江苏铭诚土地房地产评估测绘工程咨询有限公司

法定代表人：王立

资质证书：苏建房估备（壹）无锡00028

致函日期：2023年10月20日

估价结果一览表

A、成本法测算估价对象的市场价值:

序号	房屋坐落	房屋所有权证编号	总层数	建筑面积（m^2）	评估总价（万元）
1	开发区117号地块	锡房权证新字第65030525号	3	2813.22	372.26
2			1	924.26	122.30
3	开发区117号地块7号厂房	锡房权证新字第65010464号	2	6038.31	917.43
4	开发区117号地块18号厂房	锡房权证新字第65010466号	2	3238.42	417.25
合计				13014.21	1829.24

B、收益法测算估价对象的市场价值：2974.77万元

C、比较法测算估价对象的市场价值：3107.15万元

D、成本法测算估价对象的重建成本价值:

序号	房屋坐落	房屋所有权证编号	总层数	建筑面积（m^2）	评估总价（万元）
1	开发区117号地块	锡房权证新字第65030525号	3	2813.22	432.00
2			1	924.26	141.93
3	开发区117号地块7号厂房	锡房权证新字第65010464号	2	6038.31	1064.66
4	开发区117号地块18号厂房	锡房权证新字第65010466号	2	3238.42	484.21
合计				13014.21	2122.80

Your Ref : -
Our Ref : KH:CHH:rp:231586

Valuation (Land & Building)

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

Attention: Mr Lee Yong Kian

October 20, 2023

Dear Mr Lee,

VALUATION OF ALICE @ MEDIAPOLIS 29 MEDIA CIRCLE SINGAPORE 138565
(the "Property")

We refer to instructions issued by Boustead Projects Limited (the "Client") to determine the market value of the Property as at October 20, 2023 ("date of valuation") for part of the privatization of Boustead Projects Limited purposes.

We confirm that we have inspected the Property and conducted relevant enquiries and investigations as we considered necessary for the purpose of providing you with our opinion of the Market Value of the Property.

We have been requested to present our valuation assessment as part of an abbreviated valuation summary which outlines key factors which have been considered in arriving at our opinion of value.

Our valuation is prepared in accordance with our `General Principles Adopted in the Preparation of Valuations and Reports', a copy of which is attached.

Our valuations is made on the basis of Market Value, defined by the International Valuation Standards (IVS) and SISV Valuation Standards and Practice Guidelines as follows:

"Market Value is the estimated amount for which an asset or liability should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently, and without compulsion."

Boustead Projects Limited
- Valuation of Alice @ Mediapolis 29 Media Circle Singapore 138565 (the "Property")
October 20, 2023

Terms of Reference

We have relied on the information provided by client on matters such as lettable/gross floor areas, tenancy details, annual value, building specifications, etc. All information provided is treated as correct and Jones Lang LaSalle accepts no responsibility for subsequent changes in information and reserve the right to change our opinion of value if any other information provided were to materially change.

Market conditions can change rapidly and we are therefore unable to provide assurance that this assessment will remain valid into the future. We recommend that market value assessments be reviewed periodically if required. Searches carried out at the Registry of Titles and Deeds have not been undertaken as part of this valuation update.

The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and are our unbiased professional analyses, opinions and conclusions. The opinion of value contained in the valuation reports are not guarantees or predictions but are based on the information obtained from reliable and reputable agencies and sources, and other related parties.

No allowance has been made in our valuation for any charges, mortgages or amounts owing on the Property, nor for any expenses or taxation which may be incurred in effecting a sale. It is assumed that the Property is free from encumbrances, restrictions and outgoings of an onerous nature which could affect its value.

Our valuation is made on the assumption that the owner sells the Property in the open market without the benefit of a deferred terms contract, lease back, joint venture, management agreement or any similar agreement which could serve to affect the value of the Property.

We have no present or prospective interest in the Property and are not a related corporation of nor do we have a relationship with the advisers or other party/parties whom by Boustead Projects Limited is contracting with. The valuers' compensation is not contingent upon the reporting of a predetermined value or direction in value that favours the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.

Finally and in accordance with our standard practice, this valuation is for the use only of Boustead Projects Limited for privatization purposes. No responsibility is accepted to any other third party for the whole or any part of its contents. Neither the whole nor any part of this report nor any reference thereto may be included in any document, circular or statement without our written approval of the form and context in which it will appear.

We hereby certify that our valuers undertaking this valuation are authorised to practice as valuers and have the necessary expertise and experience in valuing similar types of properties.

Boustead Projects Limited
- **Valuation of Alice @ Mediapolis, 29 Media Circle Singapore 138565 (the "Property")**

October 20, 2023

Market Commentary and Sales Comparables

In the current investment market climate, the warehouse and logistics sector in particular is favoured by core investors seeking assets in key gateway markets that exhibit defensive characteristic. The supply crunch is contributing to the growing unfulfilled demand for space. The logistics sector continues to present strong fundamentals and is expected to be resilient moving forward. Demand for logistics / warehouse premises stayed healthy in 2Q23, with requirements continuing to stem from third-party logistics players (3PLs) and end users seeking new or additional spaces for their business needs. There were also requirements for temperature-controlled premises.

Underpinned by keen investor interest, yields of logistics / warehouse assets continued to display resilience despite the current high interest rate environment. Amid stable yields and sustained rent growth, the average islandwide capital value headed north for the ninth consecutive quarter.

Notwithstanding the more challenging economic outlook, the stiff competition for better quality logistics / warehouse facilities and tight vacancy levels should support future rent growth, especially for quality warehouse premises, are likely to remain limited in the near term. However, rent growth could slow down as occupiers may become more cautious.

We continue to expect investors to gravitate towards logistics / warehouse assets due to the positive yield spread over interest rates in the near term. Along with the prospects of continued rent growth, we are maintaining our outlook for yields to hold steady and support capital values growth in both 2023 and 2024.

During the first half of 2023, there have been a number of institutional grade industrial assets that have transacted.

The larger transaction involved Hillhouse Capital's SGD 313.50 million acquisition of ESR-LOGOS REIT's portfolio of five warehouses at 3 Pioneer Sector 3, 21 Changi North Way, 6 Chin Bee Avenue, 4 & 6 Clementi Loop and 30 Toh Guan Road.

There was also one business park transaction in 2Q23. This involved the sale-and-leaseback of The Shugart by Seagate Singapore International Headquarters to CapitaLand Ascendas REIT for SGD 218.24 million. The property, with about 20 years remaining on its land tenure, comprises a six-storey podium and a nine-storey tower which will be leased back to Seagate for 10 years, with an option to renew for an additional 10 years.

We comment that there have been a dearth investment sales of institutional grade industrial assets in the second half of 2022 and first half of 2023 and there have been no empirical evidence of investment re-pricing and a shift in related investment parameters. Until such time that there is sufficient transactional evidence to provide clear market guidance on pricing, we have generally maintained our position on valuation parameters, and our short-term outlook for the industrial investment market is cautious.

Sales Comparables

In formulating our opinion of value, we have considered current market conditions as well as the available, albeit limited directly comparable investment sales evidence.

Boustead Projects Limited
- Valuation of Alice @ Mediapolis, 29 Media Circle Singapore 138565 (the "Property")

October 20, 2023

The sales comparables considered as part of this assessment are tabulated below.

Address	Approx. Gross Floor Area (sq.ft.)	Tenure	Transacted Price	Unit Rate (psf)	Date of Contract
6 Chin Bee Avenue	324,166	27.73+30 years wef 22/01/1986	$93,005,000	$287	Jun-23
3 Pioneer Sector 3	716,571	30+30 Years wef 16/12/1990	$95,000,000	$133	Jun-23
30 Toh Guan Road	332,002	30+30 Years wef 16/08/1995	$57,760,000	$174	Jun-23
26 Ayer Rajah Crescent, The Shugart	440,028	20 years remaining	$218,240,000	$496	Jun-23
26 Chin Bee Drive	166,500	30+19 years wef 1/4/2001	$47,000,000	$282	Apr-23
159 Kampong Ampat, KA Place	109,394	99 years wef 01/06/1959	$35,380,000	$323	Apr-23
26 Tai Seng Street, J Forte	193,012	30+30 Years wef 09/06/2007	$98,767,600	$512	Jan-23
12 Tai Seng Link	116,662	30 years wef 09/10/2012	$35,000,000	$300	Nov-22
2 Jalan Kilang Barat	82,656	99 years wef 01/07/1963	$35,300,000	$427	Sep-22
1 Buroh Lane	645,533	30 Years wef 21/02/2013	$191,900,000	$297	Sep-22
Philips APAC Centre, 622 Lorong 1 Toa Payoh	37,975	29 Years wef 01/06/2014	$104,800,000	$256	Aug-22
49 Pandan Road, Pandan Logistics Hub	329,117	30 Years wef 1/10/2009	$43,500,000	$132	Jul-22
4 Benoi Crescent, POKKA Warehouse	694,164	30+30 Years wef 1988	$139,000,000	$200	Apr-22
Bukit Batok Connection, 2 Bukit Batok Street 23	403,591	30 Years wef 26/11/2012	$93,800,000	$232	Dec-21
351 On Braddell, 351 Braddell Road	260,918	30 Years wef 26/12/2018	$121,000,000	$463	Oct-21
9 Changi South Street 2	123,849	30+30 Years wef 16/10/1994	$24,500,000	$198	Jul-21
28 Quality Road	225,175	30+30 Years wef 01/06/2007	$49,679,987	$221	Jun-21
46A Tanjong Penjuru	523,684	30+14 Years wef 01/05/2006	$119,600,000	$228	May-21
Galaxis 1 Fusionopolis Place	740,932	60 Years wef 12/07/2012	$720,000,000	$972	May-21
Admirax 8 Admiralty Street	581,200	60 Years wef 09/10/2000	$142,000,000	$244	Feb-21
Sime Darby Business Centre 315 Alexandra Road	179,189	99 Years wef 02/03/1956	$102,000,000	$569	Jan-21
BreadTalk IHQ Building 30 Tai Seng Street	248,902	30+30 Years wef 01/02/2010	$118,000,000	$474	Jan-21
Sandcrawler Buildng 1 Fusionopolis View	158,960	30+30 Years wef 01/09/2010	$175,757,000	$1,106	Dec-20

Source: JLL, SISV Realink and URA Realis

In arriving at our opinion of market value, we have adopted the capitalisation of net income and discounted cash flow (DCF) analysis. We reconcile the values upon deriving the values based on the 2 methods. Both results have then been cross-checked using the direct comparison method.

Our valuation has been undertaken utilising the Jones Lang LaSalle proprietary valuation model.

Discounted Cash Flow

We have adopted the DCF analysis to value the Property taking into consideration the existing committed tenancies.

Under the Discounted Cash Flow Analysis, the net operating income is discounted at an appropriate discount rate to arrive at the Market Value. The net income is derived by deducting from the gross income, the operating expenses incurred in the building maintenance and management of the property and outgoings including property tax, insurance, administration overhead and other related expenses such as letting up allowances and capital expenditure for repair and replacement.

We have undertaken a Discounted Cash Flow Analysis over a 10-year period. The projected net income is discounted to arrive at the present value. The terminal value of the Property is derived by capitalising the net income at the end of the 10th year and discounting it to give the present value. The 10 years discounted cash flow and present value of the terminal value will give rise to the capital value of the Property.

Income Capitalisation Method

The Income Capitalisation Method involves the addition of all current income receivable less all property outgoings as well as an allowance for ongoing vacancy and bad debts to determine the core net income receivable for the Property. The net income receivable is assumed to be a level of annuity having regard to the remaining tenure of the land lease, and is discounted using an appropriate capitalisation rate derived, where possible, from the analysis of relevant sales evidence.

Alternatively, and based on the same approach, this method can be varied so that the market adjusted rent where applicable is capitalised having regard to the remaining tenure of the land lease, with appropriate capital adjustments for any prevailing rental shortfalls and/or overages accounting for any differences between passing and market rents until lease expiry. Our calculations have been undertaken on this basis.

Boustead Projects Limited
- **Valuation of Alice @ Mediapolis, 29 Media Circle Singapore 138565 (the "Property")**

October 20, 2023

Valuation Reconciliation

We have had regard to the respective outcomes of the adopted valuation approaches and have reconciled our adopted market value having regard to the prevailing yields, rates of return and rates per square foot of lettable area within the context of the available investment sales evidence.

Our concluded Market Value for the Property is summarised in the following table, and our adopted valuation parameters appear within the appended Valuation Certificate.

Property Address	Adopted Value
Alice @ Mediapolis, 29 Media Circle Singapore 138565	$209,000,000

Market Comment

This valuation is based on information available to us and our assessment of market conditions for properties of this nature at the date of valuation. Market conditions can change rapidly and we are therefore unable to provide assurance that this assessment will remain valid in the future. We recommend that market value assessments be reviewed periodically if required.

Yours faithfully,
For and on behalf of
Jones Lang LaSalle Property Consultants Pte Ltd

Chia Hui Hoon
B.Sc. (Est. Mgt.) (Hons), MSISV
Appraiser Licence No: AD041-2006555E
Senior Director
JONES LANG LASALLE

Kamal Hamdi
B.Sc. (Est. Mgt.) MSISV
Appraiser Licence No. AD041-2006388F
Head of Valuation Advisory - Singapore
JONES LANG LASALLE

VALUATION CERTIFICATE

Date of Valuation	:	October 20, 2023.
Property	:	Alice @ Mediapolis 29 Media Circle Singapore 138565 (the "Property")
Client	:	Boustead Projects Limited
Purpose of Valuation	:	Market valuation for part of the privatization of Boustead Projects Limited.
Legal Description	:	Lot 5378N Mukim 3.
Tenure	:	30 years lease commencing from January 20, 2017.
Permitted Use	:	The Property is to be used for the purpose of Multi-Tenanted Facility for Infocomm, Media, Physical Science and Engineering Research and Development only and not for any purpose whatever.
Registered Lessee	:	BP-DOJO LLP
Brief Description of Property	:	The Property is a purpose-built 11-storey business park development with a mezzanine floor, ancillary facilities and 2 basement carpark floors. Temporary Occupation Permit (TOP) was issued in October 29, 2018.
Site Area	:	9,871.8 sq.m. (106,259 sq.ft)
Gross Floor Area (GFA) (as provided and subject to survey)	:	Approximately 39,487.20 sqm/ 425,036 sq.ft (inclusive of 5,912,82 sqm / 63,645 sq.ft. of commercial GFA))
Total Net Lettable Area (NLA) (as provided)	:	Approximately 30,773.05 sq.m. (331,767 sq.ft.)

VALUATION CERTIFICATE (CONT'D)

Tenancy Details : The Property is multi-tenanted and with lease terms predominantly between 3 to 6 years.

Based on the tenancy information provided to us, the Property has an approximate occupancy and gross passing rent on occupied space as follows:-

	Occupancy	Gross Passing Rent on Occupied Space
Alice @ Mediapolis 29 Media Circle Singapore138565	94.1%	S$54.14 psm ($5.03 psf) per month

Annual Land Rent : Nil. A Land Premium of S$88,885,039/- has been paid upfront.

Annual Value (2023) (as provided by the client) : S$14,502,200.

Capitalisation Rate : 5.25%.

Terminal Cap Rate : 5.50%.

Discount Rate : 7.25%.

Master Plan Zoning (2019 Edition) : Business Park with a plot ratio of 4.0.

Methods of Valuation : Income Capitalisation Method and Discounted Cash Flow Analysis.

Market Value as at October 20, 2023 : S$209,000,000/- (Singapore Dollars Two Hundred And Nine Million)

Value psm on GFA : S$5,293 psm.

Value psm on NLA : S$6,792 psm.

Chia Hui Hoon	Kamal Hamdi
B.Sc. (Est. Mgt.) (Hons), MSISV	B.Sc. (Est. Mgt.) MSISV
Appraiser Licence No: AD041-2006555E	Appraiser Licence No. AD041-2006388F
Senior Director	Head of Valuation Advisory - Singapore
JONES LANG LASALLE	**JONES LANG LASALLE**

Annexure 1

General Principles of Valuation

GENERAL PRINCIPLES ADOPTED IN THE PREPARATION OF VALUATIONS AND REPORTS

These are the general principles upon which our Valuations and Reports are normally prepared; they apply unless we have specifically mentioned otherwise in the body of the report.

1) VALUATION STANDARDS

All work are carried out in accordance with the Singapore Institute of Surveyors and Valuers (SISV) Valuation Standards and Guidelines and International Valuation Standards (IVS), subject to variations to meet local laws, customs, practices and market conditions.

2) VALUATION BASIS

Our valuations are made on the basis of Market Value, defined by the SISV and IVSC as follows:

"Market Value is the estimated amount for which an asset should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion."

3) CONFIDENTIALITY

Our Valuations and Reports are confidential to the party to whom they are addressed or their other professional advisors for the specific purpose(s) to which they refer. No responsibility is accepted to any other parties and neither the whole, nor any part, nor reference thereto may be included in any published document, statement or circular, or published in any way, nor in any communication with third parties, without our prior written approval of the form and context in which they will appear.

4) SOURCE OF INFORMATION

Where it is stated in the report that information has been supplied by the sources listed, this information is believed to be reliable and we shall not be responsible for its accuracy nor make any warranty or representation of the accuracy of the information. All other information stated without being attributed directly to another party is obtained from our searches of records, examination of documents or enquiries with the relevant authorities.

5) DOCUMENTATION

We do not normally read leases or documents of title and, where appropriate, we recommend that lawyer's advice on these aspects should be obtained. We assume, unless informed to the contrary, that all documentation is satisfactorily drawn and that good title can be shown and there are no encumbrances, restrictions, easements or other outgoings of an onerous nature which would have an effect on the value of the interest under consideration.

6) TOWN PLANNING AND OTHER STATUTORY REGULATIONS

Information on Town Planning is obtained from the set of Master Plan, Development Guide Plans (DGP) and Written Statement published by the competent authority. Unless otherwise instructed, we do not normally carry out requisitions with the various public authorities to confirm that the property is not adversely affected by any public schemes such as road and drainage improvements. If reassurance is required, we recommend that verification be obtained from your lawyers.

Our valuations are prepared on the basis that the premises and any improvements thereon comply with all relevant statutory regulations. It is assumed that they have been, or will be issued with a Certificate of Statutory Completion by the competent authority.

7) TENANTS

Enquiries as to the financial standing of actual or prospective tenants are not normally made unless specifically requested. Where properties are valued with the benefit of lettings, it is therefore assumed that the tenants are capable of meeting their obligations under the lease and that there are no arrears of rent or undisclosed breaches of covenant.

8) STRUCTURAL SURVEYS

We have not carried out a building survey nor any testing of services, nor have we inspected those parts of the property which are inaccessible. We cannot express an opinion about or advise upon the condition of uninspected parts and this Report should not be taken as making any implied representation or statement about such parts. Whilst any defects or items of disrepair are noted during the course of inspection, we are not able to give any assurance in respect of rot, termite or past infestation or other hidden defects.

9) SITE CONDITIONS

We do not normally carry out investigations on site in order to determine the suitability of the ground conditions and services for the existing or any new development, nor have we undertaken any archaeological, ecological or environmental surveys. Unless we are otherwise informed, our valuations are on the basis that these aspects are satisfactory and that, where development is proposed, no extraordinary expenses or delays will be incurred during the construction period.

10) OUTSTANDING DEBTS

In the case of buildings where works are in hand or have recently been completed, we do not normally make allowance for any liability already incurred, but not yet discharged, in respect of completed works, or obligations in favour of contractors, sub-contractors or any members of the professional or design team.

…../Page 2

11) INSURANCE VALUE

Our opinion of the insurance value is our assessment of the reinstatement cost for insurance purpose and it comprises the total cost of completely rebuilding the property to be insured, together with allowances for inflation, demolition and debris removal, professional fees, the prevailing G.S.T. (goods and services tax) and, if applicable, compliance with current regulations and by-laws.

12) DIMENSIONS, MEASUREMENTS & AREAS

Dimensions, measurements and areas included in the report are based on information contained in copies of documents provided to us and are therefore approximations. No on site measurements have been taken. We have no reason to doubt the truth and accuracy of the information provided. Our valuation is totally dependent on the adequacy and accuracy of the information supplied and/or the assumptions made. Should these prove to be incorrect or inadequate, the accuracy of the valuation may be affected.

13) ACCURACY, ERRORS & OMISSIONS

Whilst care has been taken in the preparation of the report, no representation is made or responsibility is accepted for errors, omissions and the accuracy of the whole or any part.

Valuation (Land & Building)

Your Ref : -
Our Ref : KH:LLH:rp:231584

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

Attention: Mr Lee Yong Kian

October 20, 2023

Dear Mr Lee,

VALUATION OF 98 TUAS BAY DRIVE SINGAPORE 636833 (the "Property")

We refer to instructions issued by Boustead Projects Limited (the "Client") to determine the market value of the Property as at October 20, 2023 ("date of valuation") for part of the privatization of Boustead Projects Limited purposes.

This assessment represents an update of our previous full valuation reports undertaken as at March 15, 2023. We have been requested to present our valuation assessment as part of an abbreviated valuation summary which outlines key factors which have been considered in arriving at our opinion of value. As such, this update should be read in conjunction with our full valuation report which contains pertinent physical and legal property details as well as related technical and financial information. This valuation assumes no physical change to the property since our last full valuation report.

Our valuation is prepared in accordance with our `General Principles Adopted in the Preparation of Valuations and Reports', a copy of which is attached.

Our valuations is made on the basis of Market Value, defined by the International Valuation Standards (IVS) and SISV Valuation Standards and Practice Guidelines as follows:

"Market Value is the estimated amount for which an asset or liability should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently, and without compulsion."

Terms of Reference

We have relied on the information provided by client on matters such as lettable/gross floor areas, tenancy details, annual value, building specifications, etc. All information provided is treated as correct and Jones Lang LaSalle accepts no responsibility for subsequent changes in information and reserve the right to change our opinion of value if any other information provided were to materially change.

Market conditions can change rapidly and we are therefore unable to provide assurance that this assessment will remain valid into the future. We recommend that market value assessments be reviewed periodically if required. Searches carried out at the Registry of Titles and Deeds have not been undertaken as part of this valuation update.

The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and are our unbiased professional analyses, opinions and conclusions. The opinion of value contained in the valuation reports are not guarantees or predictions but are based on the information obtained from reliable and reputable agencies and sources, and other related parties.

No allowance has been made in our valuation for any charges, mortgages or amounts owing on the Property, nor for any expenses or taxation which may be incurred in effecting a sale. It is assumed that the Property is free from encumbrances, restrictions and outgoings of an onerous nature which could affect its value.

Our valuation is made on the assumption that the owner sells the Property in the open market without the benefit of a deferred terms contract, lease back, joint venture, management agreement or any similar agreement which could serve to affect the value of the Property.

We have no present or prospective interest in the Property and are not a related corporation of nor do we have a relationship with the advisers or other party/parties whom Boustead Projects Limited is contracting with. The valuers' compensation is not contingent upon the reporting of a predetermined value or direction in value that favours the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.

Finally and in accordance with our standard practice, this valuation is for the use only of Boustead Projects Limited for privatization purposes. No responsibility is accepted to any other third party for the whole or any part of its contents. Neither the whole nor any part of this report nor any reference thereto may be included in any document, circular or statement without our written approval of the form and context in which it will appear.

We hereby certify that our valuers undertaking this valuation are authorised to practice as valuers and have the necessary expertise and experience in valuing similar types of properties.

Market Commentary and Sales Comparables

In the current investment market climate, the warehouse and logistics sector in particular is favoured by core investors seeking assets in key gateway markets that exhibit defensive characteristic. The supply crunch is contributing to the growing unfulfilled demand for space. The logistics sector continues to present strong fundamentals and is expected to be resilient moving forward. Demand for logistics / warehouse premises stayed healthy in 2Q23, with requirements continuing to stem from third-party logistics players (3PLs) and end users seeking new or additional spaces for their business needs. There were also requirements for temperature-controlled premises.

Underpinned by keen investor interest, yields of logistics / warehouse assets continued to display resilience despite the current high interest rate environment. Amid stable yields and sustained rent growth, the average islandwide capital value headed north for the ninth consecutive quarter.

Notwithstanding the more challenging economic outlook, the stiff competition for better quality logistics / warehouse facilities and tight vacancy levels should support future rent growth, especially for quality warehouse premises, are likely to remain limited in the near term. However, rent growth could slow down as occupiers may become more cautious.

We continue to expect investors to gravitate towards logistics / warehouse assets due to the positive yield spread over interest rates in the near term. Along with the prospects of continued rent growth, we are maintaining our outlook for yields to hold steady and support capital values growth in both 2023 and 2024.

During the first half of 2023, there have been a number of institutional grade industrial assets that have transacted.

The larger transaction involved Hillhouse Capital's SGD 313.50 million acquisition of ESR-LOGOS REIT's portfolio of five warehouses at 3 Pioneer Sector 3, 21 Changi North Way, 6 Chin Bee Avenue, 4 & 6 Clementi Loop and 30 Toh Guan Road.

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Source: JLL, SISV Realink and URA Realis

In arriving at our opinion of market value, we have adopted the capitalisation of net income and discounted cash flow (DCF) analysis. We reconcile the values upon deriving the values based on the 2 methods. Both results have then been cross-checked using the direct comparison method.

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The Income Capitalisation Method involves the addition of all current income receivable less all property outgoings as well as an allowance for ongoing vacancy and bad debts to determine the core net income receivable for the Property. The net income receivable is assumed to be a level of annuity having regard to the remaining tenure of the land lease, and is discounted using an appropriate capitalisation rate derived, where possible, from the analysis of relevant sales evidence.

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Boustead Projects Limited
- Valuation of 98 Tuas Bay Drive Singapore 636833
(The "Property") **October 20, 2023**

Valuation Reconciliation

We have had regard to the respective outcomes of the adopted valuation approaches and have reconciled our adopted market value having regard to the prevailing yields, rates of return and rates per square foot of lettable area within the context of the available investment sales evidence.

Our concluded Market Value for the Property is summarised in the following table, and our adopted valuation parameters appear within the appended Executive Summary.

Property Address	Adopted Value
98 Tuas Bay Drive, Singapore 636833	$17,400,000

Market Comment

This valuation is based on information available to us and our assessment of market conditions for properties of this nature at the date of valuation. Market conditions can change rapidly and we are therefore unable to provide assurance that this assessment will remain valid in the future. We recommend that market value assessments be reviewed periodically if required.

Yours faithfully,
For and on behalf of
Jones Lang Lasalle Property Consultants Pte Ltd

Kamal Hamdi
B.Sc. (Est. Mgt.), MSISV
Appraiser Licence No: AD041-2006388F
Head of Valuation Advisory - Singapore
JONES LANG LASALLE

Lim Lay Hong
B.Sc. (Est. Mgt.) (Hons), MSISV
Appraiser Licence No: AD041-2006716J
Director
JONES LANG LASALLE

VALUATION CERTIFICATE

Date of Valuation	:	October 20, 2023.
Property	:	98 Tuas Bay Drive Singapore 636833 (the "Property")
Client	:	Boustead Projects Limited
Purpose of Valuation	:	Market valuation for privatization purposes only.
Legal Description	:	Lot 5119L Mukim 7.
Tenure	:	30 years lease commencing from October 1, 2018.
Permitted Use	:	The Property is to be used for the purpose of design, development and manufacturing of packaging for medical devices only and for no other purpose whatever.
Registered Lessee	:	BP-AMC LLP.
Brief Description of Property	:	The Property is a part 1/part 2-storey single-user industrial development. It is erected on a rectangular-shaped plot of land slightly above the access road level. Other site improvements include concrete driveway and is enclosed by metal grilles / metal grilles on plastered boundary wall complete with an automatic sliding gate between the main area and warehousing area.
Site Area (as provided and subject to survey upon issuance of certificate of titles)	:	Approximately 8,045.0 sq.m. (86,595.58 sq.ft)
Gross Floor Area (GFA) (as provided and subject to survey)	:	Approximately 7,538.48 sq.m. (81,143.44 sq.ft.)
Total Net Lettable Area (NLA) (as provided)	:	Approximately 6,954.60 sq.m. (74,858.67 sq.ft.)

VALUATION CERTIFICATE (CONT'D)

Tenancy Details	:	The Property is leased to Amcor Flexibles Singapore Pte Ltd (the "Lessee") for a term of 16 years with the lease commencing from July 22, 2019 with an option to extend for a further term of 10 years with rental term.
Annual Land Rent	:	S$15.66 per sq.m. per annum.
Annual Value (2023) (as provided by the client)	:	S$2,146,000/-
Capitalisation Rate	:	6.25%.
Terminal Yield	:	6.50%.
Discount Rate	:	7.75%.
Master Plan Zoning (2019 Edition)	:	Business 2 with a plot ratio of 1.4.
Methods of Valuation	:	Income Capitalisation Method and Discounted Cash Flow Analysis.
Market Value as at October 20, 2023	:	S$17,400,000/- (Singapore Dollars Seventeen Million and Four Hundred Thousand)
Value psm on GFA	:	S$2,308 psm.
Value psm on NLA	:	S$2,502 psm.

Kamal Hamdi
B.Sc. (Est. Mgt.), MSISV
Appraiser Licence No: AD041-2006388F
Head of Valuation Advisory - Singapore
JONES LANG LASALLE

Lim Lay Hong
B.Sc. (Est. Mgt.) (Hons), MSISV
Appraiser Licence No: AD041-2006716J
Director
JONES LANG LASALLE

Annexure 1

General Principles of Valuation

GENERAL PRINCIPLES ADOPTED IN THE PREPARATION OF VALUATIONS AND REPORTS

These are the general principles upon which our Valuations and Reports are normally prepared; they apply unless we have specifically mentioned otherwise in the body of the report.

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We have not carried out a building survey nor any testing of services, nor have we inspected those parts of the property which are inaccessible. We cannot express an opinion about or advise upon the condition of uninspected parts and this Report should not be taken as making any implied representation or statement about such parts. Whilst any defects or items of disrepair are noted during the course of inspection, we are not able to give any assurance in respect of rot, termite or past infestation or other hidden defects.

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…../Page 2

11) INSURANCEVALUE
Our opinion of the insurance value is our assessment of the reinstatement cost for insurance purpose and it comprises the total cost of completely rebuilding the property to be insured, together with allowances for inflation, demolition and debris removal, professional fees, the prevailing G.S.T. (goods and services tax) and, if applicable, compliance with current regulations and by-laws.

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Whilst care has been taken in the preparation of the report, no representation is made or responsibility is accepted for errors, omissions and the accuracy of the whole or any part.

Your Ref : -
Our Ref : KH:CHH:rp:231585

Valuation (Land & Building)

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

Attention: Mr Lee Yong Kian

October 20, 2023

Dear Mr Lee,

VALUATION OF 8 & 12 SELETAR AEROSPACE HEIGHTS BOMBARDIER AEROSPACE PHASE 2 SINGAPORE 797549 & 797378 (the "Property")

We refer to instructions issued by Boustead Projects Limited (the "Client") to determine the market value of the Property as at October 20, 2023 ("date of valuation") for part of the privatization of Boustead Projects Limited purposes.

This assessment represents an update of our previous full valuation reports undertaken as at March 31, 2023. We have been requested to present our valuation assessment as part of an abbreviated valuation summary which outlines key factors which have been considered in arriving at our opinion of value. As such, this update should be read in conjunction with our full valuation report which contains pertinent physical and legal property details as well as related technical and financial information. This valuation assumes no physical change to the property since our last full valuation report.

Our valuation is prepared in accordance with our `General Principles Adopted in the Preparation of Valuations and Reports', a copy of which is attached.

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Our valuation is made on the assumption that the owner sells the Property in the open market without the benefit of a deferred terms contract, lease back, joint venture, management agreement or any similar agreement which could serve to affect the value of the Property.

We have no present or prospective interest in the Property and are not a related corporation of nor do we have a relationship with the advisers or other party/parties whom Boustead Projects Limited is contracting with. The valuers' compensation is not contingent upon the reporting of a predetermined value or direction in value that favours the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.

Finally and in accordance with our standard practice, this valuation is for the use only of Boustead Projects Limited for privatization purposes. No responsibility is accepted to any other third party for the whole or any part of its contents. Neither the whole nor any part of this report nor any reference thereto may be included in any document, circular or statement without our written approval of the form and context in which it will appear.

We hereby certify that our valuers undertaking this valuation are authorised to practice as valuers and have the necessary expertise and experience in valuing similar types of properties.

Boustead Projects Limited
- **Valuation of 8 & 12 Seletar Aerospace Heights
Bombardier Aerospace Phase 2
Singapore 797549 & 797378
(the "Property")** **October 20, 2023**

Market Commentary and Sales Comparables

In the current investment market climate, the warehouse and logistics sector in particular is favoured by core investors seeking assets in key gateway markets that exhibit defensive characteristic. The supply crunch is contributing to the growing unfulfilled demand for space. The logistics sector continues to present strong fundamentals and is expected to be resilient moving forward. Demand for logistics / warehouse premises stayed healthy in 2Q23, with requirements continuing to stem from third-party logistics players (3PLs) and end users seeking new or additional spaces for their business needs. There were also requirements for temperature-controlled premises.

Underpinned by keen investor interest, yields of logistics / warehouse assets continued to display resilience despite the current high interest rate environment. Amid stable yields and sustained rent growth, the average islandwide capital value headed north for the ninth consecutive quarter.

Notwithstanding the more challenging economic outlook, the stiff competition for better quality logistics / warehouse facilities and tight vacancy levels should support future rent growth, especially for quality warehouse premises, are likely to remain limited in the near term. However, rent growth could slow down as occupiers may become more cautious.

We continue to expect investors to gravitate towards logistics / warehouse assets due to the positive yield spread over interest rates in the near term. Along with the prospects of continued rent growth, we are maintaining our outlook for yields to hold steady and support capital values growth in both 2023 and 2024.

During the first half of 2023, there have been a number of institutional grade industrial assets that have transacted.

The larger transaction involved Hillhouse Capital's SGD 313.50 million acquisition of ESR-LOGOS REIT's portfolio of five warehouses at 3 Pioneer Sector 3, 21 Changi North Way, 6 Chin Bee Avenue, 4 & 6 Clementi Loop and 30 Toh Guan Road.

There was also one business park transaction in 2Q23. This involved the sale-and-leaseback of The Shugart by Seagate Singapore International Headquarters to CapitaLand Ascendas REIT for SGD 218.24 million. The property, with about 20 years remaining on its land tenure, comprises a six-storey podium and a nine-storey tower which will be leased back to Seagate for 10 years, with an option to renew for an additional 10 years.

We comment that there have been a dearth investment sales of institutional grade industrial assets in the second half of 2022 and first half of 2023 and there have been no empirical evidence of investment re-pricing and a shift in related investment parameters. Until such time that there is sufficient transactional evidence to provide clear market guidance on pricing, we have generally maintained our position on valuation parameters, and our short-term outlook for the industrial investment market is cautious.

<u>Sales Comparables</u>
In formulating our opinion of value, we have considered current market conditions as well as the available, albeit limited directly comparable investment sales evidence.

Boustead Projects Limited
- **Valuation of 8 & 12 Seletar Aerospace Heights**
  Bombardier Aerospace Phase 2
  Singapore 797549 & 797378
  (the "Property")

October 20, 2023

The sales comparables considered as part of this assessment are tabulated below.

Address	Approx. Gross Floor Area (sq.ft.)	Tenure	Transacted Price	Unit Rate (psf)	Date of Contract
6 Chin Bee Avenue	324,166	27.73+30 years wef 22/01/1986	$93,005,000	$287	Jun-23
3 Pioneer Sector 3	716,571	30+30 Years wef 16/12/1990	$95,000,000	$133	Jun-23
30 Toh Guan Road	332,002	30+30 Years wef 16/08/1995	$57,760,000	$174	Jun-23
26 Ayer Rajah Crescent, The Shugart	440,028	20 years remaining	$218,240,000	$496	Jun-23
26 Chin Bee Drive	166,500	30+19 years wef 1/4/2001	$47,000,000	$282	Apr-23
159 Kampong Ampat, KA Place	109,394	99 years wef 01/06/1959	$35,380,000	$323	Apr-23
26 Tai Seng Street, J Forte	193,012	30+30 Years wef 09/06/2007	$98,767,600	$512	Jan-23
12 Tai Seng Link	116,662	30 years wef 09/10/2012	$35,000,000	$300	Nov-22
2 Jalan Kilang Barat	82,656	99 years wef 01/07/1963	$35,300,000	$427	Sep-22
1 Buroh Lane	645,533	30 Years wef 21/02/2013	$191,900,000	$297	Sep-22
Philips APAC Centre, 622 Lorong 1 Toa Payoh	37,975	29 Years wef 01/06/2014	$104,800,000	$256	Aug-22
49 Pandan Road, Pandan Logistics Hub	329,117	30 Years wef 1/10/2009	$43,500,000	$132	Jul-22
4 Benoi Crescent, POKKA Warehouse	694,164	30+30 Years wef 1988	$139,000,000	$200	Apr-22
Bukit Batok Connection, 2 Bukit Batok Street 23	403,591	30 Years wef 26/11/2012	$93,800,000	$232	Dec-21
351 On Braddell, 351 Braddell Road	260,918	30 Years wef 26/12/2018	$121,000,000	$463	Oct-21
9 Changi South Street 2	123,849	30+30 Years wef 16/10/1994	$24,500,000	$198	Jul-21
28 Quality Road	225,175	30+30 Years wef 01/06/2007	$49,679,987	$221	Jun-21
46A Tanjong Penjuru	523,684	30+14 Years wef 01/05/2006	$119,600,000	$228	May-21
Galaxis 1 Fusionopolis Place	740,932	60 Years wef 12/07/2012	$720,000,000	$972	May-21
Admirax 8 Admiralty Street	581,200	60 Years wef 09/10/2000	$142,000,000	$244	Feb-21
Sime Darby Business Centre 315 Alexandra Road	179,189	99 Years wef 02/03/1956	$102,000,000	$569	Jan-21
BreadTalk IHQ Building 30 Tai Seng Street	248,902	30+30 Years wef 01/02/2010	$118,000,000	$474	Jan-21
Sandcrawler Buildng 1 Fusionopolis View	158,960	30+30 Years wef 01/09/2010	$175,757,000	$1,106	Dec-20

Source: JLL, SISV Realink and URA Realis

In arriving at our opinion of market value, we have adopted the discounted cash flow (DCF) analysis.

Our valuation has been undertaken utilising the Jones Lang LaSalle proprietary valuation model.

Discounted Cash Flow

We have adopted the DCF analysis to value the Property taking into consideration the existing committed tenancies.

Under the Discounted Cash Flow Analysis, the net operating income is discounted at an appropriate discount rate to arrive at the Market Value. The net income is derived by deducting from the gross income, the operating expenses incurred in the building maintenance and management of the property and outgoings including property tax, insurance, administration overhead and other related expenses such as letting up allowances and capital expenditure for repair and replacement.

We have undertaken a Discounted Cash Flow Analysis over a 10-year period. The projected net income is discounted to arrive at the present value. The terminal value of the Property is derived by capitalising the net income at the end of the 10th year and discounting it to give the present value. The 10 years discounted cash flow and present value of the terminal value will give rise to the capital value of the Property.

Boustead Projects Limited
- Valuation of 8 & 12 Seletar Aerospace Heights
Bombardier Aerospace Phase 2
Singapore 797549 & 797378
(the "Property")

October 20, 2023

Valuation Reconciliation

We have had regard to the respective outcomes of the adopted valuation approach and have reconciled our adopted market value having regard to the prevailing yields, rates of return and rates per square foot of lettable area within the context of the available investment sales evidence.

Our concluded Market Value for the Property is summarised in the following table, and our adopted valuation parameters appear within the appended Valuation Certificate.

Property Address	Adopted Value
8 &12 Seletar Aerospace Heights, Bombardier Aerospace Phase 2 Singapore 797549 & 797378	$75,000,000

Market Comment

This valuation is based on information available to us and our assessment of market conditions for properties of this nature at the date of valuation. Market conditions can change rapidly and we are therefore unable to provide assurance that this assessment will remain valid in the future. We recommend that market value assessments be reviewed periodically if required.

Yours faithfully,
For and on behalf of
Jones Lang LaSalle Property Consultants Pte Ltd

Chia Hui Hoon
B.Sc. (Est. Mgt.) (Hons), MSISV
Appraiser Licence No: AD041-2006555E
Senior Director
JONES LANG LASALLE

Kamal Hamdi
B.Sc. (Est. Mgt.) MSISV
Appraiser Licence No. AD041-2006388F
Head of Valuation Advisory - Singapore
JONES LANG LASALLE

JLL

VALUATION CERTIFICATE

Date of Valuation	:	October 20, 2023
Property	:	8 & 12 Seletar Aerospace Heights Bombardier Aerospace Phase 2 Singapore 797549 & 797378 (the "Property")
Client	:	Boustead Projects Limited.
Purpose of Valuation	:	Market valuation for privatization purposes only.
Legal Description	:	Lots 4779W and 5252T Mukim 20.
Tenure	:	30 years lease commencing from February 7, 2019.
Permitted Use	:	The Property must be developed in accordance with Jurong Town Corporation's (JTC) Design Guidelines and only be used by Aerospace Companies and/or Aerospace Supporting Companies subject to compliance with the Authorities' requirements including but not limited to construction and operating requirements within an airport environment.
Registered Lessee	:	BP-BBD2 Pte Ltd.
Brief Description of Property	:	The Property is a purpose-built aircraft hangar facility with ancillary office space at Seletar Aerospace Park for Bombardier Aerospace Services Singapore Pte Ltd. The Temporary Occupation Permit (TOP) has been issued on December 17, 2020.
Site Area	:	see table below

Mukim 20	Approximate Site Area
Lot 4779W	10,004.5 sq.m. (107,687 sq.ft.)
Lot 5252T	20,841.6 sq.m. (224,337 sq.ft.)
Total	30,846.1 sq.m. (332,024 sq.ft.)

Gross Floor Area (GFA) (as provided and subject to survey)	:	Approximately 20,702.53 sq.m. (222,839.96 sq.ft.)
Total Net Lettable Area (NLA) (as provided)	:	Approximately 18,710.97 sq.m. (201,403.00 sq.ft.)

VALUATION CERTIFICATE (CONT'D)

Tenancy Details	:	The Property is leased to Bombardier Aerospace Services Singapore Pte Ltd as the Master Lessee for a term of 28 years till 2049. The Master Lessee bears property outgoing expenses including utilities, security and maintenance and repair, property tax and annual land rental whilst the Lessor bears the capital expenditure.
Annual Land Rent	:	

Address	Land Rent Payable per month
8 Seletar Aerospace Heights	S$30,498.79/-
12 Seletar Aerospace Heights	S$14,639.92/-
Total	S$45,138.71/-

A Land Rent of S$45,138.71/- per month is to be paid in advance (without demand or deduction) on the first day of each month of the Lease Term. The Land Rent will be revised on every year of the Lease Term based on the prevailing market rent for the Property. Any increase will not exceed 5.5% of the land rent for the preceding year.

Annual Value (2023) (as provided by the client)	:	S$5,494,000.	
Discount Rate	:	7.50%.	
Master Plan Zoning (2019 Edition)	:	Business 2 with a plot ratio of 1.0.	
Method of Valuation	:	Discounted Cash Flow Analysis	
Market Value as at October 20, 2023	:	S$75,000,000/-	(Singapore Dollars Seventy-Five Million)
Value psm on GFA	:	S$3,623 psm.	
Value psm on NLA	:	S$4,008 psm.	

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Valuation (Land & Building)

Your Ref : -
Our Ref : KH:CHH:rp:231583

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

Attention: Mr Lee Yong Kian

October 20, 2023

Dear Mr Lee,

VALUATION OF RAZER SEA HQ, 1 ONE-NORTH CRESCENT SINGAPORE 138538
(the "Property")

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We continue to expect investors to gravitate towards logistics / warehouse assets due to the positive yield spread over interest rates in the near term. Along with the prospects of continued rent growth, we are maintaining our outlook for yields to hold steady and support capital values growth in both 2023 and 2024.

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The larger transaction involved Hillhouse Capital's SGD 313.50 million acquisition of ESR-LOGOS REIT's portfolio of five warehouses at 3 Pioneer Sector 3, 21 Changi North Way, 6 Chin Bee Avenue, 4 & 6 Clementi Loop and 30 Toh Guan Road.

There was also one business park transaction in 2Q23. This involved the sale-and-leaseback of The Shugart by Seagate Singapore International Headquarters to CapitaLand Ascendas REIT for SGD 218.24 million. The property, with about 20 years remaining on its land tenure, comprises a six-storey podium and a nine-storey tower which will be leased back to Seagate for 10 years, with an option to renew for an additional 10 years.

We comment that there have been a dearth investment sales of institutional grade industrial assets in the second half of 2022 and first half of 2023 and there have been no empirical evidence of investment re-pricing and a shift in related investment parameters. Until such time that there is sufficient transactional evidence to provide clear market guidance on pricing, we have generally maintained our position on valuation parameters, and our short-term outlook for the industrial investment market is cautious.

Sales Comparables

In formulating our opinion of value, we have considered current market conditions as well as the available, albeit limited directly comparable investment sales evidence.

Boustead Projects Limited
- Valuation of Razer SEA HQ, 1 One-north Crescent (the "Property")
October 20, 2023

The sales comparables considered as part of this assessment are tabulated below.

Address	Approx. Gross Floor Area (sq.ft.)	Tenure	Transacted Price	Unit Rate (psf)	Date of Contract
6 Chin Bee Avenue	324,166	27.73+30 years wef 22/01/1986	$93,005,000	$287	Jun-23
3 Pioneer Sector 3	716,571	30+30 Years wef 16/12/1990	$95,000,000	$133	Jun-23
30 Toh Guan Road	332,002	30+30 Years wef 16/08/1995	$57,760,000	$174	Jun-23
26 Ayer Rajah Crescent, The Shugart	440,028	20 years remaining	$218,240,000	$496	Jun-23
26 Chin Bee Drive	166,500	30+19 years wef 1/4/2001	$47,000,000	$282	Apr-23
159 Kampong Ampat, KA Place	109,394	99 years wef 01/06/1959	$35,380,000	$323	Apr-23
26 Tai Seng Street, J Forte	193,012	30+30 Years wef 09/06/2007	$98,767,600	$512	Jan-23
12 Tai Seng Link	116,662	30 years wef 09/10/2012	$35,000,000	$300	Nov-22
2 Jalan Kilang Barat	82,656	99 years wef 01/07/1963	$35,300,000	$427	Sep-22
1 Buroh Lane	645,533	30 Years wef 21/02/2013	$191,900,000	$297	Sep-22
Philips APAC Centre, 622 Lorong 1 Toa Payoh	37,975	29 Years wef 01/06/2014	$104,800,000	$256	Aug-22
49 Pandan Road, Pandan Logistics Hub	329,117	30 Years wef 1/10/2009	$43,500,000	$132	Jul-22
4 Benoi Crescent, POKKA Warehouse	694,164	30+30 Years wef 1988	$139,000,000	$200	Apr-22
Bukit Batok Connection, 2 Bukit Batok Street 23	403,591	30 Years wef 26/11/2012	$93,800,000	$232	Dec-21
351 On Braddell, 351 Braddell Road	260,918	30 Years wef 26/12/2018	$121,000,000	$463	Oct-21
9 Changi South Street 2	123,849	30+30 Years wef 16/10/1994	$24,500,000	$198	Jul-21
28 Quality Road	225,175	30+30 Years wef 01/06/2007	$49,679,987	$221	Jun-21
46A Tanjong Penjuru	523,684	30+14 Years wef 01/05/2006	$119,600,000	$228	May-21
Galaxis 1 Fusionopolis Place	740,932	60 Years wef 12/07/2012	$720,000,000	$972	May-21
Admirax 8 Admiralty Street	581,200	60 Years wef 09/10/2000	$142,000,000	$244	Feb-21
Sime Darby Business Centre 315 Alexandra Road	179,189	99 Years wef 02/03/1956	$102,000,000	$569	Jan-21
BreadTalk IHQ Building 30 Tai Seng Street	248,902	30+30 Years wef 01/02/2010	$118,000,000	$474	Jan-21
Sandcrawler Buildng 1 Fusionopolis View	158,960	30+30 Years wef 01/09/2010	$175,757,000	$1,106	Dec-20

Source: JLL, SISV Realink and URA Realis

In arriving at our opinion of market value, we have adopted the capitalisation of net income and discounted cash flow (DCF) analysis. We reconcile the values upon deriving the values based on the 2 methods. Both results have then been cross-checked using the direct comparison method.

Our valuation has been undertaken utilising the Jones Lang LaSalle proprietary valuation model.

Discounted Cash Flow

We have adopted the DCF analysis to value the Property taking into consideration the existing committed tenancies.

Under the Discounted Cash Flow Analysis, the net operating income is discounted at an appropriate discount rate to arrive at the Market Value. The net income is derived by deducting from the gross income, the operating expenses incurred in the building maintenance and management of the property and outgoings including property tax, insurance, administration overhead and other related expenses such as letting up allowances and capital expenditure for repair and replacement.

We have undertaken a Discounted Cash Flow Analysis over a 10-year period. The projected net income is discounted to arrive at the present value. The terminal value of the Property is derived by capitalising the net income at the end of the 10th year and discounting it to give the present value. The 10 years discounted cash flow and present value of the terminal value will give rise to the capital value of the Property.

Income Capitalisation Method

The Income Capitalisation Method involves the addition of all current income receivable less all property outgoings as well as an allowance for ongoing vacancy and bad debts to determine the core net income receivable for the Property. The net income receivable is assumed to be a level of annuity having regard to the remaining tenure of the land lease, and is discounted using an appropriate capitalisation rate derived, where possible, from the analysis of relevant sales evidence.

Alternatively, and based on the same approach, this method can be varied so that the market adjusted rent where applicable is capitalised having regard to the remaining tenure of the land lease, with appropriate capital adjustments for any prevailing rental shortfalls and/or overages accounting for any differences between passing and market rents until lease expiry. Our calculations have been undertaken on this basis.

Boustead Projects Limited
- Valuation of Razer SEA HQ, 1 One-north Crescent
(The "Property") **October 20, 2023**

Valuation Reconciliation

We have had regard to the respective outcomes of the adopted valuation approaches and have reconciled our adopted market value having regard to the prevailing yields, rates of return and rates per square foot of lettable area within the context of the available investment sales evidence.

Our concluded Market Value for the Property is summarised in the following table, and our adopted valuation parameters appear within the appended Valuation Certificate.

Property Address	Adopted Value
Razer SEA HQ, 1 One-north Crescent, Singapore	$111,000,000

Market Comment

This valuation is based on information available to us and our assessment of market conditions for properties of this nature at the date of valuation. Market conditions can change rapidly and we are therefore unable to provide assurance that this assessment will remain valid in the future. We recommend that market value assessments be reviewed periodically if required.

Yours faithfully,
For and on behalf of
Jones Lang LaSalle Property Consultants Pte Ltd

Chia Hui Hoon
B.Sc. (Est. Mgt.) (Hons), MSISV
Appraiser Licence No: AD041-2006555E
Senior Director
JONES LANG LASALLE

Kamal Hamdi
B.Sc. (Est. Mgt.) MSISV
Appraiser Licence No. AD041-2006388F
Head of Valuation Advisory - Singapore
JONES LANG LASALLE

VALUATION CERTIFICATE

Date of Valuation	:	October 20, 2023.
Property	:	Razer SEA HQ 1 One-north Crescent Singapore 138538 (the "Property")
Client	:	Boustead Projects Limited
Purpose of Valuation	:	Market valuation for privatization purposes only.
Legal Description	:	Lot 5438L Mukim 3.
Tenure	:	30 years lease commencing from February 12, 2019.
Permitted Use	:	The Property is to be used for the purpose of research and development of computer peripherals, hardware, software and mobile device and ancillary office only and not for any purpose whatever.
Registered Lessee	:	Snakepit-BP LLP.
Brief Description of Property	:	The Property is a purpose-built integrated business park development with ancillary office space. It comprises a 7-storey business park building with ancillary facilities and approximately 82 car/lorry parking lots. Temporary Occupation Permit (TOP) was issued in April 2021.
Site Area	:	6,426.2 sq.m. (69,171 sq.ft).
Gross Floor Area (GFA) (as provided and subject to survey)	:	Approximately 19,089.85 sq.m. (205,481.24 sq.ft.)
Total Net Lettable Area (NLA) (as provided)	:	Approximately 16,704.08 sq.m. (179,801.03 sq.ft.)

VALUATION CERTIFICATE (CONT'D)

Tenancy Details	:	The Property is multi-tenanted and leased to Razer (Asia Pacific) Pte Ltd as an anchor tenant on a lease term of 15 years till 2036.
Annual Posted Land Rent	:	Nil. A Land Premium of S$34,700,000/- has been paid upfront.
Annual Value (2023) (as provided by the client)	:	$10,567,300.
Capitalisation Rate	:	5.25%.
Terminal Capitalisation Rate	:	5.50%.
Discount Rate	:	7.25%.
Master Plan Zoning (2019 Edition)	:	Business Park with a plot ratio of 3.0. According to the JTC lease, the Property is zoned for Business Park White 15 with a plot ratio of 3.0.
Methods of Valuation	:	Income Capitalisation Method and Discounted Cash Flow Analysis.
Market Value as at October 20, 2023	:	S$111,000,000/- (Singapore Dollars One Hundred And Eleven Million)
Value psm on GFA	:	S$5,815 psm.
Value psm on NLA	:	S$6,645 psm.

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Annexure 1

General Principles of Valuation

GENERAL PRINCIPLES ADOPTED IN THE PREPARATION OF VALUATIONS AND REPORTS

These are the general principles upon which our Valuations and Reports are normally prepared; they apply unless we have specifically mentioned otherwise in the body of the report.

1) VALUATION STANDARDS

All work are carried out in accordance with the Singapore Institute of Surveyors and Valuers (SISV) Valuation Standards and Guidelines and International Valuation Standards (IVS), subject to variations to meet local laws, customs, practices and market conditions.

2) VALUATION BASIS

Our valuations are made on the basis of Market Value, defined by the SISV and IVSC as follows:

"Market Value is the estimated amount for which an asset should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion."

3) CONFIDENTIALITY

Our Valuations and Reports are confidential to the party to whom they are addressed or their other professional advisors for the specific purpose(s) to which they refer. No responsibility is accepted to any other parties and neither the whole, nor any part, nor reference thereto may be included in any published document, statement or circular, or published in any way, nor in any communication with third parties, without our prior written approval of the form and context in which they will appear.

4) SOURCE OF INFORMATION

Where it is stated in the report that information has been supplied by the sources listed, this information is believed to be reliable and we shall not be responsible for its accuracy nor make any warranty or representation of the accuracy of the information. All other information stated without being attributed directly to another party is obtained from our searches of records, examination of documents or enquiries with the relevant authorities.

5) DOCUMENTATION

We do not normally read leases or documents of title and, where appropriate, we recommend that lawyer's advice on these aspects should be obtained. We assume, unless informed to the contrary, that all documentation is satisfactorily drawn and that good title can be shown and there are no encumbrances, restrictions, easements or other outgoings of an onerous nature which would have an effect on the value of the interest under consideration.

6) TOWN PLANNING AND OTHER STATUTORY REGULATIONS

Information on Town Planning is obtained from the set of Master Plan, Development Guide Plans (DGP) and Written Statement published by the competent authority. Unless otherwise instructed, we do not normally carry out requisitions with the various public authorities to confirm that the property is not adversely affected by any public schemes such as road and drainage improvements. If reassurance is required, we recommend that verification be obtained from your lawyers.

Our valuations are prepared on the basis that the premises and any improvements thereon comply with all relevant statutory regulations. It is assumed that they have been, or will be issued with a Certificate of Statutory Completion by the competent authority.

7) TENANTS

Enquiries as to the financial standing of actual or prospective tenants are not normally made unless specifically requested. Where properties are valued with the benefit of lettings, it is therefore assumed that the tenants are capable of meeting their obligations under the lease and that there are no arrears of rent or undisclosed breaches of covenant.

8) STRUCTURAL SURVEYS

We have not carried out a building survey nor any testing of services, nor have we inspected those parts of the property which are inaccessible. We cannot express an opinion about or advise upon the condition of uninspected parts and this Report should not be taken as making any implied representation or statement about such parts. Whilst any defects or items of disrepair are noted during the course of inspection, we are not able to give any assurance in respect of rot, termite or past infestation or other hidden defects.

9) SITE CONDITIONS

We do not normally carry out investigations on site in order to determine the suitability of the ground conditions and services for the existing or any new development, nor have we undertaken any archaeological, ecological or environmental surveys. Unless we are otherwise informed, our valuations are on the basis that these aspects are satisfactory and that, where development is proposed, no extraordinary expenses or delays will be incurred during the construction period.

10) OUTSTANDING DEBTS

In the case of buildings where works are in hand or have recently been completed, we do not normally make allowance for any liability already incurred, but not yet discharged, in respect of completed works, or obligations in favour of contractors, sub-contractors or any members of the professional or design team.

…../Page 2

11) INSURANCE VALUE
Our opinion of the insurance value is our assessment of the reinstatement cost for insurance purpose and it comprises the total cost of completely rebuilding the property to be insured, together with allowances for inflation, demolition and debris removal, professional fees, the prevailing G.S.T. (goods and services tax) and, if applicable, compliance with current regulations and by-laws.

12) DIMENSIONS, MEASUREMENTS & AREAS
Dimensions, measurements and areas included in the report are based on information contained in copies of documents provided to us and are therefore approximations. No on site measurements have been taken. We have no reason to doubt the truth and accuracy of the information provided. Our valuation is totally dependent on the adequacy and accuracy of the information supplied and/or the assumptions made. Should these prove to be incorrect or inadequate, the accuracy of the valuation may be affected.

13) ACCURACY, ERRORS & OMISSIONS
Whilst care has been taken in the preparation of the report, no representation is made or responsibility is accepted for errors, omissions and the accuracy of the whole or any part.

JLL®

Valuation (Land & Building)

Your Ref : -
Our Ref : KH:CHH:rp:231582

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

Attention: Mr Lee Yong Kian

October 20, 2023

Dear Mr Lee,

VALUATION OF 6 TAMPINES INDUSTRIAL AVENUE 5 SINGAPORE 528760
(the "Property")

We refer to instructions issued by Boustead Projects Limited (the "Client") to determine the market value of the Property as at October 20, 2023 ("date of valuation") for part of the privatization of Boustead Projects Limited purposes.

This assessment represents an update of our previous full valuation reports undertaken as at March 31, 2023. We have been requested to present our valuation assessment as part of an abbreviated valuation summary which outlines key factors which have been considered in arriving at our opinion of value. As such, this update should be read in conjunction with our full valuation report which contains pertinent physical and legal property details as well as related technical and financial information. This valuation assumes no physical change to the property since our last full valuation report.

Our valuation is prepared in accordance with our `General Principles Adopted in the Preparation of Valuations and Reports', a copy of which is attached.

Our valuations is made on the basis of Market Value, defined by the International Valuation Standards (IVS) and SISV Valuation Standards and Practice Guidelines as follows:

"Market Value is the estimated amount for which an asset or liability should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently, and without compulsion."

Boustead Projects Limited
- Valuation of 6 Tampines Industrial Avenue 5
Singapore 528760
(the "Property") **October 20, 2023**

Terms of Reference

We have relied on the information provided by client on matters such as lettable/gross floor areas, tenancy details, annual value, building specifications, etc. All information provided is treated as correct and Jones Lang LaSalle accepts no responsibility for subsequent changes in information and reserve the right to change our opinion of value if any other information provided were to materially change.

Market conditions can change rapidly and we are therefore unable to provide assurance that this assessment will remain valid into the future. We recommend that market value assessments be reviewed periodically if required. Searches carried out at the Registry of Titles and Deeds have not been undertaken as part of this valuation update.

The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and are our unbiased professional analyses, opinions and conclusions. The opinion of value contained in the valuation reports are not guarantees or predictions but are based on the information obtained from reliable and reputable agencies and sources, and other related parties.

No allowance has been made in our valuation for any charges, mortgages or amounts owing on the Property, nor for any expenses or taxation which may be incurred in effecting a sale. It is assumed that the Property is free from encumbrances, restrictions and outgoings of an onerous nature which could affect its value.

Our valuation is made on the assumption that the owner sells the Property in the open market without the benefit of a deferred terms contract, lease back, joint venture, management agreement or any similar agreement which could serve to affect the value of the Property.

We have no present or prospective interest in the Property and are not a related corporation of nor do we have a relationship with the advisers or other party/parties whom by Boustead Projects Limited is contracting with. The valuers' compensation is not contingent upon the reporting of a predetermined value or direction in value that favours the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.

Finally and in accordance with our standard practice, this valuation is for the use only of Boustead Projects Limited for privatization purposes. No responsibility is accepted to any other third party for the whole or any part of its contents. Neither the whole nor any part of this report nor any reference thereto may be included in any document, circular or statement without our written approval of the form and context in which it will appear.

We hereby certify that our valuers undertaking this valuation are authorised to practice as valuers and have the necessary expertise and experience in valuing similar types of properties.

Boustead Projects Limited
- Valuation of 6 Tampines Industrial Avenue 5
Singapore 528760
(the "Property") **October 20, 2023**

Market Commentary and Sales Comparables

In the current investment market climate, the warehouse and logistics sector in particular is favoured by core investors seeking assets in key gateway markets that exhibit defensive characteristic. The supply crunch is contributing to the growing unfulfilled demand for space. The logistics sector continues to present strong fundamentals and is expected to be resilient moving forward. Demand for logistics / warehouse premises stayed healthy in 2Q23, with requirements continuing to stem from third-party logistics players (3PLs) and end users seeking new or additional spaces for their business needs. There were also requirements for temperature-controlled premises.

Underpinned by keen investor interest, yields of logistics / warehouse assets continued to display resilience despite the current high interest rate environment. Amid stable yields and sustained rent growth, the average islandwide capital value headed north for the ninth consecutive quarter.

Notwithstanding the more challenging economic outlook, the stiff competition for better quality logistics / warehouse facilities and tight vacancy levels should support future rent growth, especially for quality warehouse premises, are likely to remain limited in the near term. However, rent growth could slow down as occupiers may become more cautious.

We continue to expect investors to gravitate towards logistics / warehouse assets due to the positive yield spread over interest rates in the near term. Along with the prospects of continued rent growth, we are maintaining our outlook for yields to hold steady and support capital values growth in both 2023 and 2024.

During the first half of 2023, there have been a number of institutional grade industrial assets that have transacted.

The larger transaction involved Hillhouse Capital's SGD 313.50 million acquisition of ESR-LOGOS REIT's portfolio of five warehouses at 3 Pioneer Sector 3, 21 Changi North Way, 6 Chin Bee Avenue, 4 & 6 Clementi Loop and 30 Toh Guan Road.

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Source: JLL, SISV Realink and URA Realis

In arriving at our opinion of market value, we have adopted the capitalisation of net income and discounted cash flow (DCF) analysis. We reconcile the values upon deriving the values based on the 2 methods. Both results have then been cross-checked using the direct comparison method.

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Discounted Cash Flow

We have adopted the DCF analysis to value the Property taking into consideration the existing committed tenancies.

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We have undertaken a Discounted Cash Flow Analysis over a 10-year period. The projected net income is discounted to arrive at the present value. The terminal value of the Property is derived by capitalising the net income at the end of the 10th year and discounting it to give the present value. The 10 years discounted cash flow and present value of the terminal value will give rise to the capital value of the Property.

Income Capitalisation Method

The Income Capitalisation Method involves the addition of all current income receivable less all property outgoings as well as an allowance for ongoing vacancy and bad debts to determine the core net income receivable for the Property. The net income receivable is assumed to be a level of annuity having regard to the remaining tenure of the land lease, and is discounted using an appropriate capitalisation rate derived, where possible, from the analysis of relevant sales evidence.

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Boustead Projects Limited
- Valuation of 6 Tampines Industrial Avenue 5
Singapore 528760
(the "Property") **October 20, 2023**

Valuation Reconciliation

We have had regard to the respective outcomes of the adopted valuation approaches and have reconciled our adopted market value having regard to the prevailing yields, rates of return and rates per square foot of lettable area within the context of the available investment sales evidence.

Our concluded Market Value for the Property is summarised in the following table, and our adopted valuation parameters appear within the appended Valuation Certificate.

Property Address	Adopted Value
6 Tampines Industrial Avenue 5, Singapore 528760	$100,000,000

Market Comment

This valuation is based on information available to us and our assessment of market conditions for properties of this nature at the date of valuation. Market conditions can change rapidly and we are therefore unable to provide assurance that this assessment will remain valid in the future. We recommend that market value assessments be reviewed periodically if required.

Yours faithfully,
For and on behalf of
Jones Lang LaSalle Property Consultants Pte Ltd

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Head of Valuation Advisory - Singapore
JONES LANG LASALLE

VALUATION CERTIFICATE

Date of Valuation	:	October 20, 2023.
Property	:	6 Tampines Industrial Avenue 5 Singapore 528760 (the "Property")
Client	:	Boustead Projects Limited
Purpose of Valuation	:	Market valuation for privatization purposes only.
Legal Description	:	Lot 2787X Mukim 29.
Tenure	:	30 + 30 years lease commencing from May 10, 2009.
Permitted Use	:	The property is to be used for the purpose of manufacturing and operations associated with manufacturing of computer hardware and peripherals and ancillary or associated equipment only and for no other purpose whatever.
Registered Lessee	:	BP-TPM LLP.
Brief Description of Property	:	The Property is a 3-storey industrial building with warehouse / manufacturing areas and an ancillary office accommodation. We were informed that Temporary Occupation Permit and Certificate of Statutory Completion were issued on 31 Mar 2010 and 22 October 2010 respectively. Addition & alteration works were carried out progressively in Year 2014 and 2020.
Site Area	:	32,598.1 sq.m. (350,883 sq.ft)
Gross Floor Area (GFA) (as provided and subject to survey)	:	Approximately 40,400.84 sq.m. (434,870.60 sq.ft.)
Total Net Lettable Area (NLA) (as provided)	:	Approximately 35,582.49 sq.m. (383,006.38 sq.ft.)

VALUATION CERTIFICATE (CONT'D)

Tenancy Details	:	The Property is currently leased to anchor tenant Amazon Asia-Pacific Resources Pte Ltd on a lease term of 10 years till 2030.
Annual Posted Land Rent	:	Nil. A Land Premium of S$10,891,663.48/- has been paid upfront for the first 30 years.
Annual Value (2023)	:	S$8,092,000/-.
Capitalisation Rate	:	5.50%.
Terminal Cap Rate	:	5.75%.
Discount Rate	:	7.50%.
Master Plan Zoning (2019 Edition)	:	Business 2 with a plot ratio of 1.4.
Methods of Valuation	:	Income Capitalisation Method and Discounted Cash Flow Analysis.
Market Value as at October 20, 2023	:	S$100,000,000/- (Singapore Dollars One Hundred Million)
Value psm on GFA	:	S$2,475 psm.
Value psm on NLA	:	S$2,810 psm.

Yours faithfully,
For and on behalf of
Jones Lang LaSalle Property Consultants Pte Ltd

Chia Hui Hoon
B.Sc. (Est. Mgt.) (Hons), MSISV
Appraiser Licence No: AD041-2006555E
Senior Director
JONES LANG LASALLE

Kamal Hamdi
B.Sc. (Est. Mgt.) MSISV
Appraiser Licence No. AD041-2006388F
Head of Valuation Advisory - Singapore
JONES LANG LASALLE

Annexure 1

General Principles of Valuation

GENERAL PRINCIPLES ADOPTED IN THE PREPARATION OF VALUATIONS AND REPORTS

These are the general principles upon which our Valuations and Reports are normally prepared; they apply unless we have specifically mentioned otherwise in the body of the report.

1) VALUATION STANDARDS

All work are carried out in accordance with the Singapore Institute of Surveyors and Valuers (SISV) Valuation Standards and Guidelines and International Valuation Standards (IVS), subject to variations to meet local laws, customs, practices and market conditions.

2) VALUATION BASIS

Our valuations are made on the basis of Market Value, defined by the SISV and IVSC as follows:

"Market Value is the estimated amount for which an asset should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion."

3) CONFIDENTIALITY

Our Valuations and Reports are confidential to the party to whom they are addressed or their other professional advisors for the specific purpose(s) to which they refer. No responsibility is accepted to any other parties and neither the whole, nor any part, nor reference thereto may be included in any published document, statement or circular, or published in any way, nor in any communication with third parties, without our prior written approval of the form and context in which they will appear.

4) SOURCE OF INFORMATION

Where it is stated in the report that information has been supplied by the sources listed, this information is believed to be reliable and we shall not be responsible for its accuracy nor make any warranty or representation of the accuracy of the information. All other information stated without being attributed directly to another party is obtained from our searches of records, examination of documents or enquiries with the relevant authorities.

5) DOCUMENTATION

We do not normally read leases or documents of title and, where appropriate, we recommend that lawyer's advice on these aspects should be obtained. We assume, unless informed to the contrary, that all documentation is satisfactorily drawn and that good title can be shown and there are no encumbrances, restrictions, easements or other outgoings of an onerous nature which would have an effect on the value of the interest under consideration.

6) TOWN PLANNING AND OTHER STATUTORY REGULATIONS

Information on Town Planning is obtained from the set of Master Plan, Development Guide Plans (DGP) and Written Statement published by the competent authority. Unless otherwise instructed, we do not normally carry out requisitions with the various public authorities to confirm that the property is not adversely affected by any public schemes such as road and drainage improvements. If reassurance is required, we recommend that verification be obtained from your lawyers.

Our valuations are prepared on the basis that the premises and any improvements thereon comply with all relevant statutory regulations. It is assumed that they have been, or will be issued with a Certificate of Statutory Completion by the competent authority.

7) TENANTS

Enquiries as to the financial standing of actual or prospective tenants are not normally made unless specifically requested. Where properties are valued with the benefit of lettings, it is therefore assumed that the tenants are capable of meeting their obligations under the lease and that there are no arrears of rent or undisclosed breaches of covenant.

8) STRUCTURAL SURVEYS

We have not carried out a building survey nor any testing of services, nor have we inspected those parts of the property which are inaccessible. We cannot express an opinion about or advise upon the condition of uninspected parts and this Report should not be taken as making any implied representation or statement about such parts. Whilst any defects or items of disrepair are noted during the course of inspection, we are not able to give any assurance in respect of rot, termite or past infestation or other hidden defects.

9) SITE CONDITIONS

We do not normally carry out investigations on site in order to determine the suitability of the ground conditions and services for the existing or any new development, nor have we undertaken any archaeological, ecological or environmental surveys. Unless we are otherwise informed, our valuations are on the basis that these aspects are satisfactory and that, where development is proposed, no extraordinary expenses or delays will be incurred during the construction period.

10) OUTSTANDING DEBTS

In the case of buildings where works are in hand or have recently been completed, we do not normally make allowance for any liability already incurred, but not yet discharged, in respect of completed works, or obligations in favour of contractors, sub-contractors or any members of the professional or design team.

…../Page 2

11) INSURANCE VALUE

Our opinion of the insurance value is our assessment of the reinstatement cost for insurance purpose and it comprises the total cost of completely rebuilding the property to be insured, together with allowances for inflation, demolition and debris removal, professional fees, the prevailing G.S.T. (goods and services tax) and, if applicable, compliance with current regulations and by-laws.

12) DIMENSIONS, MEASUREMENTS & AREAS

Dimensions, measurements and areas included in the report are based on information contained in copies of documents provided to us and are therefore approximations. No on site measurements have been taken. We have no reason to doubt the truth and accuracy of the information provided. Our valuation is totally dependent on the adequacy and accuracy of the information supplied and/or the assumptions made. Should these prove to be incorrect or inadequate, the accuracy of the valuation may be affected.

13) ACCURACY, ERRORS & OMISSIONS

Whilst care has been taken in the preparation of the report, no representation is made or responsibility is accepted for errors, omissions and the accuracy of the whole or any part.

Valuation Certificate

Property	:	30 Bideford Road, COMO Orchard, Singapore 229922
Instructing Party/ Relying Party	:	Boustead Projects Limited
Purpose of Valuation	:	Privatisation
Legal Description	:	Lot No. : 730N Town Subdivision : 27
Tenure	:	Estate in Fee Simple
Interest Valued	:	Freehold interest
Basis of Valuation	:	Market Value on an “as is” basis, subject to existing tenancies and occupational arrangements and hotel management agreement
Registered Owner	:	Bideford House Pte. Ltd. *Source: Certificate of Title from the Singapore Land Authority.*
Master Plan 2019	:	“Commercial and Residential” with a gross plot ratio of 4.9 *Note: The official Master Plan Zoning, Road and Drainage Interpretation Plans have not been applied for.*
Brief Description	:	COMO Orchard is located at the southern junction of Bideford Road and Cairnhill Road, off Orchard Road, within the traffic restricted zone of the Central Business District, and approximately 4.0 km from the City Centre. It is an 18-storey mixed-use development comprising a 5-storey commercial podium, a 12-storey serviced apartment with a hotel licence (total 156 rooms) and 2 levels of basement car park (total 55 lots). The 5-storey commercial podium houses a multi-label fashion store by Club21, F&B outlets and a wellness space (COMO Shambhala Singapore). The hotel (COMO Metropolitan Singapore) is the first hotel by the COMO Group in Singapore. The Property has been conferred the prestigious US LEED Platinum certification and BCA Green Mark Platinum award. The Temporary Occupation Permit and the Certificate of Statutory Completion were issued on 10 January 2020 and 17 May 2021 respectively. We understand that addition & alteration (A&A) works to the guest rooms and suites, public and back-of-house areas were completed in July 2023.
Tenancy Profile	:	The commercial podium is currently 100% tenanted. *Source: As provided by Boustead Projects Limited.*
Land Area	:	2,006.9 sm (21,602 sf) *Source: Certificate of Title from the Singapore Land Authority.*
Gross Floor Area (GFA)	:	14,637.89 sm (157,561 sf) approximately *Source: As extracted from the Grant of Written Permission issued on 10 February 2023.*
Net Lettable Area of Commercial Podium	:	5,214.02 sm (56,123 sf) approximately *Source: As provided by Boustead Projects Limited and subject to final survey.*
Valuation Approach	:	Capitalisation Method
Capitalisation Rate	:	3.00%
Date of Issue	:	8 November 2023
Valuation Date	:	8 November 2023
Market Value	:	**S$575,000,000** **(Singapore Dollars Five Hundred And Seventy-Five Million Only)** This valuation is exclusive of GST.
Market Value on GFA	:	S$39,282 psm (S$3,649 psf)
Assumptions, Disclaimers, Limitations & Qualifications	:	*This valuation certificate is provided subject to the assumptions, disclaimers, limitations and qualifications detailed throughout this certificate which are made in conjunction with those included within the General Terms of Business for Valuations located at the end of the certificate. Reliance on this certificate and extension of our liability is conditional upon the reader’s acknowledgement and understanding of these statements. Use by, or reliance upon this document for any other purpose if not authorised, Knight Frank Pte Ltd is not liable for any loss arising from such unauthorised use or reliance. The document should not be reproduced without our written authority.* *The valuation is carried out in accordance with the Singapore Institute of Surveyors and Valuers (SISV) Valuation Standards and Practice Guidelines and International Valuation Standards (IVS), and all codes, standards and requirements of professionalism have been met. The valuation certificate analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, unbiased professional analyses, opinions and conclusions. This valuation certificate has been vetted as part of Knight Frank Pte Ltd’s quality assurance procedures.* *The firm is acting in this capacity as an independent contractor and not as an employee or agent of Boustead Projects Limited nor is the firm authorised by implication or otherwise, to represent the firm as Boustead Projects Limited’s employee or agent. The valuers’ compensation is not contingent upon the reporting of a predetermined value or direction in value that favours the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event. The valuer, on behalf of Knight Frank Pte Ltd, with the responsibility for this valuation certificate is Sherri Fong, MSISV. We certify that the valuers undertaking this valuation on behalf of Knight Frank Pte Ltd, are authorised to practise as valuers and have at least 20 years continuous experience in valuing similar types of properties.*
Prepared by	:	Knight Frank Pte Ltd

Low Kin Hon
B.Sc.(Estate Management) Hons.,FSISV
Deputy Group Managing Director
Head, Valuation & Advisory
Appraiser’s Licence No. AD 041-2003752I
For and on behalf of Knight Frank Pte Ltd

Sherri Fong
B.Sc.(Estate Management) Hons.,MSISV
Senior Director
Valuation & Advisory
Appraiser’s Licence No: AD 041-2008950C
For and on behalf of Knight Frank Pte Ltd

KF Ref: 2956/BPL/1/23/SF/sl

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General Terms of Business for Valuations

These General Terms of Business and our Terms of Engagement letter together form the agreement between us ("Agreement"). The following General Terms of Business apply to all valuations and appraisals undertaken by Knight Frank Pte Ltd unless specifically agreed otherwise in the Terms of Engagement letter and so stated within the main body of the valuation report and/or certificate.

1. Knight Frank Pte Ltd ("the company")

Knight Frank Pte Ltd is a privately owned company with registration number 198205243Z. Any work done by an individual is in the capacity as an employee of the Company.

Our GST registration number is M2-0058829-X.

2. Limitations on Liability

The Valuer's responsibility in connection with this valuation report and/or certificate is limited to the party to whom the valuation report and/or certificate is addressed for the stated purpose. The Valuer disclaims all responsibility and will accept no liability to any third party for the whole or any part of its contents saved on the basis of written and agreed instructions; this will incur an additional fee.

Our maximum total liability for any direct loss or damage whether caused by our negligence or breach of contract or otherwise is limited to the lower of S$1 million or 3 times Knight Frank Pte Ltd's fee under the instruction.

We do not accept liability for any indirect or consequential loss (such as loss of profits).

3. Disclosure and Publication

If our opinion of value is disclosed to persons other than the addressees of our valuation report and/or certificate, the basis of valuation should be stated. Reproduction of this valuation report and/or certificate in any manner whatsoever in whole or in part or any reference to it in any published document, circular or statement nor published in any way whatsoever whether in hard copy or electronically (including on any websites) without the Valuer's prior written approval of the form and context in which may appear is prohibited.

4. Our Fees

If any invoice remains unpaid after the date on which it is due to be paid, we reserve the right to charge interest, calculated daily, from the date when payment was due until payment is made at 1.5% per month. If we should find it necessary to use legal representatives or collection agents to recover monies due, you will be required to pay all costs and disbursements so incurred.

If before the valuation is concluded :-
(a) you end this instruction, we will charge abortive fees; or
(b) you delay the instruction by more than [1] month or materially alter the instruction so that additional work is required at any stage we will charge additional fees,

And in each case such fees will be calculated on the basis of reasonable time and expenses incurred.

Where the valuation is for loan security purposes, and we agree to accept payment of our fee from the borrower, the fee remains due from yourselves until payment is received by us. Additionally, payment of our fee is not conditional upon the loan being drawn down or any conditions of the loan being met.

5. Valuation Standards

Valuations and appraisals will be carried out in accordance with the Singapore Institute of Surveyors and Valuers (SISV) Valuation Standards and Practice Guidelines and International Valuation Standards (IVS), and all codes, standards and requirements of professionalism will be met.

6. Valuation Basis

Valuations and appraisals are carried out on a basis appropriate to the purpose for which they are intended and in accordance with the relevant definitions, commentary and assumptions outlined in the valuation report and/or certificate. The basis of valuation will be agreed with you for the instruction.

The opinion expressed in this valuation report and/or certificate is made strictly in accordance with the terms and for the purpose expressed therein and the values assessed and any allocation of values between portions of the property need not be applicable in relation to some other assessment.

7. Titles and Burdens

We do not read documents of title although, where provided, we consider and take account of matters referred to in solicitor's reports or certificates of title. We would normally assume, unless specifically informed and stated otherwise, that each property has good and marketable title and that all documentation is satisfactorily drawn and that there are no unusual outgoings, planning proposals, onerous restrictions or regulatory intentions which affect the property, nor any material litigation pending.

All liens and encumbrances, if any, affecting the property have been disregarded unless otherwise stated and it is assumed that the current use of the property is not in contravention of any planning or other governmental regulation or law.

The Valuer does not warrant to the party to whom the valuation report and/or certificate is addressed and any other person the title or the rights of any person with regard to the property.

8. Disposal Costs and Liabilities

No allowance is made in our valuation for expenses of realisation or for taxation which may arise in the event of a disposal and our valuation is expressed as exclusive of any GST that may become chargeable. Properties are valued disregarding any mortgages or other charges.

9. Sources of Information

We rely upon the information provided to us, by the sources listed, as to details of tenure and tenancies (subject to "leases" below), planning consents and other relevant matters, as summarised in our valuation report and/or certificate. We do not check with the relevant government departments or other appropriate authorities on the legality of the structures, approved gross floor area or other information provided to us. We assume that this information is complete and correct and the Valuer shall not be held responsible or liable if this should prove not to be so.

Unless otherwise stated, all information has been obtained by our search of records and examination of documents or by enquiry from Government departments or other appropriate authorities. When it is stated in this valuation report and/or certificate that information has been supplied to the Valuer by another party, this information is believed to be reliable and the Valuer shall not be held responsible or liable if this should prove not to be so.

10. **Boundaries**

Plans accompanying valuation report are for identification purposes and should not be relied upon to define boundaries, title or easements. The extent of the site is outlined in accordance with information given to us and/or our understanding of the boundaries.

11. **Planning and Other Statutory Regulations**

Enquiries of the relevant planning authorities in respect of matters affecting the property, where considered appropriate, are normally only obtained verbally and this information is given to us, and accepted by us, on the basis that it should not be relied upon. Where reassurance is required on planning matters, we recommend that formal written enquiries should be undertaken by the client's solicitors who should also confirm the position with regard to any legal matters referred to in our report. We assume that properties have been constructed, or are being constructed, and are occupied or used in accordance with the appropriate consents and that there are no outstanding statutory notices.

12. **Property Insurance**

Our valuation assumes that the property would, in all respects, be insurable against all usual risks at normal, commercially acceptable premiums.

13. **Building Areas and Age**

Where so instructed, areas provided from a quoted source will be relied upon. Where the age of the building is estimated, this is for guidance only.

14. **Structural Condition**

Building structural and ground condition surveys are detailed investigations of the building, the structure, technical services and ground and soil conditions undertaken by specialist building surveyors or engineers and fall outside the normal remit of a valuation. Since we will not have carried out any of these investigations, except where separately instructed to do so, we are unable to report that the property is free of any structural fault, rot, infestation or defects of any other nature, including inherent weaknesses due to the use in construction of deleterious materials. We do reflect the contents of any building survey report referred to us or any defects or items of disrepair of which we are advised or which we note during the course of our valuation inspections but otherwise assume properties to be free from defect.

15. **Ground Conditions**

We assume there to be no unidentified adverse ground or soil conditions and that the load bearing qualities of the sites of each property are sufficient to support the building constructed or to be constructed thereon.

16. **Environmental Issues**

Investigations into environmental matters would usually be commissioned of suitably qualified environmental specialists by most responsible purchasers of higher value properties or where there was any reason to suspect contamination or a potential future liability. Furthermore, such investigation would be pursued to the point at which any inherent risk was identified and quantified before a purchase proceeded. Anyone averse to risk is strongly recommended to have a property environmental investigation undertaken and, besides, a favourable report may be of assistance to any future sale of the property. Where we are provided with the conclusive results of such investigations, on which we are instructed to rely, these will be reflected in our valuations with reference to the source and nature of the enquiries. We would endeavour to point out any obvious indications or occurrences known to us of harmful contamination encountered during the course of our valuation enquiries.

We are not, however, environmental specialists and therefore we do not carry out any scientific investigations of sites or buildings to establish the existence or otherwise of any environmental contamination, nor do we undertake searches of public archives to seek evidence of past activities which might identify potential for contamination. In the absence of appropriate investigations and where there is no apparent reason to suspect potential for contamination, our valuation will be on the assumption that the property is unaffected.

17. **Leases**

The client should confirm to us in writing if they require us to read leases. Where we do read leases reliance must not be placed on our interpretation of these documents without reference to solicitors, particularly where purchase or lending against the security of a property is involved.

18. **Covenant**

We reflect our general appreciation of potential purchasers' likely perceptions of the financial status of tenants. We do not, however, carry out detailed investigations as to the financial standing of the tenants, except where specifically instructed, and assume, unless informed otherwise, that in all cases there are no significant arrears of payment and that they are capable of meeting their obligations under the terms of leases and agreements.

19. **Loan Security**

Where instructed to comment on the suitability of property as a loan security we are only able to comment on any inherent property risk. Determination of the degree and adequacy of capital and income cover for loans is the responsibility of the lender having regard to the terms of the loan.

20. **Build Cost Information**

Where our instruction requires us to have regard to build cost information, for example in the valuation of properties with development potential, we strongly recommend that you supply us with build cost and other relevant information prepared by a suitably qualified construction cost professional, such as a quantity surveyor. We do not hold ourselves out to have expertise in assessing build costs and any property valuation advice provided by us will be stated to have been arrived at in reliance upon the build cost information supplied to us by you. In the absence of any build cost information supplied to us, we may have regard to published build cost information. There are severe limitations on the accuracy of build costs applied by this approach and professional advice on the build costs should be sought by you. The reliance which can be placed upon our advice in these circumstances is severely restricted. If you subsequently obtain specialist build cost advice, we recommend that we are instructed to review our advice.

21. **Reinstatement Assessments**

A reinstatement assessment for insurance purposes is a specialist service and we recommend that separate instructions are issued for this specific purpose. If advice is required as a check against the adequacy of existing cover this should be specified as part of the initial instruction. Any indication given is provided only for guidance and must not be relied upon as the basis for insurance cover. Our reinstatement assessment should be compared with the owner's and if there is a material difference, then a full reinstatement valuation should be considered.

22. **Attendance in Court**

The Valuer is not obliged to give testimony or to appear in Court with regard to this valuation report and/or certificate, with reference to the property unless specific arrangement has been made therefor.

CBRE Valuation Services
IN ASSOCIATION WITH CBRE VIETNAM

VAS Valuation Co., Ltd.
Our Reference: VAS/HCM-CON-C230/2023.

A&B Tower, 76A Le Lai, Ben Thanh Ward,
District 1, Ho Chi Minh City, Vietnam
Tax Code: 0316113465

20 October 2023
Boustead Projects Limited
Address: 82 Ubi Avenue 4 #07-01 Edward Boustead Centre
Singapore 408832

For the attention: The Board of Directors

Dear Sir/Madam

SUMMARY LETTER TO VALUATION ADVICE ON THE MARKET VALUE OF THE PROPERTIES FOR PRIVATIZATION AND DELISTING OF BOUSTEAD PROJECTS LIMITED.

As instructed by Boustead Projects Limited ("Boustead" or the "Instructing Party"), we VAS Valuation Co., Ltd in association with CBRE (Vietnam) ("VAS"), have issued valuations dated 20th October 2023 with material date of valuation as at 20th October 2023 ("Valuation Certificates"), outlining the Market Value of the properties located in Dong Nai and Bac Ninh Province, Vietnam for the purpose of valuation advice on the market value of the properties for privatization and delisting of Boustead Projects Limited.

Details of the subject properties are detailed below:

1. **Nhon Trach Textile** - Land Parcel No. 36 & 37, Map No. 70 located in Nhon Trach Textile Industrial Park, Hiep Phuoc Commune, Nhon Trach District, Dong Nai Province, Vietnam, being 54,000sqm industrial land with 31,239sqm GFA existing improvements and 2,800sqm GFA proposed developments.

2. **Nhon Trach 2** (comprising two existing phases and one proposed vacant land) – Land parcel No. 45, Map No. 44 (Phase 1); Land Parcel No. 118 & 119, Map No. 43 and Land Parcel No. 113 of Map No. 66 (Phase 2A & 3) located in Nhon Trach II Industrial Park, Phu Hoi Commune, Nhon Trach District, Dong Nai Province, Vietnam, detailed as below:

   - Phase 1: 60,000sqm industrial land incorporating with 33,976.3sqm GFA existing improvements;
   - Phase 2A: 62,939.3sqm industrial land incorporating with 39,032.4sqm GFA existing improvements;
   - Phase 3: 63,963.7sqm industrial land area with 57,400sqm proposed GFA.

3. **Nhon Trach 3A** – Land Parcel No. 30, Map. No. 20 located in Nhon Trach 3 Industrial Park – Phase 2, Nhon Trach District, Dong Nai Province, Vietnam; being 33,900sqm industrial land area with 21,498.1sqm GFA existing improvements.

4. **Nhon Trach 3B** – Land Parcel No. 10, Map No. 20 (Phase 1) located in Nhon Trach 3 Industrial Park – Phase 2, Long Tho Commune, Nhon Trach District, Dong Nai Province, Vietnam; being 62,429sqm industrial land area.

5. **Tam Phuoc B** - Land Parcel No. 30, Map No. 62 located in Tam Phuoc Industrial Park, Tam Phuoc Commune, Bien Hoa City, Dong Nai Province, Vietnam; being 23,521sqm industrial land area with 15,577sqm GFA existing improvements.

CBRE Valuation Services
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6. **Yen Phong 1 -** Land Parcel No. 74, Map No. 14, Yen Phong Industrial Park (Expansion Area or Second Phase), Dung Liet Commune, Yen Phong District, Bac Ninh Province, Vietnam, being 36,000sqm Industrial land and 21,204sqm GFA existing improvements
7. **Yen Phong 2 -** Land Parcel No. 661, Map No. 3, Yen Phong Industrial Park (Expansion Area or Second Phase), Yen Trung Commune, Yen Phong District, Bac Ninh Province, Vietnam, being 60,000sqm Industrial land and 36,979sqm GFA existing improvements
8. **Yen Phong 2C** - Land Parcel No. 576, Map No. 16, Yen Phong II-C Industrial Park, Yen Phong District, Bac Ninh Province, Vietnam, detail as below:

   Phase 1: 82,300sqm land area with 57,248sqm GFA existing improvements

   Phase 2: 67,700sqm land area – Vacant land

We provide this Letter which is a condensed version of our Valuation Certificates, outlining key factors that have been considered in arriving at our opinions of values, updating the Market Value of the subject property as at 20th October 2023. This Letter should be read in conjunction with the issued Valuation Certificates.

We have issued the Valuation Certificates and this Letter which is vested with Boustead, in accordance with the terms of engagement entered into between VAS and the addressee, dated 28 September 2023.

Basis of Valuation is Market Value.

In accordance with the Royal Institution of Chartered Surveyors (RICS) Valuations - Global Standards 2022, incorporating IVSC International Valuations Standards 2022, the definition of Market Value is as follows:

"The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion".

The value conclusion reflects all information known by the valuers of VAS who worked on the valuation in respect to the Property, market conditions and available data.

VAS has relied upon property information supplied by Boustead which we assume to be true and accurate. VAS takes no responsibility for inaccurate client supplied information and subsequent conclusions related to such information.

CBRE Valuation Services
IN ASSOCIATION WITH CBRE VIETNAM

Reliance on this Letter

We have prepared this Letter which summarizes our Valuation Certificates and outlines key factors which have been considered in arriving at our opinion of value.

The valuation and market information are not guarantees or predictions and must be read in consideration of the following:

- This Letter alone does not contain all the necessary data and support information in terms of the valuation, which is included within our Valuation Certificates. To understand the complexity of the methodology and the many variables involved, reference must be made to the Valuation Certificates, copies of which are held by Boustead.
- The conclusions within the Valuation Certificate as to the estimated value are based upon the factual information set forth in the Valuation Certificates. Whilst VAS has endeavoured to assure the accuracy of the factual information, it has not independently verified all information provided by Boustead.
- The primary methodologies used by VAS in valuing the Properties includes 1) Capitalisation Method and Discounted Cashflow Analysis for **operating assets** or 2) Direct Comparison Approach and Residual Approach for **vacant land**:
  - The Capitalisation Method and Discounted Cashflow Analysis are based upon estimates of future financial performance and are not predictions. Each methodology begins with a set of assumptions as to income and expenses of the property and future economic conditions in the local market. The income and expense figures are mathematically extended with adjustments for estimated changes in economic conditions. The resultant value is considered the best practice estimate but is not to be construed as a prediction or guarantee and is fully dependent upon the accuracy of the assumptions as to income, expenses, and market conditions;
  - Direct Comparison Approach and Residual Approach. The Direct Comparison Approach involves a comparison of the property being valued to similar properties that have actually been sold in arms-length transactions or are offered for sale. This approach demonstrates what buyers have historically been willing to pay (and sellers willing to accept) for similar properties in an open and competitive market and is particularly useful in estimating the value of the land and properties that are typically traded on a unit basis; while the Residual Method is an assessment of the value by considering the value of the proposed development as completed and then deducting all known or anticipated costs of development (including an allowance for developer's profit) to arrive at the underlying land value (or residual value).
- The Valuation Certificate was undertaken based upon information available and provided to us on 5th October 2023 by Boustead. VAS accepts no responsibility for subsequent changes in information as to income, expenses, or market conditions, between these dates and the valuation date. We draw your attention to the fact that a combination of global inflationary pressures (leading to higher interest rates) and the recent failures/stress in banking systems which have significantly increased the potential for constrained credit markets, negative capital value movements and enhanced volatility in property markets over the short-to-medium term. Experience has shown that consumer and investor behavior can quickly change during periods of such heightened volatility. Investment decisions should reflect this heightened level of volatility and the potential for deteriorating market conditions. Investment caution is advised in this regard. You should note that the conclusions set out in this report are valid as at the valuation date only. Where appropriate, we recommend that the valuation is closely monitored, as we continue to track how markets respond to evolving events.

No reliance may be placed upon the contents of this Letter by any party for any purpose other than in connection with the Purpose of Valuation and only with reference to the Valuation Certificate.

Property Details

The following provides a brief summary of the key attributes of the subject properties:

LAND AREA/GROSS FLOOR AREA/NET LEASING AREA

No.	Property	Land area (sqm)	GFA (sqm)	NLA (sqm)	Current status
1	Nhon Trach Textile	54,000	34,039	33,369	Operating asset
2	Nhon Trach 2 – Phase 1	60,000	33,976	33,630	Operating asset
	Nhon Trach 2 – Phase 2	62,939	39,032	38,412	Operating asset
	Nhon Trach 2 – Phase 3	63,964	57,400	54,400	Under Construction
3	Nhon Trach 3A	33,900	21,498.1	21,431	Operating asset
4	Nhon Trach 3B	62,429	-	-	Vacant land
5	Tam Phuoc B	23,521	15,577	15,309	Operating asset
6	Yen Phong 1	36,000	21,204	21,160	Operating asset
7	Yen Phong 2	60,000	36,979	36,979	Operating asset
8	Yen Phong 2C – Phase 1	82,300	57,248	52,540	Operating asset
	Yen Phong 2C – Phase 2	67,700	-	-	Vacant land

TENURE

1. **Nhon Trach Textile**

Leasehold (upfront payment) – expiring on 12 September 2053 with remaining land lease term – 29.9 years approx.

2. **Nhon Trach 2**

Leasehold (annual payment for infrastructure fee and land rental) – expiring on 26 February 2057 with remaining land lease term – approx. 33.4 years.

3. **Nhon Trach 3A**

Leasehold (annual payment infrastructure fee and land rental) – expiring on 05 September 2058 with remaining land lease term – 34.9 years approx.

4. **Nhon Trach 3B**

Leasehold (annual payment for infrastructure fee and land rental) – expiring on 05 September 2058 with remaining land lease term – 35 years approx.

5. **Tam Phuoc B**

Leasehold (annual land lease and infrastructure payments) – expiring on 06 October 2053 with remaining land lease term – 30 years approx.

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6. **Yen Phong 1**

Leasehold (upfront payment for infrastructure fee and annual payment for land rental) – expiring on 15 November 2066. Remaining land lease term – 43.07 years approx.

7. **Yen Phong 2**

Leasehold (upfront payment for infrastructure fee and annual payment for land rental) – expiring on 15 November 2066. Remaining land lease term – 43.07 years approx.

8. **Yen Phong 2C**

Leasehold (upfront payment for infrastructure fee and annual payment for land rental) – expiring on 11 September 2068. Remaining land lease term – 44.95 years approx.

Valuation Rationale

In arriving at our opinion of value, we have considered relevant general and economic factors and in particular have investigated recent sales and leasing transactions of comparable properties that have occurred in the industrial property market. We have primarily utilised the **Capitalisation Method, Discounted Cashflow Analysis for operating assets** and **Direct Comparison Method and Residual Approach for vacant sites** in undertaking our assessment for the subject properties.

OPERATING ASSETS

CAPITALIZATION METHOD/INCOME CAPITALIZATION APPROACH

We have utilised the income capitalisation approach in which the sustainable net income on a fully leased basis has been estimated having regard to the current passing rental income and other income. From this figure, we have deducted applicable outgoings, including operating expenses.

The resultant net income has been capitalized for the remaining tenure of the property to produce a core capital value. The capitalisation rate adopted reflects the nature, location and tenancy profile of the property together with current market investment criteria, as evidenced by the sales evidence considered. Thereafter, appropriate capital adjustments have been included which relate to provisions for existing vacancies, rental reversion adjustments and capital expenditure requirements.

DISCOUNTED CASH FLOW ANALYSIS (DCF)

We have also carried out a discounted cash flow analysis over a 10-year investment horizon in which we have assumed that the property is sold at the commencement of the eleventh year of the cash flow. This form of analysis allows an investor or owner to make an assessment of the long-term return that is likely to be derived from a property with a combination of both rental and capital growth over an assumed investment horizon. In undertaking this analysis, a wide range of assumptions are made including a target or pre-selected internal rate of return, rental growth, sale price of the property at the end of the investment horizon, costs associated with the initial purchase of the property and also its disposal at the end of the investment period.

We have investigated the current market requirements for an investment return over a 10-year period from industrial properties. We hold regular discussions with investors active in the market, both as purchasers and owners of industrial properties.

Our selected terminal capitalisation rate, used to estimate the terminal sale price, takes into consideration perceived market conditions in the future, estimated tenancy and cash flow profile and the overall physical condition of the building in 10 years' time. The adopted terminal capitalisation rate additionally has regard to the duration of the remaining leasehold tenure of the property at the end of the cash flow period.

VACANT SITES

DIRECT COMPARISON METHOD

We have carried out a sales comparison approach. The sales utilized represent the best data available for comparison with the properties. These sales were chosen based upon their proximity, land size, land use, industrial zoning and overall characteristics which are the most representative of the subject properties as of the valuation date. Adjustment to these sales are based on certain categories, such as legal, location, land use, remaining years and land size, there are very quantifiable adjustments that can be tied to remaining years while on qualitative differences such as location, infrastructure system, No. of street frontages there is a more subjective adjustment made and garnered from experience.

RESIDUAL APPROACH/DISCOUNTED CASH FLOW ANALYSIS (DCF)

The Residual Method is an assessment of the value of the proposed development as completed and the deduction of all known or anticipated costs of development (including an allowance for developer's profit) to arrive at the underlying land value (or residual value).

For this valuation, we have utilised a Discounted Cash Flow analysis, projecting the future cashflows of the development and discounting back to a present value. Cash flows include the future income from the anticipated sale or rental income of the completed development, offset by all the costs associated with completing the proposed development. Its application as an Investment Method of Valuation relies upon the calculation of a Net Present Value which is derived through the discounting of the cash inflows and outflows at the applied Discount Rate.

The adopted market derived Discount Rate takes into consideration the return an investor would require to invest into a development of this nature, taking into consideration the specific risks associated with the completion of the development.

In undertaking this analysis, a wide range of assumptions are made including but not limited to; the cost of construction including professional fees, allowance for contingency etc., the projected amount the proposed development will be sold or leased, costs associated with selling/leasing the development, and the time to complete the development, sales and realise any profits.

Our analysis has been based upon a fixed term investment horizon in which we have assumed that the property is sold at the commencement of the sixth year of the cash flow in regard to a five-year discounted cash flow and the eleventh year in regard to a ten-year discounted cash flow, unless sold earlier. The cash flow analysis comprises annual income streams in which we have discounted the income of each year of the cash flow on a midpoint basis, which assumes an income of six months in arrears and six months in advance.

The analysis proceeds on a before tax basis, and whilst we have not qualified any potential taxation benefits associated with the property, we are of the view that these are an issue which a prospective purchaser would reflect in its consideration.

VALUATION APPROACH

The adopted capitalisation rate, discount rate and terminal rate are as follows:

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No.	Property	Capitalisation rate (%)	Discount rate (%)	Terminal rate (%)
1	Nhon Trach Textile	8%	For DCF (factory 1-10): 13% For Residual Approach (factory 6): 14.5%	8.25%
2	Nhon Trach 2 – P1	8%	13%	8.25%
	Nhon Trach 2 – P2	8%	13%	8.25%
	Nhon Trach 2 – P3	8%	For DCF (GDV): 13% For Residual Approach (development site): 14.5%	8.25%
3	Nhon Trach 3A	8%	13%	8.25%
4	Tam Phuoc B	8.25%	13.25%	8.5%
5	Yen Phong 1	8%	12%	8.25%
6	Yen Phong 2	8%	12%	8.25%
7	Yen Phong 2C – P1	8%	12%	8.25%

Assessment of Value

We are of the opinion that the Market Value of the Subject Properties as at 20th October 2023, are as follows:

1	**Nhon Trach Textile**	VND363,100,000,000	US$14,700,000
2	**Nhon Trach 2**		
	Phase 1	VND424,800,000,000	US$17,200,000
	Phase 2	VND469,300,000,000	US$19,000,000
	Phase 3	VND200,100,000,000	US$8,100,000
3	**Nhon Trach 3A**	VND207,500,000,000	US$8,400,000
4	**Nhon Trach 3B**	VND192,700,000,000	US$7,800,000
5	**Tam Phuoc B**	VND140,800,000,000	US$5,700,000
6	**Yen Phong 1**	VND256,900,000,000	US$10,400,000
7	**Yen Phong 2**	VND550,800,000,000	US$22,300,000
8	**Yen Phong 2C**	VND1,151,100,000,000	US$46,600,000
	Phase 1	VND891,700,000,000	US$36,100,000
	Phase 2	VND259,400,000,000	US$10,500,000

The adopted FX Rate is VND24,700/US$1 as of 20 October 2023.

Key Risks, Assumptions, Disclaimers, Limitations, and Qualificationsz

VAS have prepared this Letter and, to the extent permitted by law, specifically disclaim liability to any person in the event of any omission from or false or misleading statement included in this Circular, other than in respect of the information provided within the aforementioned Valuation Certificates and this Letter. VAS does not make any warranty or representation as to the accuracy of the information in any other part of this Circular other than as expressly made or given by VAS in this Letter.

VAS has relied upon property data supplied by Boustead which we assume to be true and accurate. VAS takes no responsibility for inaccurate client supplied data and subsequent conclusions related to such data.

The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions, and is our personal, unbiased professional analyses, opinions, and conclusions. VAS and the respective appraisers involved in each assignment have no present or prospective interest in the subject properties and have no personal interest or bias with respect to the party(ies) involved.

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You should note that the conclusions set out in this report are valid as at the valuation date only. Where appropriate, we recommend that the valuation is closely monitored, as we continue to track how markets respond to evolving events.

LEGAL DISCLAIMER

- VAS is not operating under any financial services license when providing this Valuation Summary Letter (and accompany Valuation Certificates), and those documents do not constitute financial product advice. Investors should consider obtaining independent advice from their financial advisor before making any financial decision.
- This Valuation Summary Letter (and accompany Valuation Certificates) are strictly limited to the matters contained within those documents, and are not to be read as extending, by implication or otherwise, to any other matter in the Offer Document.
- Without limitation to the above, no liability is accepted for any loss, harm, cost or damage (including special, consequential or economic harm or loss) suffered as a consequence of fluctuations in the real estate market subsequent to the date of valuation.
- VAS has prepared this Valuation Summary Letter (and accompany Valuation Certificates) relying on and referring to certain information provided by Boustead and/or third parties including financial and market information (the "Information"). VAS assumes that the Information is accurate, reliable and complete and it has not independently verified such Information and is not aware of any circumstances or reasons which would (or is reasonably likely to) render any of the Information untrue or inaccurate.
- References to the subject property's value within this Valuation Summary Letter or the Offer Document have been extracted from VAS's Valuation Certificate. The Valuation Certificate draws attention to the key issues and considerations impacting value as well as key critical assumptions, general assumptions, disclaimers, limitations and qualifications and recommendations. As commercial investments of this nature are inherently complex and the market conditions have changed and/or have been uncertain in recent times, VAS recommends that this Valuation Summary Letter (and accompany Valuation Certificates) and any references to value within the Offer Document must be read and is subject to the Assumptions, Limitations, Disclaimers and Qualifications contained therein. Subject to applicable laws and regulations (including the Securities and Futures Act 2001 of Singapore), no responsibility is accepted for any loss or damage incurred by other persons (save for the Reliant Parties) arising as a result of reliance upon this Valuation Summary Letter and the Valuation Certificate.
- Neither this Valuation Summary Letter nor the accompany Valuation Certificates may be reproduced in whole or in part without the prior written approval of VAS.
- VAS charges a professional fee for producing valuation certificates.
- VAS has no present or prospective interest in the subject properties and are not a related corporation of nor does it have a relationship with Boustead, or its owners, advisers etc. VAS's compensation as a valuer is not contingent upon reporting of a predetermined value or direction in value that favours Boustead nor does VAS have an economic or other interest (direct or indirect) in the success of the Offer.
- VAS has prepared this summary letter for inclusion within the Offer Document but has not been involved in the preparation of the Offer Document. VAS has not been required to approve or express any opinion about any part of the Offer Document other than this Valuation Summary Letter (and accompany Valuation Certificates). VAS disclaims any liability to any person in the event of an omission from, or false and misleading statements included in the Offer Document, other than in respect of the information provided within this

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Valuation Summary Letter (and accompany Valuation Certificates). VAS does not make any warranty or representation as to the accuracy of the information in any other part of the Offer Document.

- SUBJECT to applicable laws and regulations (including the Securities and Futures Act 2001 of Singapore), this document is for the sole use of persons directly provided with it by VAS. Save as provided for under applicable laws and regulations (in particular the Securities and Futures Act 2001 of Singapore), use by, or reliance upon this document by anyone other than those parties named above is not authorised by VAS and (except to the extent that statutory liability under the Securities and Futures Act 2001 of Singapore or by operation of law cannot be excluded), VAS, its directors, employees, affiliates and representatives shall not be liable for any loss arising from such unauthorised use or reliance.
- Where VAS has consented to the disclosure of this Valuation Summary Letter (and accompany Valuation Certificates) in the Offer Document, such disclosure is approved solely for the purpose of providing information to potential investors or any other interested persons.
- Neither the Valuation Certificates, this Summary Letter nor purport to contain all the information that a potential investor or any other interested party may require. They do not consider the individual circumstances, financial situation, investment objectives or requirements. They are intended to be used as guide and for information purposes only and do not constitute advice including without any limitation, investment, tax, legal or any other type of advice. The valuations stated are only best estimates based on our professional judgment and are not to be construed as a guarantee. Potential investors must review this Valuation Summary Letter (and/or accompany Valuation Certificates) carefully, in their entirety, to understand the assumptions and methodologies stated in the valuation.
- For the avoidance of doubt, all references to "Offer Document" herein shall include any prospectus, offering circular and/or any other accompanying documents in connection with the Offer and required under the Securities and Futures Act 2001 of Singapore.

REAL ESTATE MARKET OVERVIEW – HEIGHTENED MARKET VOLATILITY:

Vietnam's Real Estate market is currently experiencing a level of heightened uncertainty. After a period of rapid growth, global events such as the impact of the COVID-19 pandemic, the conflict between Russia and Ukraine, and following these events an increase in global inflation leading to interest rates rises, have had a significant impact on local market sentiment. In addition, there has been increased scrutiny on development sites and master planning application processes, leading to an update to the land laws being earmarked for late 2023.

Currently, reports are indicating there is a significant lack of available credit in the local Vietnamese market, with lenders taking a cautious approach. This lack of credit appears to be placing pressure on the overall industry, forcing developers and investors alike to look for debt or investment from abroad, or issuing bonds to raise capital. This has led to a revision to the regulatory framework around bond markets.

Developers are facing cash flow challenges, which may lead to a requirement to sell down some of their assets or look to sell product at lower prices. Partly due to the lack of available credit, there is currently limited buyers in the market, particularly for properties of a higher value, or development sites that require lengthy periods to develop. Extended marketing periods are likely to be experienced. Should sellers be in a position where they need to sell an asset in a relatively short period, purchasers with the means to buy in the timeframe will likely expect a discount, potentially substantial, to achieve such a sale.

Experience has shown that consumer and investor behaviour can quickly change during periods of such heightened volatility. Lending or investment decisions should reflect this heightened level of volatility and the potential for deteriorating market conditions.

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It is important to note that the conclusions set out in this report are valid as at the valuation date only. Where appropriate, we recommend that the valuation is closely monitored, as we continue to track how markets respond to evolving events. Investment caution is advised in this regard.

This Letter are strictly limited to the matters contained within those documents. To the extent permitted by law, VAS specifically disclaims any liability in respect of the use of or reliance on this Letter to any person in the event of any omission or false or misleading statement other than to the Addressees.

Yours sincerely

VAS Valuation Co., Ltd in association with CBRE (Viet Nam)

M.S.D.N:0316113465-C.T.T.N.H.H
CÔNG TY TNHH
THẨM ĐỊNH GIÁ
VAS
QUẬN 1 - T.P HỒ CHÍ MINH

Ho Thi Kim Oanh MRICS
Registered Valuer No. VII11.621
Ministry of Finance of Vietnam
RICS Registered Valuer No. 6138871
Director, Head of Vietnam.
Valuation & Advisory Services.
Encl.: Appendix 1 – Valuation Certificates

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APPENDIX 1 – VALUATION CERTIFICATE

Subject Property 1:	**Nhon Trach Textile – 54,000sqm industrial land and 31,239sqm GFA existing improvements and 2,800sqm GFA proposed developments.** Land Parcel No. 36 & 37 of Cadastral Map No. 70 located in Nhon Trach Textile Industrial Park, Hiep Phuoc Commune, Nhon Trach District, Dong Nai Province, Vietnam
Instructing Party:	**Boustead Projects Limited**
Purpose of Valuation:	Valuation advice on the market value of the properties for privatization and delisting of Boustead Projects Limited.
Basis of Valuation:	Market Value
Interest Valued:	Leasehold (upfront payment) – expiring 12 September 2053 Remaining land lease term – 29.9 years approx.
Valuation Standards:	The valuation is conducted in accordance with RICS Valuation – Global Standards 2022 incorporating the IVSC International Valuation Standards (IVS), issued in November 2021 and effective from 31 January 2022.
Registered Beneficial Owner:	**KTG Industrial Long Thanh Company Limited**
Land Area:	54,000sqm (as per the LURCs)
Gross Floor Area (GFA)	31,239sqm GFA existing improvements (as per the LURCs) and 2,800sqm GFA proposed development
Net Leasable Area (NLA):	30,629sqm existing and 2,740sqm proposed *(As per information provided by Instructing Party)*
Zoning:	Based on the LURCs No.CV388638 and No.CV388639 both dated 28 July 2020 issued by Dong Nai Province's Department of Natural Resources and Environment, the Subject Property is located within a designated area for industrial land.
Site Description:	The Subject Property (SP) is sited on two separate industrial land parcels (with two separate LURCs) within Nhon Trach Textile Industrial Park, Hiep Phuoc Commune, Nhon Trach District, Dong Nai Province, Vietnam. The site is approx. 8km from the People's Committee (PC) of Nhon Trach District, approx. 40km from the Southeast of Dong Nai Province's PC, approx. 43km from the East of Ho Chi Minh's PC and approx. 50km from the East of Tan Son Nhat International Airport. The site is currently bordered by 2 internal roads to the West and the South respectively and Vo Van Tan Street to the North. It is approx. 12km to HCM – Long Thanh – Dau Giay Expressway and can be directly accessed by an internal street via Vo Van Tan Street. Nhon Trach Textile Industrial Park (IP) has been developed since 2003 by Vinatex – Tan Tao Investment Corporation – Joint Stock Company (JSC). The IP has total area of 184ha. Main focusing sectors in the IP include textile, electronics, electricity, construction materials, pharmaceuticals, foodstuffs, consumer goods etc. Surrounding developments are existing factories within Nhon Trach Textile Industrial Park, such as Jungwoo Vina Co. Ltd., Hoa Binh Textile JSC, Glassworks Co. Ltd, etc. The Subject Property is rectangular shaped and at generally level topography. As at the valuation date, all infrastructures to the boundary of the Subject Property were in place with completed road systems, sewerage systems and telecommunication systems. At the inspection date, Factory 6 is under construction which completed the framework and in the process of completing wall and roofing. The site is scheduled to be completed in Q1/2024.

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Existing Improvements and Proposed Development Description:

At the inspection date, there are nine Ready-Built Factories (RBFs), one under-construction factory and other ancillary improvements. The improvements were fully completed between 2011 and 2016 with details as follow:

No.	Component(*)	No. of storeys	Completed year	Footprint (sqm)	GFA (sqm)	NLA (sqm)
1	Factory 1	1	2016	2,664	2,795.4	2,794
2	Factory 2	1	2016	2,664	2,795.4	2.794
3	Factory 3	1	2014	2,664	2,795.4	2.794
4	Factory 4	1	2014	2,664	2,795.4	2.794
5	Factory 5	1	2013	2,590	2,800.0	2,800
6	Factory 7	1	2016	4,095	4,222.8	4,222.8
7	Factory 8	1	2015	4,095	4,222.8	4,222.8
8	Factory 9	1	2016	4,095	4,567.5	4,095
9	Factory 10	1	2016	4,095	4,244.1	4,103
		Total			**31,239**	**30,629**

Under construction Component	No. of storey	Footprint (sqm)	GFA (sqm)	NLA (sqm)	Quarter of Commencement	Quarter of Completion
Factory 6 (**)	1	2,590	2,800	2,740	Q2/2023	Q1/2024

(*) In each factory unit, there is a two-storey office space of approx. 260-420sqm NLA.
(**) At the inspection date, Factory 6 is under construction which completed the framework and in the process of completing wall and roofing. The site is scheduled to be completed in Q1/2024.

Tenancy Profile

The total existing leasable area is 30,629sqm NLA and proposed development is 2,740sqm NLA. As provided by the Instructing Party, the current net passing rents are from US$3.53 – US$4.26/sqm NLA/month for RBF and US$4.21 – US$6.07/sqm NLA/month for office area. The service charge is between US$0.10 – US$0.15/sqm NLA/month. The average lease term is 3-8 years. The occupancy rate is 90.9%, equivalent to 27,834sqm NLA.

Valuation Comment:

At the inspection date, Factory 6 is under construction. We understand from the Instructing Party Factory 6 is expected to be completed in January 2024. We have factored the current condition of the factory into our assessment as at the valuation date.

We have been also provided by the Instructing Party with total proposed construction cost which is VND27.5 billion, construction cost incurred is VND24.4 billion and to complete up to date to estimate the value of the Subject Property. We have adopted this figure with our valuation to reflect the current status of the Subject Property. It should be noted that at the valuation date, we have not been provided any official documents including construction contract, invoice and receipt related to the above incurred cost. We have assumed that all provided costs are correct. Incurred costs are crucial to our valuation. Should there be any alteration to this value, the Instructing Party should advise VAS promptly. We reserve the right to revalue and make changes to this report.

Our valuation is our best estimate, using our professional judgment as to the approximate value that might be attributed to a parcel of land with the assumed characteristics as at the valuation date. If any of our assumptions are found to be inaccurate our valuation is void and all reliance is revoked. We reserve the right to review and, if necessary, vary the valuation if there are changes to the assumptions made herein.

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Valuation Approaches:	**1/ Existing factories** ▪ **Capitalisation Approach** Capitalisation Rate: 8% ▪ **Discounted Cashflow Analysis:** Discount Rate: 13% Terminal Yield: 8.25% **2/ Under construction factory – Residual/DCF for F6 factory** Discount Rate/IRR: 14.5%
Date of Inspection:	02 October 2023 The inspection for this valuation was conducted prior to date of valuation (20 October 2023). We have assumed that no material change to the Subject Property has occurred between the dates of inspection and valuation.
Date of Valuation:	20 October 2023
MARKET VALUE:	**VND363,100,000,000** **Three Hundred Sixty Three Billion One Hundred Million Vietnam Dong Only** *This valuation is exclusive of VAT* *The currency in which the valuation is to be expressed will be VND, then exchanging to US$ for referring purpose.*
Currency Equivalent Value	**US$14,700,000** **Fourteen Million Seven Hundred Thousand United States Dollars Only** *Applied selling exchange rate published by Vietcombank as of 20 October 2023. US$ 1= VND24,700.*
Valuation Certificate Validity:	This Valuation Certificate is addressed to Boustead Projects Limited and is for their uses only and valid for a period of three months from the date of opinion given. The value assessed may in the future change significantly and unexpectedly over a relatively short period (including as a result of general market movements or factors specific to the particular property or particular property sector). VAS Valuation Co., Ltd. ("VAS") does not accept liability for losses arising from subsequent changes in value.
Assumptions, Disclaimers, Limitations & Qualifications	This valuation is provided subject to the assumptions, qualifications, limitations and disclaimers detailed throughout the Valuation Certificate which are made in conjunction with those included within the Assumptions, Qualifications, Limitations & Disclaimers section of the Valuation Certificate. Reliance on this Summary Letter and extension of our liability is conditional upon the reader's acknowledgement and understanding of these statements. This valuation is for the use only of the party to whom it is addressed and for no other purpose. No responsibility is accepted to any third party who may use or rely on the whole or any part of the content of this valuation. The valuer has no pecuniary interest that would conflict with the proper valuation of the property.

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Prepared By:

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Director
Valuation & Advisory Services

Job Number: 23-CONHCM-0173-1
Date of Final Report: 20 October 2023

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VALUATION CERTIFICATE

Subject Property 2: **Nhon Trach 2 – Phase 1, 2, 3 are detailed as below:**

- Phase 1: 60,000sqm industrial land with 33,976.3sqm GFA existing improvements
- Phase 2: 62,939.3sqm industrial land with 39,008.37sqm GFA existing improvements
- Phase 3: 63,963.7sqm industrial land area with 57,400sqm proposed GFA (under construction)

Nhon Trach II Industrial Park, Phu Hoi Commune, Nhon Trach District, Dong Nai Province, Vietnam

Instructing Party: **Boustead Projects Limited**

Purpose of Valuation: Valuation advice on the market value of the properties for privatization and delisting of Boustead Projects Limited.

Basis of Valuation: **Market Value**

Valuation Standards: The valuation is conducted in accordance with RICS Valuation – Global Standards 2022, incorporating the IVSC – International Valuation Standards. These standards were issued by the Royal Institution of Chartered Surveyors ("RICS") in November 2021 and effective from 31 January 2022.

Interest Valued: Leasehold (annual payment for infrastructure use fee and land rental) – expiring on 26 February 2057
Remaining land lease term – approx. 33.4 years.

Registered Beneficial Owner: Boustead Projects Land (Vietnam) Co. Ltd

Land Area, Gross Floor Area (GFA) and Net Lettable Area (NLA): Details are shown below:

Property	Land Area (sqm)	Existing/proposed GFA (sqm)	Existing/proposed NLA (sqm)
Phase 1	60,000	33,976.3	33,630
Phase 2A	62,939.3	39,008.4	38,411.6
Phase 3 (under construction)	63,963.7	57,400	54,400

Source: Provided by the Instructing Party, 2023

Zoning and Approvals: As per two (2) Certificates of LURCs **No. CT933148/CT50136** and **No. DC 548973/CT68771,** the Subject Properties are located in the area designated for industrial use.

Site Description: The Subject Properties comprise of three (3) phases named as Phase 1, 2A & 3 of 60,000sqm, 62,939.3sqm & 63,963.7sqm land area, respectively, located within Nhon Trach II Industrial Park, Phu Hoi Commune, Nhon Trach District, Dong Nai Province, Vietnam. The Subject Properties are all regular shaped sites with generally level in topography.

The Subject Properties are located approx. 4km to the south-east of Nhon Trach District People's Committee, and distances by approx. 37km and 43km to the east of Central Business District (CBD) of Ho Chi Minh City and to the south-east of Tan Son Nhat International Airport respectively.

At the date of inspection, all infrastructures connecting to site boundaries of the Subject Properties were in place with completed road systems, sewerage systems and telecommunication systems.

Phase 1 and 3 can be accessed via Road No.5A and Road No.7C whilst Phase 2A can only be accessed by Road No.7C.

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Surrounding developments generally are existing factories and companies located within Nhon Trach II Industrial Park, such as Royal Ceramic Tiles Factory, AJU Vietnam Co., Ltd, V.P.S Co., Ltd, JYS Vina Co., Ltd, Da Luen Vietnam Co., Ltd, etc.

Existing/proposed Improvements Description:

Phase 1: At the valuation date, there is 33,976.3sqm GFA & 33,630sqm NLA comprising five (5) factories, 2 guard houses, 5 power stations and underground water tanks. All these improvements of Phase 1 are finished construction and operated in 2020.

Phase 2: At the valuation date, there is 39,008.37sqm GFA & 38,411.62sqm NLA comprising five (5) factories, auxiliaries such as one (1) guard house, one (1) control house and underground water tanks. All these improvements of Phase 2A are finished construction and operated in 2021.

Phase 3: As of the valuation date, Phase 3 is under construction. Factory 6-9 have been completed frame. Factory 10, which is 2-storeys factory is in the process of column in the 1st floor. As per provided information from the Instructing Party, Factory 6-9 will be completed in December 2023 and Factory 10 will be launched in April 2024.

Tenancy Profile:

Phase 1: The total existing leasable area is 33,630sqm NLA As provided by the Instructing Party, the current net passing rents are from US$5.43 - US$5.62/sqm NLA/month. The average lease term is 5-8 years. The occupancy rate is 96.7%, equivalent to 32,530sqm NLA.

Phase 2: The total existing leasable area is 38,411sqm NLA As provided by the Instructing Party, the current net passing rents are from US$5.00 - US$5.41/sqm NLA/month for factory, from US$5.70 - US$5.88/sqm NLA/month for office with US$0.1/sqm NLA of service charge. The average lease term is 2-10 years. The occupancy rate is 89.9%, equivalent to 34,500sqm NLA.

Valuation Comment:

We have been provided the total construction cost, cost incurred and cost to complete for phase 3 up to 30 August 2023. We have adopted this figure with our valuation to reflect the current status of the Subject Property. It should be noted at the valuation date we have not provided any official documents including construction contract, invoice and receipt related to the above incurred cost. We have assumed that all provided costs are correct. Incurred costs are crucial to our valuation. We are not Quantity Surveyors and our assessment is an estimate based on the information available. Once detailed construction costs are assessed by a qualified quantity surveyor or similar, we reserve the right to review our valuation.

Our valuation is our best estimate, using our professional judgment as to the approximate value that might be attributed to a parcel of land with the assumed characteristics as at the valuation date. If any of our assumptions are found to be inaccurate our valuation is void and all reliance is revoked. We reserve the right to review and, if necessary, vary the valuation if there are changes to the assumptions made herein.

Valuation Approaches:

1/ Existing factories - Phase 1 and Phase 2

- **Capitalisation Approach**

  Capitalisation Rate: 8%

- **Discounted Cashflow Analysis**:

  Discount Rate: 13%

  Terminal Yield: 8.25%

2/ Under construction factory - Residual/DCF for Phase 3

Discount Rate/IRR: 14.5%

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Date of Inspection: 2 October 2023

The inspection for this valuation was conducted prior to the date of valuation (20 October 2023). We have assumed that no material change to the Subject Property/ies has occurred between the dates of inspection and valuation.

Date of Valuation: 20 October 2023

MARKET VALUE:

Phase 1:
VND424,800,000,000
Four Hundred and Twenty-Four Billion and Eight Hundred Million Viet Nam Dong Only

Phase 2:
VND469,300,000,000
Four Hundred Sixty-Nine Billion and Three Hundred Million Viet Nam Dong Only

Phase 3:
VND200,100,000,000
Two Hundred Billion and One Hundred Million Viet Nam Dong Only

The currency in which the valuation is expressed in VND, then exchanging to US$ for referring purpose. This valuation is exclusive of VAT

Currency Equivalent Value:

Phase 1:
US$17,200,000
Seventeen Million and Two Hundred Thousand United States Dollars Only

Phase 2
US$19,000,000
Nineteen Million United States Dollars Only

Phase 3:
US$8,100,000
Eight Million One Hundred Thousand United States Dollars Only

Applied selling exchange rate published by Vietcombank as of 20 October 2023. US$ 1= VND24,700.

Valuation Certificate Validity:

This Valuation Certificate is addressed to Boustead Projects Limited and is for their uses only and valid for a period of three months from the date of opinion given.

The value assessed may in the future change significantly and unexpectedly over a relatively short period (including as a result of general market movements or factors specific to the particular property or particular property sector). VAS Valuation Co., Ltd. ("VAS") does not accept liability for losses arising from subsequent changes in value.

Assumptions, Disclaimers, Limitations & Qualifications

This valuation is provided subject to the assumptions, qualifications, limitations and disclaimers detailed throughout the Valuation Certificate which are made in conjunction with those included within the Assumptions, Qualifications, Limitations & Disclaimers section of the Valuation Certificate. Reliance on this Summary Letter and extension of our liability is conditional upon the reader's acknowledgement and understanding of these statements. This valuation is for the use only of the party to whom it is addressed and for no other purpose. No responsibility is accepted to any third party who may use or rely on the whole or any part of the content of this valuation. The valuer has no pecuniary interest that would conflict with the proper valuation of the property.

CBRE Valuation Services
IN ASSOCIATION WITH CBRE VIETNAM

Prepared By:

VAS Valuation Co., Ltd.	**VAS Valuation Co., Ltd.**
Nguyen Thi Ut Em MRICS	**Ho Thi Kim Oanh MRICS**
Registered Valuer No. VIII13.756	Registered Valuer No. VII11.621
Ministry of Finance of Vietnam	Ministry of Finance of Vietnam
RICS Membership No. 6610417	RICS Registered Valuer No. 6138871
Associate Director	Director, Head of Vietnam
Valuation & Advisory Services	Valuation & Advisory Services

Job Number: 23-CONHCM-0173-3

Date of Final Report: 20 October 2023

CBRE Valuation Services
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VALUATION CERTIFICATE

Subject Property 3:	**Nhon Trach 3A - 33,900sqm industrial land area and 21,521.6sqm GFA existing improvements**
	Land Parcel No. 30, Cadastral No. 20, Nhon Trach 3 Industrial Park – Phase 2, Nhon Trach District, Dong Nai Province, Vietnam.
Instructing Party:	**Boustead Projects Limited**
Purpose of Valuation:	Valuation advice on the market value of the properties for privatization and delisting of Boustead Projects Limited.
Basis of Valuation:	Market Value
Interest Valued:	Leasehold (annual payment for land rental and infrastructure) – 50 years expiring on 05 September 2058 (As per LURC No. DC548823/CT68754 issued on 19 January 2022). Remaining Land Lease Term – 34.9 years approx.
Valuation Standards:	The valuation is conducted in accordance with RICS Valuation - Global Standards 2022 incorporating the IVSC International Valuation Standards (IVS), issued in November 2021 and effective from 31 January 2022.
Registered Beneficial Owner:	KTG Industrial Long Thanh Co., Ltd
Land areas:	33,900sqm land area.
Gross Floor Area (GFA)	21,498.1sqm GFA.
Net Leasable Area (NLA)	21,431sqm (As per information provided by Instructing Party)
Zoning and Approvals:	As per LURC No. DC548823/CT68754 issued on 19 January 2022 and Sublease Agreement No.15/HDTD.TCT dated 29 April 2020, Subject Property is located in the area designated for industrial use.
Site Description:	The Subject Property is located within Nhon Trach 3 Industrial Park, Long Thanh District, Dong Nai Province, Vietnam. Subject Property is regular shaped and general level topography. At the date of inspection, all infrastructures were in place with completed road systems, sewerage systems and telecommunication systems. The Subject Property is located approx.11.5km Southeast from Nhon Trach District People's Committee, and distances by approx. 41.5km East of Central Business District (CBD) of Ho Chi Minh City and 48km Southeast of Tan Son Nhat International Airport respectively. Subject Property can be accessed via Vo Van Tan Street. Surrounding developments generally are existing factories located within Nhon Trach III Industrial Park, such as Mac Tich Co., Ltd, Kim Trang Anh One Member Co., Ltd, Soltec VN Co., Ltd, etc.
Existing Improvements Description:	The Subject Property comprises of six Ready-Built Factories (RBF) with total GFA of 21,521.6sqm. The details of constructions are indicated in the table below:

No.	Component	No. of storeys	Completed year	Footprint (sqm)	GFA (sqm)	NLA (sqm)
1	Factory 01	Single storey + Mezzanine	2019	4,094.0	5,197.5	5,130
2	Factory 02	Single storey + Mezzanine	2019	4,094.0	4,259.0	4,259
3	Factory 03	Single storey + Mezzanine	2020	3,240.0	3,354.0	3,354
4	Factory 04	Single storey + Mezzanine	2020	3,009.0	3,123.0	3,123
5	Factory 05	Single storey + Mezzanine	2020	2,652.1	2,766.1	2,766
6	Factory 06	Single storey + Mezzanine	2020	2,798.5	2,798.5	2,799
	Total area			**19,887.6**	**21,498.1**	**21,431**

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	(*) Not including infrastructure area.
	Source: Provided by Instructing Party, 2023
Tenancy Profile	The total leasable area is 21,430.6sqm NLA. As provided by the Instructing Party, the current net passing rents are from US$3.95 - US$5.04/sqm NLA/month for RBF and US$4.80 - US$5.11/sqm NLA/month for office area as of the valuation date. The service charge ranges from US$0.10 – US$0.19/sqm NLA/month. The average lease term is 3-5 years. The occupancy rate is 100%, equivalent to 21,430.6sqm NLA.
Valuation Comment:	Our valuation is our best estimate, using our professional judgment as to the approximate value that might be attributed to a parcel of land with the assumed characteristics as at the valuation date. If any of our assumptions are found to be inaccurate our valuation is void and all reliance is revoked. We reserve the right to review and, if necessary, vary the valuation if there are changes to the assumptions made herein.
Valuation Approaches:	▪ **Capitalisation Approach** Capitalisation Rate: 8.0% ▪ **Discounted Cash Flow Analysis** Discount Rate: 13.0% Terminal Yield: 8.25%
Date of Inspection:	02 October 2023 The inspection for this valuation was conducted prior to the date of valuation (20 October 2023). We have assumed that no material change to the Subject Property has occurred between the dates of inspection and valuation.
Date of Valuation:	20 October 2023
MARKET VALUE:	**VND207,500,000,000** **Two Hundred and Seven Billion Five Hundred Million Vietnam Dong Only.** *The currency in which the valuation is to be expressed will be VND, then exchanging to US$ for referring purpose.* *This valuation is exclusive of VAT*
Currency Equivalent Value	**US$8,400,000** **Eight Million Four Hundred Thousand United States Dollars Only.** *Applied buying exchange rate published by Vietcombank as of 20 October 2023. US$ 1= VND24,700.*
Valuation Certificate Validity:	This Valuation Certificate is addressed to Boustead Projects Limited and is for their uses only and valid for a period of three months from the date of opinion given. The value assessed may in the future change significantly and unexpectedly over a relatively short period (including as a result of general market movements or factors specific to the particular property or particular property sector). VAS Valuation Co., Ltd. ("VAS") does not accept liability for losses arising from subsequent changes in value.
Assumptions, Disclaimers, Limitations & Qualifications	This valuation is provided subject to the assumptions, qualifications, limitations and disclaimers detailed throughout the Valuation Certificate which are made in conjunction with those included within the Assumptions, Qualifications, Limitations & Disclaimers section of the Valuation Certificate. Reliance on this Summary Letter and extension of our liability is conditional upon the reader's acknowledgement and understanding of these statements. This valuation is for the use only of the party to whom it is addressed and for no other purpose. No responsibility is accepted to any third party who may use or rely on the whole or any part of the content of this valuation. The valuer has no pecuniary interest that would conflict with the proper valuation of the property.

CBRE Valuation Services
IN ASSOCIATION WITH CBRE VIETNAM

Prepared By:	**VAS Valuation Co., Ltd.**	**VAS Valuation Co., Ltd.**
	Nguyen Thi Ut Em MRICS Registered Valuer No. VIII13.756 Ministry of Finance of Vietnam RICS Registered Valuer No. 6610417 Associate Director	**Ho Thi Kim Oanh MRICS** Registered Valuer No. VII11.621 Vietnam Ministry of Finance RICS Registered Valuer No. 6138871 Director Valuation & Advisory Services

Job Number: 23-CONHCM-0173-2
Date of Final Report: 20 October 2023

CBRE Valuation Services
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VALUATION CERTIFICATE

Subject Property 4:	**Nhon Trach 3B - 64,429sqm industrial land** Land Parcel No. 10, Cadastral No. 20, Nhon Trach 3 Industrial Park – Phase 2, Long Tho Commune, Nhon Trach District, Dong Nai Province, Vietnam
Instructing Party:	**Boustead Projects Limited**
Purpose of Valuation:	Valuation advice on the market value of the properties for privatization and delisting of Boustead Projects Limited.
Basis of Valuation:	Market Value
Interest Valued:	50-year leasehold (annual payment for land rental and infrastructure use fees), expiring on 5 September 2058. Remaining land lease term – approx. 35 years since valuation date. *(As per Land Use Right Certificate CT821996/CT53130).*
Valuation Standards:	The valuation is conducted in accordance with RICS Valuation - Global Standards 2022 incorporating the IVSC International Valuation Standards (IVS) issued in November 2021 and effective from 31 January 2022.
Current Registered Beneficial Owner:	**KTG Industrial Nhon Trach Joint Stock Company**
Land Area:	62,429sqm industrial land area;
Zoning & Approvals:	The Subject Property is located within industrial zone known as Nhon Trach 3 (Phase 2) Industrial Park that is designated area for industrial use.
Property Description:	The Subject Property is 62,429sqm industrial land area located within Nhon Trach 3 (Phase 2) Industrial Park, Long Tho Commune, Nhon Trach District, Dong Nai Province, Vietnam. The Subject Property is regular in shape and generally level in topography. The site owns a frontage of Street No. 2 to the West (existing street of 24 meters road width). The Subject Property is located approx. 38km to the North-slightly West of the People's Committee of Dong Nai Province (positioned in Bien Hoa City), approx. 38km and 45km to the Eastern of the People's Committee of Ho Chi Minh City and Tan Son Nhat International Airport, respectively. Surrounding developments generally include vacant industrial land plots and existing factories and warehoused located within Nhon Trach 3 IP. At the date of inspection, erected on the Subject Property is a 2-level building and a guard house in poor condition at the main entrance, remaining part is covered by weeds.
Valuation Approach:	Direct Comparison Approach
Valuation Comment:	Our valuation is our best estimate, using our professional judgment as to the approximate value that might be attributed to a parcel of land with the assumed characteristics as at the valuation date. If any of our assumptions are found to be inaccurate our valuation is void and all reliance is revoked. We reserve the right to review and, if necessary, vary the valuation if there are changes to the assumptions made herein.
Date of Inspection:	2 October 2023
Date of Valuation:	20 October 2023 The inspection for this valuation was conducted prior to the valuation date. We have assumed that no material change to the Subject Property has occurred between the inspection date and valuation date.
MARKET VALUE:	**VND192,700,000,000** **One Hundred Ninety-Two Billion and Seven Hundred Million Vietnam Dong Only** *The valuation currency is expressed in VND, the exchanging to US$ is for reference purpose.*

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Currency Equivalent Value:

US$7,800,000

Seven Million and Eight Hundred Thousand United States Dollars Only

This valuation is exclusive of VAT.

Applied buying exchange rate published by Vietcombank as of 20 October as instructed by The Instructing Party. US$ 1= VND24,700.

Valuation Certificate Validity:

This Valuation Certificate is addressed to Boustead Projects Limited and is for their uses only and valid for a period of three months from the date of opinion given.

The value assessed may in the future change significantly and unexpectedly over a relatively short period (including as a result of general market movements or factors specific to the particular property or particular property sector). VAS Valuation Co., Ltd. ("VAS") does not accept liability for losses arising from subsequent changes in value.

Assumptions, Disclaimers, Limitations & Qualifications

This valuation is provided subject to the assumptions, qualifications, limitations and disclaimers detailed throughout the Valuation Certificate. Reliance on this Summary Letter and extension of our liability is conditional upon the reader's acknowledgement and understanding of these statements. This valuation is for the use only of the party to whom it is addressed and for no other purpose. No responsibility is accepted to any third party who may use or rely on the whole or any part of the content of this valuation. The valuer has no pecuniary interest that would conflict with the proper valuation of the property.

Prepared By:

VAS Valuation Co., Ltd.	VAS Valuation Co., Ltd.
Ho Thi Kim Oanh MRICS	**Nguyen Thi Ut Em MRICS**
DIRECTOR	ASSOCIATE DIRECTOR
Registered Valuer No. VII11.621 Vietnam Ministry of Finance RICS Registered Valuer No. 6138871 Valuation & Advisory Services	Registered Valuer No. VIII13.756 Ministry of Finance of Vietnam RICS Registered Valuer No. 6610417 Valuation & Advisory Services.

CÔNG TY TNHH THẨM ĐỊNH GIÁ VAS

Job Number: 23-CONHCM-0173-4

Date of Final Report: 20 October 2023

CBRE Valuation Services
IN ASSOCIATION WITH CBRE VIETNAM

VALUATION CERTIFICATE

Subject Property 5: **Tam Phuoc B - 23,521sqm industrial land area with 15,577sqm GFA existing improvements**

Land Parcel No. 30, Cadastral No. 62,

Tam Phuoc Industrial Park, Tam Phuoc Commune, Bien Hoa City, Dong Nai Province, Vietnam

Instructing Party: **Boustead Projects Limited**

Purpose of Valuation: Valuation advice on the market value of the properties for privatization and delisting of Boustead Projects Limited.

Interest Valued: Leasehold (annual land lease and infrastructure payments) – expiring on 06 October 2053

Remaining land lease term – 30 years approx.

Basis of Valuation: Market Value

Valuation Standards: The valuation is conducted in accordance with RICS Valuation - Global Standards 2022 incorporating the IVSC International Valuation Standards (IVS) issued in November 2021 and effective from 31 January 2022.

Current Registered Beneficial Owner: **KTG Industrial Tam Phuoc Company Limited**

Land Area: **23,521sqm** (*based on the LURC No. DC573387/CT70664, issued by Resource and Environment Department of Dong Nai Province, dated on 05 July 2022*).

Gross Floor Area (GFA) **15,577sqm** (as per the LURC)

Net Leasable Area (NLA) **15,309sqm** (As per information provided by Instructing Party)

Zoning & Approvals: As per the LURC No. DC573387/CT70664, issued by Resource and Environment Department of Dong Nai Province, dated on 05 July 2022, the Subject Property is located in the area designated for industrial use.

Property Description: The Subject Property is 23,521sqm industrial land area comprising of 2 factories totaling 15,309 sqm GFA and 268sqm GFA of guardhouse and warehouse. It is located within Tam Phuoc Industrial Park, Tam Phuoc Commune, Bien Hoa City, Dong Nai Province, Vietnam. It is entirely irregular shaped and general level topography. At the date of inspection, all infrastructures were in place with completed road systems, sewerage systems and telecommunication systems.

The Subject Property is located approx.20km to Northwest of Bien Hoa City People's Committee, and distances by approx. 17km radically to the North of Central Business District (CBD) of Bien Hoa City and 40km to the West of Tan Son Nhat International Airport respectively. The Subject Property can be accessed via Street No.3, No.4 and No.2.

Surrounding developments generally are existing factories located within Tam Phuoc Industrial Park, such as Johnson Wood JSC, Crown Beverage Can, Jinmyung Vina, etc.

Existing Improvements Description: The details of constructions are indicated in the table below:

No.	Component	No. of storeys	Granted legal documents	Footprint (sqm)	GFA (sqm)	NLA (sqm)
1	Factory 01	01 storey	LURC	6,700	6,700	6,700
2	Factory 02	01 storey + 01 mezzanine floor	LURC	8,609	8,609.2	8,609
3	Guard house	01 storey	LURC	9	9.0	
4	Warehouse	01 storey	LURC	259	259.0	
5	Underground water tank	N/A	Construction Permit	230	230.0	
6	Infrastructure system			23,521	23,521	
	Total (*)				**15,577.2**	**15,309**

(*) Not including infrastructure area and underground water tank.

Tenancy profile: The total leasable area is approx. 15,309sqm NLA. As provided by the Instructing Party, the current gross passing rent is from US$3.62/sqm NLA/month for RBF. The service charge is US$0.12/sqm NLA/month. The lease term is 5 years. The occupancy rate is 44%, equivalent to 6,700sqm NLA.

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Valuation Approach:	▪ **Capitalisation Approach** Capitalisation Rate: 8.25% ▪ **Discounted Cashflow Analysis.** Discount Rate: 13.25% Terminal Yield: 8.5%
Date of Inspection:	02 October 2023
Date of Valuation:	20 October 2023 *The inspection for this valuation was conducted prior to the valuation date. We have assumed that no material change to the Subject Property has occurred between the inspection date and valuation date.*
MARKET VALUE:	**VND140,800,000,000** **One Hundred Forty Billion Eight Hundred Million Vietnam Dong Only** *This valuation is exclusive of VAT* *The currency in which the valuation is expressed in VND, then exchanging to US$ for referring purpose*
Currency Equivalent Value:	**US$5,700,000** **Five Million Seven Hundred Thousand United States Dollars Only** *Applied buying exchange rate published by Vietcombank as of 20 October 2023. US$ 1= VND24,700.*
Valuation Certificate Validity:	This Valuation Certificate is addressed to Boustead Projects Limited and is for their uses only and valid for a period of three months from the date of opinion given. The value assessed may in the future change significantly and unexpectedly over a relatively short period (including as a result of general market movements or factors specific to the particular property or particular property sector). VAS Valuation Co., Ltd. ("VAS") does not accept liability for losses arising from subsequent changes in value.
Assumptions, Disclaimers, Limitations & Qualifications	This valuation is provided subject to the assumptions, qualifications, limitations and disclaimers detailed throughout the Valuation Certificate which are made in conjunction with those included within the Assumptions, Qualifications, Limitations & Disclaimers section of the Valuation Certificate. Reliance on this Summary Letter and extension of our liability is conditional upon the reader's acknowledgement and understanding of these statements. This valuation is for the use only of the party to whom it is addressed and for no other purpose. No responsibility is accepted to any third party who may use or rely on the whole or any part of the content of this valuation. The valuer has no pecuniary interest that would conflict with the proper valuation of the property.

Prepared By:

VAS Valuation Co., Ltd.	**VAS Valuation Co., Ltd.**
CÔNG TY TNHH THẨM ĐỊNH GIÁ VAS	
Nguyen Thi Ut Em MRICS Associate Director Registered Valuer No. VIII13.756 Ministry of Finance of Vietnam RICS Registered Valuer No. 6610417 Valuation & Advisory Services.	**Ho Thi Kim Oanh MRICS** Director Registered Valuer No. VII11.621 Vietnam Ministry of Finance RICS Registered Valuer No. 6138871 Valuation & Advisory Services

Job Number: 23-CONHCM-0173-5
Date of Final Report: 20 October 2023

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VALUATION CERTIFICATE

Subject Property 6:	**Yen Phong 1 - 36,000sqm Industrial land and 21,204sqm GFA existing improvements** Land Parcel No. 74, Map No. 14, Yen Phong Industrial Park (expansion area), Dung Liet Commune, Yen Phong District, Bac Ninh Province, Vietnam
Instructing Party:	**Boustead Projects Limited**
Purpose of Valuation:	Valuation advice on the market value of the properties for privatization and delisting of Boustead Projects Limited.
Basis of Valuation:	Market Value
Interest Valued:	Leasehold (upfront payment infrastructure fee and annual payment for land use fee) – expiring on 15 November 2066. Remaining Land Lease Term – 43.07 years approx.
Valuation Standards:	The valuation is conducted in accordance with RICS Valuation – Global Standards 2022 incorporating the IVSC International Valuation Standards (IVS) issued in November 2021 and effective from 31 January 2022.
Current Registered Beneficial Owner:	**KTG Industrial Bac Ninh Company Limited**
Land Area:	36,000sqm land area (as per Land Use Right Certificate No. CT 695998, dated 03 November 2020).
Gross Floor Area (GFA)	21,204sqm GFA (as per Land Use Right Certificate No. CT 695998, dated 03 November 2020)
Zoning & Approvals:	As per LURC No. CT695998 dated 03 November 2020, the Subject Property is located entirely within the area approved for industrial use.
Property Description:	The Subject Property is 36,000sqm industrial site located within Yen Phong Industrial Park (Expansion Area or Second Phase), Dung Liet Commune, Yen Phong District, Bac Ninh Province, Vietnam. The site is approx. 11km from the People's Committee (PC) of Yen Phong District, approx. 15km from the Southeast of Bac Ninh Province's PC, approx. 45km from the Northeast of Hanoi's PC and approx. 29km from the East of Noi Bai International Airport. The site is currently bordered with Road RD08 to the West, Road RD09 to the North, and industrial sites to the South & the East. It is approx. 5km from National Road No. 18 and can be directly accessed by an internal street via National Road No. 18. Yen Phong Industrial Park (IP) has been developed since 2005 by Viglacera Corporation - JSC. The IP has total area of 658ha dividing into 2 phases: First Phase – 344ha & Second Phase – 314ha. Main focusing sectors in the IP include electronics, electricity, high-tech, construction materials, pharmaceuticals, foodstuffs, consumer goods etc.
Tenancy Profile	As per provided by the Instructing Party, the total leasable area is approx. 21,160sqm NLA. At the inspection date, the Subject Property has achieved at 56.6% occupancy. Approx. 11,976sqm NLA is occupied by 5 tenants. The majority lease term is 3-5 years.
Valuation Approach:	Capitalisation Approach; • Capitalisation Rate: 8% Discounted Cashflow Analysis. • Discount Rate: 12% • Terminal Yield: 8.25%
Date of Inspection:	03 October 2023
Date of Valuation:	20 October 2023 The inspection for this valuation was conducted prior to the valuation date. We have assumed that no material change to the Subject Property has occurred between the inspection date and valuation date.
MARKET VALUE	**VND256,900,000,000** **Two Hundred and Fifty-Six Billion Nine Hundred Million Vietnam Dong Only** This valuation is exclusive of VAT The currency in which the valuation is expressed in VND, then exchanging to US$ for referring purpose

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Currency Equivalent Value:	**US$10,400,000** **Ten Million Four Hundred Thousand United States Dollars Only** *Applied selling exchange rate published by Vietcombank as of 20 October 2023. US$ 1= VND24,700.*
Valuation Certificate Validity:	This Valuation Certificate is addressed to Boustead Projects Limited and is for their uses only and valid for a period of three months from the date of opinion given. The value assessed may in the future change significantly and unexpectedly over a relatively short period (including as a result of general market movements or factors specific to the particular property or particular property sector). VAS Valuation Co., Ltd. ("VAS") does not accept liability for losses arising from subsequent changes in value.
Assumptions, Disclaimers, Limitations & Qualifications	This valuation is provided subject to the assumptions, qualifications, limitations and disclaimers detailed throughout the Valuation Certificate which are made in conjunction with those included within the Assumptions, Qualifications, Limitations & Disclaimers section of the Valuation Certificate. Reliance on this Summary Letter and extension of our liability is conditional upon the reader's acknowledgement and understanding of these statements. This valuation is for the use only of the party to whom it is addressed and for no other purpose. No responsibility is accepted to any third party who may use or rely on the whole or any part of the content of this valuation. The valuer has no pecuniary interest that would conflict with the proper valuation of the property.

Prepared By:

VAS Valuation Co., Ltd.

Tran Thi Thao
Manager
Registered Valuer No. XII17.1844
Vietnam Ministry of Finance
Valuation & Advisory Services

VAS Valuation Co., Ltd.

M.S.D.N:0316113465-C.T.N.H.H. CÔNG TY TNHH THẨM ĐỊNH GIÁ VAS QUẬN 1 - T.P. HỒ CHÍ MINH

Ho Thi Kim Oanh MRICS
Director
Registered Valuer No. VII11.621
Vietnam Ministry of Finance
RICS Registered Valuer No. 6138871
Valuation & Advisory Services

Job Number: 23-CONHCM-0173-6
Date of Final Report: 20 October 2023

CBRE Valuation Services
IN ASSOCIATION WITH CBRE VIETNAM

VALUATION CERTIFICATE

Subject Property 7:	**Yen Phong 2 – 60,000sqm Industrial land and 36,979sqm GFA existing improvements** Land Parcel No. 661, Map No. 3, Yen Phong Industrial Park (expansion area), Yen Trung Commune, Yen Phong District, Bac Ninh Province, Vietnam
Instructing Party:	**Boustead Projects Limited**
Purpose of Valuation:	Valuation advice on the market value of the properties for privatization and delisting of Boustead Projects Limited
Interest Valued:	Leasehold (Upfront payment infrastructure fee and Annual payment for land use fee) – expiring on 15 November 2066. Remaining Land Lease Term – 43.07 years approx.
Basis of Valuation:	Market Value
Valuation Standards:	The valuation is conducted in accordance with RICS Valuation – Global Standards 2022 incorporating the IVSC International Valuation Standards (IVS) issued in November 2021 and effective from 31 January 2022.
Current Registered Beneficial Owner:	**KTG Industrial Bac Ninh Company Limited**
Land Area:	60,000sqm land area (as per the LURC No. CY 804980, dated 24 March 2021).
Gross Floor Area (GFA)	36,979sqm GFA (as per LURC provided by the Instructing Party)
Zoning & Approvals:	As per LURC No. CY 804980, dated 24 March 2021, the Subject Property is approved for industrial use.
Property Description:	The Subject Property is 60,000sqm industrial site located within Yen Phong Industrial Park (Expansion Area), Yen Trung Commune, Yen Phong District, Bac Ninh Province, Vietnam. The site is approx. 11km from the People's Committee (PC) of Yen Phong District, approx. 15km from the Southeast of Bac Ninh Province's PC, approx. 45km from the Southwest of Hanoi's PC and approx. 29km from Noi Bai International Airport. The site has currently been bordered with Road RD06 to the North, Road RD01 to the East, and industrial sites to the South & the West. It is approx.5km from National Road No.18 and can be directly accessed by an internal street via National Road No. 18. Yen Phong Industrial Park (IP) has been developed since 2005 by Viglacera Corporation – JSC. The IP has total area of 658ha dividing into 2 phases: First Phase – 344ha & Second Phase – 314ha. Main focusing sectors in the IP include electronics, electricity, high-tech, construction materials, pharmaceuticals, foodstuffs, consumer goods etc.
Tenancy Profile	As per provided by the Instructing Party, the total leasable area is approx. 36,979sqm NLA. As at the valuation date, the Subject Property has achieved at 89.9% occupancy. Approx. 33,232sqm is occupied by 9 tenants. The majority of lease terms are 3-5 years.
Valuation Approach:	Capitalisation Approach; • Capitalisation Rate: 8% Discounted Cashflow Analysis. • Discount Rate: 12% • Terminal Yield: 8.25%
Date of Inspection:	03 October 2023
Date of Valuation:	20 October 2023 The inspection for this valuation was conducted prior to the valuation date. We have assumed that no material change to the Subject Property has occurred between the inspection date and valuation date.
MARKET VALUE	**VND550,800,000,000** **Five Hundred and Fifty Billion Eight Hundred Million Vietnam Dong Only** This valuation is exclusive of VAT The currency in which the valuation is expressed in VND, then exchanging to US$ for referring purpose

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Currency Equivalent Value:	**US$22,300,000** **Twenty-Two Million and Three Hundred Thousand United States Dollars Only** *Applied selling exchange rate published by Vietcombank as of 20 October 2023. US$ 1= VND24,700.*
Valuation Certificate Validity:	This Valuation Certificate is addressed to Boustead Projects Limited and is for their uses only and valid for a period of three months from the date of opinion given. The value assessed may in the future change significantly and unexpectedly over a relatively short period (including as a result of general market movements or factors specific to the particular property or particular property sector). VAS Valuation Co., Ltd. ("VAS") does not accept liability for losses arising from subsequent changes in value.
Assumptions, Disclaimers, Limitations & Qualifications	This valuation is provided subject to the assumptions, qualifications, limitations and disclaimers detailed throughout the Valuation Certificate which are made in conjunction with those included within the Assumptions, Qualifications, Limitations & Disclaimers section of the Valuation Certificate. Reliance on this Summary Letter and extension of our liability is conditional upon the reader's acknowledgement and understanding of these statements. This valuation is for the use only of the party to whom it is addressed and for no other purpose. No responsibility is accepted to any third party who may use or rely on the whole or any part of the content of this valuation. The valuer has no pecuniary interest that would conflict with the proper valuation of the property.

Prepared By:

VAS Valuation Co., Ltd.

Tran Thi Thao
Manager
Registered Valuer No. XII17.1844
Vietnam Ministry of Finance
Valuation & Advisory Services

VAS Valuation Co., Ltd.

CÔNG TY TNHH THẨM ĐỊNH GIÁ VAS

Hồ Thị Kim Oanh MRICS
Director
Registered Valuer No. VII11.621
Vietnam Ministry of Finance
RICS Registered Valuer No. 6138871
Valuation & Advisory Services

Job Number: 23-CONHCM-0173-7
Date of Final Report: 20 October 2023

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VALUATION CERTIFICATE

Subject Property 8:	**Yen Phong 2C - 150,000sqm Industrial land and 57,248sqm GFA existing improvements** • Phase 1: 82,300sqm land area and 57,248sqm GFA existing improvements • Phase 2: 67,700sqm land area (vacant land-ready for construction) Land Parcel No. 576, Map No. 16, Yen Phong II-C Industrial Park, Yen Phong District, Bac Ninh Province, Vietnam
Instructing Party:	**Boustead Projects Limited**
Purpose of Valuation:	Valuation advice on the market value of the properties for privatization and delisting of Boustead Projects Limited
Interest Valued:	Leasehold (annual payment for land use fee and upfront payment for infrastructure fee) – expiring on 11 September 2068. Remaining Land Lease Term – 44.95 years approx.
Basis of Valuation:	Market Value
Valuation Standards:	The valuation is conducted in accordance with RICS Valuation - Global Standards 2022 incorporating the IVSC International Valuation Standards (IVS) issued in November 2021 and effective from 31 January 2022.
Current Registered Beneficial Owner:	**KTG Bac Ninh Industrial Development Joint Stock Company**
Land Area:	150,000sqm land area in total, including: • Phase 1: 82,300sqm land area • Phase 2: 67,700sqm land area (As per LUR No. DC 182202 dated 07 July 2022 and information provided by the Instructing Party).
Gross Floor Area (GFA)	57,248sqm GFA (inclusive of amenity areas - as per provided by the Instructing Party)
Zoning & Approvals:	As per LURC No. DC 182202 dated 07 July 2022, the Subject Property is located entirely within the area approved for industrial use.
Property Description:	The Subject Property is 150,000sqm industrial land area located within Plot CN4-1, Yen Phong II-C Industrial Park, Tam Giang Commune, Yen Phong District, Bac Ninh Province, Vietnam. The site is approx.2.3km from the People's Committee (PC) of Yen Phong District, approx. 20km from the Southeast of Bac Ninh Province's PC, approx. 28.5km from the Northeast of Hanoi's PC and approx. 26.8km from the East of Noi Bai International Airport. The site is currently bordered with 3 internal roads. It is approx. 5km from National Road No. 18 and can be directly accessed by internal street via Provincial Road No. 295. The Subject Property includes two phases as follows: • **Phase 1 – Completed:** 82,300sqm of land area was built as Ready-Built Factory/Ready-Built Warehouse (RBF/RBW). At the site inspection date, phase 1 has been completed. This site started operating by the end of Q3/2022. The Subject Property is regular in shape and at general level topography. • **Phase 2 – Vacant Land:** 67,700sqm is proposed for Ready-Built Factory (RBF). At the date of valuation, most of the site is cleared, vacant and ready for development. The site is regular in shape and at general level topography. Yen Phong II-C Industrial Park (IP) has been developed since 2018 by Viglacera Corporation - JSC. The IP has total area of 221ha with main sectors including electronics, electronic, high-tech, foodstuffs, consumer goods etc.
Tenancy Profile	The total leasable area of Phase 1 is 52,540sqm NLA. As provided by the Instructing Party, the current gross passing rents are from US$5.6 - US$6.1/sqm NLA/month for RBF. The average lease term is 3-5 years. The occupancy rate is 69%, equivalent to 36,315sqm NLA.
Valuation Approach	Phase 1 (operating asset): Capitalisation Approach; • Capitalisation Rate: 8%

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	Discounted Cashflow Analysis. • Discount Rate: 12% • Terminal Yield: 8.25% Phase 2 (vacant Land): Direct Comparison Approach
Date of Inspection:	03 October 2023
Date of Valuation:	20 October 2023 The inspection for this valuation was conducted prior to the valuation date. We have assumed that no material change to the Subject Property has occurred between the inspection date and valuation date.
VALUE – PHASE 1	**VND891,700,000,000** **Eight Hundred and Ninety-One Billion Seven Hundred Million Vietnam Dong Only** *The currency in which the valuation expressed is in VND, then exchanging to USD for referring purpose.*
Currency Equivalent Value	**US$36,100,000** **Thirty-Six Million One Hundred Thousand United States Dollars Only**
VALUE – PHASE 2	**VND259,400,000,000** **Two Hundred and Fifty-Nine Billion Four Hundred Million Vietnam Dong Only** *The currency in which the valuation expressed is in VND, then exchanging to USD for referring purpose.*
Currency Equivalent Value	**US$10,500,000** **Ten Million Five Hundred Thousand United States Dollars Only** *This valuation is exclusive of VAT.*
TOTAL MARKET VALUE (PHASE 1+ PHASE 2)	**VND1,151,100,000,000** **One Trillion One Hundred and Fifty-One Billion One Hundred Million Vietnam Dong Only** *The currency in which the valuation expressed is in VND, then exchanging to USD for referring purpose*
Currency Equivalent Value	**US$46,600,000** **Forty-Six Million and Six Hundred Thousand United States Dollars Only** *Applied selling exchange rate published by Vietcombank as of 20 October 2023. US$ 1= VND24,700*
Valuation Certificate Validity:	This Valuation Certificate is addressed to Boustead Projects Limited and is for their uses only and valid for a period of three months from the date of opinion given. The value assessed may in the future change significantly and unexpectedly over a relatively short period (including as a result of general market movements or factors specific to the particular property or particular property sector). VAS Valuation Co., Ltd. ("VAS") does not accept liability for losses arising from subsequent changes in value.
Assumptions, Disclaimers, Limitations & Qualifications	This valuation is provided subject to the assumptions, qualifications, limitations and disclaimers detailed throughout the Valuation Certificate which are made in conjunction with those included within the Assumptions, Qualifications, Limitations & Disclaimers section of the Valuation Certificate. Reliance on this Summary Letter and extension of our liability is conditional upon the reader's acknowledgement and understanding of these statements. This valuation is for the use only of the party to whom it is addressed and for no other purpose. No responsibility is accepted to any third party who may use or rely on the whole or any part of the content of this valuation. The valuer has no pecuniary interest that would conflict with the proper valuation of the property.

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IN ASSOCIATION WITH CBRE VIETNAM

Prepared By:

VAS Valuation Co., Ltd.

Tran Thi Thao
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Vietnam Ministry of Finance
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CÔNG TY TNHH
THẨM ĐỊNH GIÁ
VAS

Ho Thi Kim Oanh MRICS
Director
Registered Valuer No. VII11.621
Vietnam Ministry of Finance
RICS Registered Valuer No. 6138871
Valuation & Advisory Services

Job Number: 23-CONHCM-0173-8
Date of Final Report: 20 October 2023

Valuation (Land & Building)

Your Ref : -
Our Ref : KH:CHH:rp:231631

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

and

Boustead Industrial Fund Management Pte Ltd
(on behalf of Boustead Industrial Fund)
82 Ubi Avenue 4 #07-01
Edward Boustead Centre
Singapore 408832

Attention: Mr Sam Goh

October 20, 2023

Dear Mr Goh,

VALUATION OF BOUSTEAD INDUSTRIAL FUND PORTFOLIO

Property Address
10 Seletar Aerospace Heights, Singapore
10 Tukang Innovation Drive, Singapore
11 Seletar Aerospace Link, Singapore
12 Changi North Way, Singapore
16 Changi North Way, Singapore
10 Changi North Way, Singapore
16 Tampines Industrial Crescent, Singapore
20-23 Rochester Park, Singapore
26 Changi North Rise, Singapore
82 Ubi Avenue 4, Singapore
85 Tuas South Avenue 1, Singapore
84 Boon Keng Road, Singapore
80 Boon Keng Road - Phase 1, Singapore
80 Boon Keng Road - Phase 2, Singapore
351 Braddell Road, Singapore
26 Tai Seng Street, Singapore

(COLLECTIVELY THE “PROPERTIES”)
We refer to instructions issued by Boustead Industrial Fund Management Pte Ltd to determine the market value of the Properties as at October 20, 2023 (“date of valuation”) for part of the privatization of Boustead Projects Limited.

This assessment represents an update of our previous full valuation reports undertaken as at March 31, 2023 as well as our subsequent valuation update dated June 30, 2023 and September 30, 2023. We have been requested to present our valuation assessment as part of an abbreviated valuation summary which outlines key factors which have been considered in arriving at our opinion of value. As such, this update should be read in conjunction with our full valuation report which contains pertinent physical and legal property details as well as related technical and financial information. This valuation assumes no physical change to the property since our last full valuation report.

Our valuation is prepared in accordance with our `General Principles Adopted in the Preparation of Valuations and Reports', a copy of which is attached.

Our valuations is made on the basis of Market Value, defined by the International Valuation Standards (IVS) and SISV Valuation Standards and Practice Guidelines as follows:

"Market Value is the estimated amount for which an asset or liability should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently, and without compulsion."

Terms of Reference

We have relied on the information provided by Boustead Industrial Fund Management Pte Ltd on matters such as lettable/gross floor areas, tenancy details, annual value, building specifications, etc. All information provided is treated as correct and Jones Lang LaSalle accepts no responsibility for subsequent changes in information and reserve the right to change our opinion of value if any other information provided were to materially change. Market conditions can change rapidly and we are therefore unable to provide assurance that this assessment will remain valid into the future. We recommend that market value assessments be reviewed periodically if required. Searches carried out at the Registry of Titles and Deeds have not been undertaken as part of this valuation update.

The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and are our unbiased professional analyses, opinions and conclusions. The opinion of value contained in the valuation reports are not guarantees or predictions but are based on the information obtained from reliable and reputable agencies and sources, and other related parties.

No allowance has been made in our valuation for any charges, mortgages or amounts owing on the Property, nor for any expenses or taxation which may be incurred in effecting a sale. It is assumed that the Property is free from encumbrances, restrictions and outgoings of an onerous nature which could affect its value.

Our valuation is made on the assumption that the owner sells the Property in the open market without the benefit of a deferred terms contract, lease back, joint venture, management agreement or any similar agreement which could serve to affect the value of the Property.

We have no present or prospective interest in the Property and are not a related corporation of nor do we have a relationship with the advisers or other party / parties whom Boustead Industrial Fund Management Pte Ltd is contracting with. The valuers' compensation is not contingent upon the reporting of a predetermined value or direction in value that favours the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.

Finally and in accordance with our standard practice, this valuation is for the use only of Boustead Industrial Fund Management Pte Ltd for financial reporting purposes. No responsibility is accepted to any other third party for the whole or any part of its contents. Neither the whole nor any part of this report nor any reference thereto may be included in any document, circular or statement without our written approval of the form and context in which it will appear.

We hereby certify that our valuers undertaking this valuation are authorised to practice as valuers and have the necessary expertise and experience in valuing similar types of properties.

Market Commentary and Sales Comparables

In the current investment market climate, the warehouse and logistics sector in particular is favoured by core investors seeking assets in key gateway markets that exhibit defensive characteristic. The supply crunch is contributing to the growing unfulfilled demand for space. The logistics sector continues to present strong fundamentals and is expected to be resilient moving forward. Demand for logistics / warehouse premises stayed healthy in 2Q23, with requirements continuing to stem from third-party logistics players (3PLs) and end users seeking new or additional spaces for their business needs. There were also requirements for temperature-controlled premises.

Underpinned by keen investor interest, yields of logistics / warehouse assets continued to display resilience despite the current high interest rate environment. Amid stable yields and sustained rent growth, the average islandwide capital value headed north for the ninth consecutive quarter.

Notwithstanding the more challenging economic outlook, the stiff competition for better quality logistics / warehouse facilities and tight vacancy levels should support future rent growth, especially for quality warehouse premises, are likely to remain limited in the near term. However, rent growth could slow down as occupiers may become more cautious.

We continue to expect investors to gravitate towards logistics / warehouse assets due to the positive yield spread over interest rates in the near term. Along with the prospects of continued rent growth, we are maintaining our outlook for yields to hold steady and support capital values growth in both 2023 and 2024.

During the first half of 2023, there have been a number of institutional grade industrial assets that have transacted.

The larger transaction involved Hillhouse Capital's SGD 313.50 million acquisition of ESR-LOGOS REIT's portfolio of five warehouses at 3 Pioneer Sector 3, 21 Changi North Way, 6 Chin Bee Avenue, 4 & 6 Clementi Loop and 30 Toh Guan Road.

There was also one business park transaction in 2Q23. This involved the sale-and-leaseback of The Shugart by Seagate Singapore International Headquarters to CapitaLand Ascendas REIT for SGD 218.24 million. The property, with about 20 years remaining on its land tenure, comprises a six-storey podium and a nine-storey tower which will be leased back to Seagate for 10 years, with an option to renew for an additional 10 years.

We comment that there have been a dearth investment sales of institutional grade industrial assets in the second half of 2022 and first half of 2023 and there have been no empirical evidence of investment re-pricing and a shift in related investment parameters. Until such time that there is sufficient transactional evidence to provide clear market guidance on pricing, we have generally maintained our position on valuation parameters, and our short-term outlook for the industrial investment market is cautious.

Boustead Projects Limited and
Boustead Industrial Fund Management Pte Ltd (on behalf of Boustead Industrial Fund)
- Valuation of Boustead Industrial Fund Portfolio
(collectively known as the "Properties") October 20, 2023

Sales Comparables

In formulating our opinion of value, we have considered current market conditions as well as the available, albeit limited directly comparable investment sales evidence.

Address	Approx. Gross Floor Area (sq.ft.)	Tenure	Transacted Price	Unit Rate (psf)	Date of Contract
6 Chin Bee Avenue	324,166	27.73+30 years wef 22/01/1986	$93,005,000	$287	Jun-23
3 Pioneer Sector 3	716,571	30+30 Years wef 16/12/1990	$95,000,000	$133	Jun-23
30 Toh Guan Road	332,002	30+30 Years wef 16/08/1995	$57,760,000	$174	Jun-23
26 Ayer Rajah Crescent, The Shugart	440,028	20 years remaining	$218,240,000	$496	Jun-23
26 Chin Bee Drive	166,500	30+19 years wef 1/4/2001	$47,000,000	$282	Apr-23
159 Kampong Ampat, KA Place	109,394	99 years wef 01/06/1959	$35,380,000	$323	Apr-23
26 Tai Seng Street, J Forte	193,012	30+30 Years wef 09/06/2007	$98,767,600	$512	Jan-23
12 Tai Seng Link	116,662	30 years wef 09/10/2012	$35,000,000	$300	Nov-22
2 Jalan Kilang Barat	82,656	99 years wef 01/07/1963	$35,300,000	$427	Sep-22
1 Buroh Lane	645,533	30 Years wef 21/02/2013	$191,900,000	$297	Sep-22
Philips APAC Centre, 622 Lorong 1 Toa Payoh	37,975	29 Years wef 01/06/2014	$104,800,000	$256	Aug-22
49 Pandan Road, Pandan Logistics Hub	329,117	30 Years wef 1/10/2009	$43,500,000	$132	Jul-22
4 Benoi Crescent, POKKA Warehouse	694,164	30+30 Years wef 1988	$139,000,000	$200	Apr-22
Bukit Batok Connection, 2 Bukit Batok Street 23	403,591	30 Years wef 26/11/2012	$93,800,000	$232	Dec-21
351 On Braddell, 351 Braddell Road	260,918	30 Years wef 26/12/2018	$121,000,000	$463	Oct-21
9 Changi South Street 2	123,849	30+30 Years wef 16/10/1994	$24,500,000	$198	Jul-21
28 Quality Road	225,175	30+30 Years wef 01/06/2007	$49,679,987	$221	Jun-21
46A Tanjong Penjuru	523,684	30+14 Years wef 01/05/2006	$119,600,000	$228	May-21
Galaxis 1 Fusionopolis Place	740,932	60 Years wef 12/07/2012	$720,000,000	$972	May-21
Admirax 8 Admiralty Street	581,200	60 Years wef 09/10/2000	$142,000,000	$244	Feb-21
Sime Darby Business Centre 315 Alexandra Road	179,189	99 Years wef 02/03/1956	$102,000,000	$569	Jan-21
BreadTalk IHQ Building 30 Tai Seng Street	248,902	30+30 Years wef 01/02/2010	$118,000,000	$474	Jan-21
Sandcrawler Buildng 1 Fusionopolis View	158,960	30+30 Years wef 01/09/2010	$175,757,000	$1,106	Dec-20

Source: JLL, SISV Realink and URA Realis

In arriving at our opinion of market value, we have adopted the capitalisation of net income and discounted cash flow (DCF) analysis. We reconcile the values upon deriving the values based on the 2 methods. Both results have then been cross-checked using the direct comparison method.

Our valuation has been undertaken utilising the Jones Lang LaSalle proprietary valuation model.

Discounted Cash Flow

We have adopted the DCF analysis to value the Property taking into consideration the existing committed tenancies.

Under the Discounted Cash Flow Analysis, the net operating income is discounted at an appropriate discount rate to arrive at the Market Value. The net income is derived by deducting from the gross income, the operating expenses incurred in the building maintenance and management of the property and outgoings including property tax, insurance, administration overhead and other related expenses such as letting up allowances and capital expenditure for repair and replacement.

We have undertaken a Discounted Cash Flow Analysis over a 10-year period. The projected net income is discounted to arrive at the present value. The terminal value of the Property is derived by capitalising the net income at the end of the 10th year and discounting it to give the present value. The 10 years discounted cash flow and present value of the terminal value will give rise to the capital value of the Property.

Income Capitalisation Method

The Income Capitalisation Method involves the addition of all current income receivable less all property outgoings as well as an allowance for ongoing vacancy and bad debts to determine the core net income receivable for the Property. The net income receivable is assumed to be a level of annuity having regard to the remaining tenure of the land lease, and is discounted using an appropriate capitalisation rate derived, where possible, from the analysis of relevant sales evidence.

Alternatively, and based on the same approach, this method can be varied so that the market adjusted rent where applicable is capitalised having regard to the remaining tenure of the land lease, with appropriate capital adjustments for any prevailing rental shortfalls and/or overages accounting for any differences between passing and market rents until lease expiry. Our calculations have been undertaken on this basis.

Boustead Projects Limited and
Boustead Industrial Fund Management Pte Ltd (on behalf of Boustead Industrial Fund)
- Valuation of Boustead Industrial Fund Portfolio
(collectively known as the "Properties") **October 20, 2023**

Valuation Reconciliation

We have had regard to the respective outcomes of the adopted valuation approaches and have reconciled our adopted market value having regard to the prevailing yields, rates of return and rates per square foot of lettable area within the context of the available investment sales evidence.

Our concluded Market Values for the individual properties are summarised in the following table, and our adopted valuation parameters appear within the appended Executive Summaries.

Property Address	Adopted Value
10 Seletar Aerospace Heights, Singapore	$24,100,000
10 Tukang Innovation Drive, Singapore	$58,000,000
11 Seletar Aerospace Link, Singapore	$12,000,000
12 Changi North Way, Singapore	$55,000,000
16 Changi North Way, Singapore	$28,200,000
10 Changi North Way, Singapore	$35,000,000
16 Tampines Industrial Crescent, Singapore	$44,500,000
20-23 Rochester Park, Singapore	$140,000,000
26 Changi North Rise, Singapore	$17,100,000
82 Ubi Avenue 4, Singapore	$32,000,000
85 Tuas South Avenue 1, Singapore	$23,800,000
84 Boon Keng Road, Singapore	$30,000,000
80 Boon Keng Road - Phase 1, Singapore	$45,500,000
80 Boon Keng Road - Phase 2, Singapore	$22,700,000
351 Braddell Road, Singapore	$125,000,000
26 Tai Seng Street, Singapore	$107,000,000
TOTAL	**$799,900,000**

Market Comment

This valuation is based on information available to us and our assessment of market conditions for properties of this nature at the date of valuation. Market conditions can change rapidly and we are therefore unable to provide assurance that this assessment will remain valid in the future. We recommend that market value assessments be reviewed periodically if required.

Yours faithfully,
For and on behalf of
Jones Lang LaSalle Property Consultants Pte Ltd

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B.Sc. (Est. Mgt.) (Hons), MSISV
Appraiser Licence No: AD041-2006555E
Senior Director
JONES LANG LASALLE

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JONES LANG LASALLE

JLL

EXECUTIVE SUMMARY

Date of Valuation	:	October 20, 2023.
Property	:	10 Seletar Aerospace Heights (also known as Bombardier) Singapore797546 (the "Property")
Client	:	Boustead Projects Limited
Purpose of Valuation	:	Market valuation for financial reporting and financing purposes only.
Legal Description	:	Lot 4777C Mukim 20.
Tenure	:	30 years lease commencing from June 1, 2012.
Permitted Use	:	The Property is not to use or permit or suffer or any part thereof to be strictly used for the purpose of maintenance, repair and overhaul of business aviation and commercial aviation aircrafts only and for no other purpose whatever and to ensure that the Demised Premises is only used by Aerospace Companies and/or Aerospace-supporting Companies.
Registered Lessee	:	Perpetual (Asia) Limited. (in trust).
Brief Description of Property	:	The Property is a 3-storey industrial building with ancillary office area. It is erected on a rectangular-shaped plot of land with a splayed corner and slightly above the access road level. Other site improvements include guardhouse, reinforced concrete driveway, substation and enclosed by metal grilles / metal grilles fencing mounted on plastered brickwalls complete with a metal sliding gate.
Site Area	:	9,264.4 sq.m. (99,721.08 sq.ft)
Gross Floor Area (GFA) (as provided and subject to survey)	:	Approximately 6,290.21 sq.m. (67,707.19 sq.ft.)
Total Net Lettable Area (NLA) (as provided)	:	Approximately 6,290.21 sq.m. (67,707.82 sq.ft.)

EXECUTIVE SUMMARY (CONT'D)

Tenancy Details	:	The Property is leased to Bombardier Aerospace Services Singapore Pte Ltd (the "Lessee") for a term of 10 years with the lease commencing from July 9, 2013 with an option to extend for a further term of 19 years with rental term.
Annual Value (2023) (as provided by the client)	:	S$1,671,000/-
Capitalisation Rate	:	5.75%
Terminal Cap Rate	:	6.00%
Discount Rate	:	7.50%
Master Plan Zoning (2019 Edition)	:	Business 2 with a plot ratio of 1.0.
Methods of Valuation	:	Income Capitalisation Method, Discounted Cash Flow Analysis and Direct Comparison Approach (Cross-check).
Market Value as at October 30, 2023	:	S$24,100,000/- (Singapore Dollars Twenty-Four Million and One Hundred Thousand)
Value psm on GFA	:	S$3,831 psm
Value psm on NLA	:	S$3,831 psm

JLL

EXECUTIVE SUMMARY

Date of Valuation	:	October 20, 2023
Property	:	10 Tukang Innovation Drive (also known as Tognum MTU) Singapore 618302 (the "Property")
Client	:	Boustead Projects Limited
Purpose of Valuation	:	Market valuation for financial reporting and financing purposes only.
Legal Description	:	Lot 4736P Mukim 6.
Tenure	:	30 years lease commencing from November 1, 2013.
Permitted Use	:	The Property is not to use or permit or suffer or any part thereof to be strictly used for the purpose of MRO for diesel engines – engine servicing, maintenance and remanufacturing of diesel engines only.
Registered Lessee	:	BP-TN Pte. Ltd.
Brief Description of Property	:	The Property is a single-user industrial development consisting of 1 block of part 1/part 2-storey, 1 block of 3-storey and 1 block of 8-storey buildings. It is erected on a rectangular-shaped plot of land at the access road level. Other site improvements include 2 guardhouse, concrete driveway and enclosed by metal grilles / metal grilles mounted on plastered boundary brickwalls complete with metal sliding gate.
Site Area	:	17,525.0 sq.m. (188,637.35 sq.ft)
Gross Floor Area (GFA) (as provided and subject to survey)	:	Approximately 26,459.06 sq.m. (284,802.68 sq.ft.)
Total Net Lettable Area (NLA) (as provided)	:	Approximately 24,800.23 sq.m. (266,947.20 sq.ft.)
Tenancy Details	:	The Property is leased to Rolls-Royce Solutions Asia Pte Ltd for a term of 15 years with the lease commencing from July 18, 2015.

EXECUTIVE SUMMARY (CONT'D)

Annual Land Rent	:	S$481,965 per annum
Annual Value (2023) (as provided by the client)	:	S$7,437,000/-
Capitalisation Rate	:	5.00%
Terminal Capitalisation Rate	:	5.00%
Discount Rate	:	7.00%
Master Plan Zoning (2019 Edition)	:	Business 2 with a plot ratio of 2.5.
Methods of Valuation	:	Income Capitalisation Method, Discounted Cash Flow Analysis and Direct Comparison Approach (Cross-check).
Market Value as at October 20, 2023	:	S$58,000,000/- (Singapore Dollars Fifty-Eight Million)
Value psm on GFA	:	S$2,192 psm
Value psm on NLA	:	S$2,339 psm

EXECUTIVE SUMMARY

Date of Valuation	:	October 20, 2023
Property	:	11 Seletar Aerospace Link (also known as Turbomeca) Singapore 797554 (the "Property")
Client	:	Boustead Projects Limited
Purpose of Valuation	:	Market valuation for financial reporting and financing purposes only.
Legal Description	:	Lot 4839P Mukim 20.
Tenure	:	30 years lease commencing from April 24, 2015.
Permitted Use	:	The Property is not to use or permit or suffer or any part thereof to be strictly used for the purpose of maintenance and support for helicopter engines only and for no other purpose whatever and to ensure that the Demised Premises is only used by Aerospace Companies and/or Aerospace-supporting Companies.
Registered Lessee	:	BP-SF Turbo LLP.
Brief Description of Property	:	The Property is a 3-storey industrial building with ancillary office area. It is erected on a rectangular-shaped plot of land with a splayed corner and slightly above the access road level. Other site improvements include guardhouse, reinforced concrete driveway, substation and enclosed by metal grilles / metal grilles fencing mounted on plastered brickwalls complete with a metal sliding gate.
Site Area	:	4,000 sq.m. (43,056 sq.ft)
Gross Floor Area (GFA) (as provided and subject to survey)	:	Approximately 3,566.61 sq.m. (38,391 sq.ft.)
Total Net Lettable Area (NLA) (as provided)	:	Approximately 3,566.64 sq.m. (38,391 sq.ft.)
Tenancy Details	:	The Property is leased to Safran Helicopter Engines Asia Pte. Ltd. for a term of 15 years with the lease commencing from December 27, 2015. .

EXECUTIVE SUMMARY (CONT'D)

Annual Land Rent	:	S$56,160 per annum.
Annual Value (2023) (as provided by the client)	:	S$1,100,000/-
Capitalisation Rate	:	5.75%
Terminal Capitalisation Rate	:	6.00%
Discount Rate	:	7.50%
Master Plan Zoning (2019 Edition)	:	Business 2 with a plot ratio of 1.0.
Methods of Valuation	:	Income Capitalisation Method, Discounted Cash Flow Analysis and Direct Comparison Approach (Cross-check).
Market Value as at October 20, 2023	:	S$12,000,000/- (Singapore Dollars Twelve Million)
Value psm on GFA	:	S$3,365 psm
Value psm on NLA	:	S$3,365 psm

EXECUTIVE SUMMARY

Date of Valuation	:	October 20, 2023
Property	:	12 Changi North Way (also known as 12 CNW) Singapore 498791 (the "Property")
Client	:	Boustead Projects Limited
Purpose of Valuation	:	Market valuation for financial reporting and financing purposes only.
Legal Description	:	Lot 4300P Mukim 31.
Tenure	:	30 years lease commencing from January 16, 2005 with an option to renew for a further term of 30 years subject to no breach of any covenants and conditions stipulated by JTC in the Lease.
Permitted Use	:	The Property is not to use or permit or suffer or any part thereof to be strictly used for the purpose of third party logistics services only and for no other purpose whatever.
Registered Lessee	:	Perpetual (Asia) Limited (in trust).
Brief Description of Property	:	The Property is a 4-storey industrial building with ramp-up access to 3rd storey. The Property is connected to two 4-storey ramp-up industrial building at 10 Changi North Way and 16 Changi North Way, and shares a common vehicular access. It is erected on a rectangular-shaped plot of land at the access road level. Other site improvements include guardhouse, tarmac driveway and enclosed by metal grilles/chain-link fencing complete with a metal sliding gate.
Site Area	:	16,617.7 sq.m. (178,871.26 sq.ft)
Gross Floor Area (GFA) (as provided and subject to survey)	:	Approximately 23,949.36 sq.m. (257,789.52 sq.ft.)
Total Net Lettable Area (NLA) (as provided)	:	Approximately 20,607.96 sq.m. (221,822.00 sq.ft.)
Tenancy Details	:	The Property is 100% leased to multiple tenants.

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EXECUTIVE SUMMARY (CONT'D)

Annual Land Rent	:	S$22.24 per sq.m. per annum.
Aggregate Annual Value (2023) (as provided by the client)	:	S$3,488,700/-
Capitalisation Rate	:	5.50%
Terminal Cap Rate	:	5.75%
Discount Rate	:	7.00%
Master Plan Zoning (2019 Edition)	:	Business 2 with a plot ratio of 1.6.
Methods of Valuation	:	Income Capitalisation Method, Discounted Cash Flow Analysis and Direct Comparison Approach (Cross-check).
Market Value as at October 20, 2023	:	S$55,000,000/- (Singapore Dollars Fifty Five Million)
Value psm on GFA	:	S$2,297 psm
Value psm on NLA	:	S$2,669 psm

EXECUTIVE SUMMARY

Date of Valuation	:	October 20, 2023
Property	:	16 Changi North Way (also known as 16 CNW) Singapore 498772 (the "Property")
Client	:	Boustead Projects Limited
Purpose of Valuation	:	Market valuation for financial reporting and financing purposes only.
Legal Description	:	Lot 4353X Mukim 31.
Tenure	:	27 years 4 months 15 days lease commencing from September 1, 2007 with an option to renew for a further term of 30 years subject to no breach of any covenants and conditions stipulated by JTC in the Lease.
Permitted Use	:	The Property is not to use or permit or suffer or any part thereof to be strictly used for the purpose of freight forwarding, packing and crating services and regional logistic hub only.
Registered Lessee	:	Perpetual (Asia) Limited (In Trust)
Brief Description of Property	:	The Property is a 5-storey industrial building with ramp-up access to the upper levels. The Property is connected to a 4-storey ramp-up industrial building at 12 Changi North Way. Other site improvements include guardhouse, interlocking tiles / tarmac driveway and enclosed by metal grilles / chain-link fencing complete with a metal sliding gate and metal side gate.
Site Area	:	7,034.6 sq.m. (75,719.73 sq.ft.)
Gross Floor Area (GFA) (as provided and subject to survey)	:	Approximately 11,255.48 sq.m. (121,152.86 sq.ft.)
Total Net Lettable Area (NLA) (as provided)	:	Approximately 11,320.3 sq.m. (121,850.63 sq.ft.)

EXECUTIVE SUMMARY (CONT'D)

Tenancy Details	:	The Property will be leased to TTI Electronics Asia Pte Ltd (the "Lessee") for a term of 10 years with the lease commencing from February 1, 2024.
Annual Value (2023) (as provided by the client)	:	S$1,682,000/-
Capitalisation Rate	:	5.50%
Terminal Cap Rate	:	5.75%
Discount Rate	:	7.00%
Master Plan Zoning (2019 Edition)	:	Business 2 with a plot ratio of 1.6.
Methods of Valuation	:	Income Capitalisation Method, Discounted Cash Flow Analysis and Direct Comparison Approach (Cross-check).
Market Value as at October 20, 2023	:	S$28,200,000/- (Singapore Dollars Twenty-Eight Million and Two Hundred Thousand)
Value psm on GFA	:	S$2,505 psm
Value psm on NLA	:	S$2,491 psm

EXECUTIVE SUMMARY

Date of Valuation	:	October 20, 2023
Property	:	10 Changi North Way (also known as 10 CNW) Singapore 498740 (the "Property")
Client	:	Boustead Projects Limited
Purpose of Valuation	:	Market valuation for financial reporting and financing purposes only.
Legal Description	:	Lot 4699M Mukim 31.
Tenure	:	24 years and 4 months lease commencing from September 16, 2010 with an option to renew for a further term of 30 years subject to no breach of any covenants and conditions stipulated by JTC in the Lease.
Permitted Use	:	The Property is not to use or permit or suffer or any part thereof to be strictly used for the purpose of third party logistics services only and for no other purpose whatever.
Registered Lessee	:	Perpetual (Asia) Limited (In Trust).
Brief Description of Property	:	The Property is a 4-storey industrial building which is connected to another 4-storey ramp-up industrial building at 12 Changi North Way and shares a common vehicular access. It is erected on an almost square-shaped plot of land at the access road level. Other site improvements include guardhouse, tarmac / reinforced concrete driveway and enclosed by metal grilles / chain-link fencing complete with a metal sliding gate.
Site Area	:	7,511.7 sq.m. (80,855.19 sq.ft)
Gross Floor Area (GFA) (as provided and subject to survey)	:	Approximately 12,019.2 sq.m. (129,373 sq.ft.)
Total Net Lettable Area (NLA) (as provided)	:	Approximately 11,938.5 sq.m. (128,505 sq.ft.)

EXECUTIVE SUMMARY (CONT'D)

Tenancy Details	:	The Property is fully occupied as at the date of valuation and the existing leases are committed by a single tenant (Zuellig Pharma Pte Ltd.).
Annual Value (2023) (as provided by the client)	:	S$1,928,000/-
Capitalisation Rate	:	5.50%
Terminal Cap Rate	:	5.75 %
Discount Rate	:	7.00%
Master Plan Zoning (2019 Edition)	:	Business 2 with a plot ratio of 1.6.
Methods of Valuation	:	Income Capitalisation Method, Discounted Cash Flow Analysis and Direct Comparison Approach (Cross-check).
Market Value as at October 20, 2023	:	S$35,000,000/- (Singapore Dollars Thirty-Five Million)
Value psm on GFA	:	S$2,912 psm
Value psm on NLA	:	S$2,932 psm

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EXECUTIVE SUMMARY

Date of Valuation	:	October 20, 2023.
Property	:	16 Tampines Industrial Crescent (also known as Jabil) Singapore 528604 (the "Property")
Client	:	Boustead Projects Limited
Purpose of Valuation	:	Market valuation for financial reporting and financing purposes only.
Legal Description	:	Lot 2932K Mukim 29.
Tenure	:	30 years lease commencing from June 16, 2012.
Permitted Use	:	The Property is not to use or permit or suffer or any part thereof to be strictly used for the purpose of manufacturing, assembly & testing of printed circuit board, electronics appliances, instruments, computer server, data storage system, energy storage and qualification testing of electrical & electronics appliances only and for no other purpose whatever.
Registered Lessee	:	Perpetual (Asia) Limited (In Trust).
Brief Description of Property	:	The Property is a 3-storey industrial building. It is erected on an "L"-shaped plot of land slightly above the access road level. Other site improvements include guardhouse, tarmac driveway and enclosed by metal grilles/plastered boundary wall complete with a metal sliding gate.
Site Area	:	14,300.0 sq.m. (153,925.20 sq.ft)
Gross Floor Area (GFA) (as provided and subject to survey)	:	Approximately 20,020.00 sq.m. (215,493.28 sq.ft.)
Total Net Lettable Area (NLA) (as provided)	:	Approximately 20,020.19 sq.m. (215,495.28 sq.ft.)

EXECUTIVE SUMMARY (CONT'D)

Tenancy Details	:	The Property is leased to Jabil Circuit (Singapore) Pte Ltd (the "Lessee") for a term of 6 years with the lease commencing from April 30, 2019 with an option to extend for a further term of 6 years.
Annual Value (2023) (as provided by the client)	:	S$3,491,000/-
Capitalisation Rate	:	5.75%
Terminal Cap Rate	:	6.00%
Discount Rate	:	7.50%
Master Plan Zoning (2019 Edition)	:	Business 2 with a plot ratio of 1.4.
Methods of Valuation	:	Income Capitalisation Method, Discounted Cash Flow Analysis and Direct Comparison Approach (Cross-check).
Market Value as at October 20, 2023	:	S$44,500,000/- (Singapore Dollars Forty-Four Million and Five Hundred Thousand)
Value psm on GFA	:	S$2,223 psm.
Value psm on NLA	:	S$2,223 psm.

EXECUTIVE SUMMARY

Date of Valuation	:	October 20, 2023.
Property	:	20, 21, 22 and 23 Rochester Park GSK Building Singapore 139231/32/33/34 (the "Property")
Client	:	Boustead Projects Limited
Purpose of Valuation	:	Market valuation for financial reporting and financing purposes only.
Legal Description	:	Lot 5204W Mukim 3.
Tenure	:	30 years lease commencing from February 16, 2015.
Registered Lessee	:	Perpetual (Asia) Limited (in Trust).
Brief Description of Property	:	The Property is a business park development comprising 1 block of 6-storey building with one basement and 3 Black & White conservation bungalows. Other site improvements include granite stone / tarmac driveway and basement carpark lots.
Site Area	:	12,854.6 sq.m. (138,365.63 sq.ft)
Gross Floor Area (GFA) (as provided and subject to survey)	:	Approximately 14,515.81 sq.m. (156,246.73 sq.ft.)
Total Net Lettable Area (NLA) (as provided)	:	Approximately 12,666.49 sq.m. (136,340.81 sq.ft.)
Tenancy Details	:	The Property is leased to GlaxoSmithKline Pte Ltd for a term of 15 years with the lease commencing from June 1, 2017.

EXECUTIVE SUMMARY (CONT'D)

Annual Value (2023) (as provided by the client)	:	S$11,504,000/-
Capitalisation Rate	:	4.00%
Terminal Cap Rate	:	4.25%
Discount Rate	:	6.00%
Master Plan Zoning (2019 Edition)	:	The subject site is zoned for business park with a plot ratio of 1.2 with a maximum permissible white use quantum of 40%. The Property is partly located within conservation area.
Methods of Valuation	:	Income Capitalisation Method, Discounted Cash Flow Analysis and Direct Comparison Approach (Cross-check).
Market Value as at October 20, 2023	:	S$140,000,000/- (Singapore Dollars One Hundred And Forty Million)
Value psm on GFA	:	S$9,645 psm
Value psm on NLA	:	S$11,053 psm

EXECUTIVE SUMMARY

Date of Valuation	:	October 20, 2023.
Property	:	26 Changi North Rise (also known as Safran) Singapore 498756 (the "Property")
Client	:	Boustead Projects Limited
Purpose of Valuation	:	Market valuation for financial reporting and financing purposes only.
Legal Description	:	Lot 4697L Mukim 31.
Tenure	:	30 years lease commencing from April 30, 2010, with an option to renew for a further term of 30 years subject to no breach of any covenants and conditions stipulated by JTC in the Lease.
Permitted Use	:	The Property is not to use or permit or suffer or any part thereof to be strictly used for the purpose of factory, assembly and avionics maintenance, repair and overhaul only and for no other purpose whatever.
Registered Lessee	:	Perpetual (Asia) Limited. (In Trust).
Brief Description of Property	:	The Property is a 2-storey industrial building. It is erected on a rectangular-shaped plot of land at the access road level. Other site improvements include guardhouse, reinforced concrete driveway and enclosed by metal grilles / plastered boundary wall complete with a metal sliding gate.
Site Area	:	6,799.6 sq.m. (73,190.21 sq.ft)
Gross Floor Area (GFA) (as provided and subject to survey)	:	Approximately 6,000 sq.m. (64,584 sq.ft.)
Total Net Lettable Area (NLA) (as provided)	:	Approximately 6,000 sq.m. (64,584 sq.ft.)

EXECUTIE SUMMARY (CONT'D)

Tenancy Details	:	The Property is leased to Safran Electronics & Defense Services Asia Pte Ltd (the "Lessee") for a term of 10 years with the lease commencing from February 7, 2011 with an option to extend for a further term of 5 years.
Annual Value (2023) (as provided by the client)	:	S$1,163,000/-
Capitalisation Rate	:	5.50%
Terminal Cap Rate	:	6.00%
Discount Rate	:	7.00%
Master Plan Zoning (2019 Edition)	:	Business 2 with a plot ratio of 1.6.
Methods of Valuation	:	Income Capitalisation Method, Discounted Cash Flow Analysis and Direct Comparison Approach (Cross-check).
Market Value as at October 20, 2023	:	S$17,100,000/- (Singapore Dollars Seventeen Million and One Hundred Thousand)
Value psm on GFA	:	S$2,850 psm
Value psm on NLA	:	S$2,850 psm

JLL

EXECUTIVE SUMMARY

Date of Valuation	:	October 20, 2023.
Property	:	82 Ubi Avenue 4 Edward Boustead Centre Singapore 408832 (the "Property")
Client	:	Boustead Projects Limited
Purpose of Valuation	:	Market valuation for financial reporting and financing purposes only.
Legal Description	:	Lot 6645M Mukim 23.
Tenure	:	30 years lease commencing from April 5, 2013
Permitted Use	:	The Property is not to use or permit or suffer or any part thereof to be strictly used for any activities that may be permitted by the Authorities under the Planning Act (Chapter 232) under the industrial Business 1 (B1) zoning ("Authorised Use) in accordance with the Master Plan Written Statement provided always that the Development or any part thereof shall not be used in any manner inconsistent with the use stated in the head lease made between the President of the Republic of Singapore and the Lessor in respect of the Land. The Authorised Use shall be subject to the approval of the Lessor and the Authorities. No change in the Authorised Use which will result in a change of the industrial B1 zoning of the Land or any part thereof shall be allowed. The Property shall not include dormitory housing for workers as part of the Development unless the prior written approval of the Lessor and the Authorities is obtained (such approval may be subject to the terms and conditions imposed by the Lessor and the Authorities). The total gross plot ratio not exceeding 2.5 but not less than 2.0.
Registered Lessee	:	Perpetual (Asia) Limited (In Trust).
Brief Description of Property	:	The Property is an 8-storey light industrial building with carpark located on the 2nd storey to 4th storey. It is erected on a rectangular-shaped plot of land slightly above the access road level. Other site improvements include reinforced concrete / interlocking tiles driveway and loading / unloading bays and enclosed by plastered boundary walls and metal grilles.

EXECUTIVE SUMMARY (CONT'D)

Site Area	:	3,503.5 sq.m. (37,711.32 sq.ft)
Gross Floor Area (GFA) (as provided and subject to survey)	:	Approximately 8,758.75 sq.m. (94,278.31 sq.ft.)
Total Net Lettable Area (NLA) (as provided)	:	Approximately 7,267.68 sq.m. (78,228.57 sq.ft.)
Tenancy Details	:	The Property is about 100% leased to multiple tenants.
Aggregate Annual Value (2023) (as provided by the client)	:	S$2,918,800/-
Capitalisation Rate	:	5.00%
Terminal Cap Rate	:	5.25%
Discount Rate	:	7.25%
Master Plan Zoning (2019 Edition)	:	Business 1 with a plot ratio of 2.5
Methods of Valuation	:	Income Capitalisation Method, Discounted Cash Flow Analysis and Direct Comparison Approach (Cross-check).
Market Value as at October 20, 2023	:	S$32,000,000/- (Singapore Dollars Thirty-Two Million)
Value psm on GFA	:	S$3,653 psm
Value psm on NLA	:	S$4,403 psm

EXECUTIVE SUMMARY

Date of Valuation	:	October 20, 2023
Property	:	85 Tuas South Avenue 1 (also known as 85 Tuas) Singapore 637419 (the "Property")
Client	:	Boustead Projects Limited
Purpose of Valuation	:	Market valuation for financial reporting and financing purposes only.
Legal Description	:	Lot 3111A Mukim 7.
Tenure	:	30 years lease commencing from April 16, 2007 with an option to renew for a further term of 23 years subject to no breach of any covenants and conditions stipulated by JTC in the Lease.
Permitted Use	:	The Property is not to use or permit or suffer or any part thereof to be strictly used for the purpose of manufacture of controllable pitched prollers, tunnel thrusters and steerable propellers only and for no other purpose whatever.
Registered Lessee	:	Perpetual (Asia) Limited (in trust)
Brief Description of Property	:	The Property is a 2-storey industrial building. It is erected on a regular-shaped plot of land with a splayed corner at the access road level. Other site improvements include guardhouse, tarmac driveway and enclosed by metal grilles / plastered boundary wall fencing complete with a metal sliding gate.
Site Area	:	14,661.5 sq.m. (157,814.92 sq.ft)
Gross Floor Area (GFA) (as provided and subject to survey)	:	Approximately 10,609.52 sq.m. (114,199.81 sq.ft.)
Total Net Lettable Area (NLA) (as provided)	:	Approximately 10,432.91 sq.m. (112,298.82 sq.ft.)

EXECUTIVE SUMMARY (CONT'D)

Tenancy Details	:	The Property is leased to Cummins Sales and Service Singapore Pte Ltd (the "Lessee") for a term of 10 years with the lease commencing from June 1, 2019 with an option to extend for a further term of 5+5 years.
Annual Value (2023) (as provided by the client)	:	S$2,039,000/-
Capitalisation Rate	:	6.00%
Terminal Cap Rate	:	6.25%
Discount Rate	:	7.50%
Master Plan Zoning (2019 Edition)	:	Business 2 with a plot ratio of 1.4.
Methods of Valuation	:	Income Capitalisation Method, Discounted Cash Flow Analysis and Direct Comparison Approach (Cross-check).
Market Value as at October 20, 2023	:	S$23,800,000/- (Singapore Dollars Twenty-Three Million And Eight Hundred Thousand)
Value psm on GFA	:	S$2,243 psm
Value psm on NLA	:	S$2,281 psm

EXECUTIVE SUMMARY

Date of Valuation	:	October 20, 2023.
Property	:	84 Boon Keng Road (also known as Continental Building – Phase 3) Singapore 339781 (the "Property")
Client	:	Boustead Projects Limited
Purpose of Valuation	:	Market valuation for financial reporting and financing purposes only.
Legal Description	:	Lot 3031L Town Subdivision 17.
Tenure	:	30 years lease commencing from February 1, 2017
Permitted Use	:	The Property is not to use or permit or suffer or any part thereof to be strictly used for the purpose of software engineering and development of automotive products (including hardware development, integration and testing) and office only.
Registered Lessee	:	BP-CA3 LLP
Brief Description of Property	:	The Property is a 7-storey light industrial building It is erected on almost "L"-shaped plot of land and slightly above the access road level. Other site improvements include reinforced concrete driveway and loading / unloading bays and enclosed by plastered boundary wall and metal grilles mounted on plastered boundary wall complete with a metal side gate.
Site Area	:	4,457.5 sq.m. (47,980.08 sq.ft.)
Gross Floor Area (GFA) (as provided and subject to survey)	:	Approximately 11,151.25 sq.m. (120,030.94 sq.ft.)
Total Net Lettable Area (NLA) (as provided)	:	Approximately 11,151.25 sq.m. (120,030.94 sq.ft.)
Tenancy Details	:	The Property is leased to Continental Automotive Singapore Pte Ltd for a term of 10 years with the lease commencing from March 30, 2018.

EXECUTIVE SUMMARY (CONT'D)

Annual Land Rent	:	S$346,035.72 per annum.
Annual Value (2023) (as provided by the client)	:	S$2,606,000/-
Capitalisation Rate	:	5.25%
Terminal Cap Rate	:	5.50%
Discount Rate	:	7.00%
Master Plan Zoning (2019 Edition)	:	Business 1 with a plot ratio of 2.5
Methods of Valuation	:	Income Capitalisation Method, Discounted Cash Flow Analysis and Direct Comparison Approach (Cross-check).
Market Value as at October 20, 2023	:	S$30,000,000/- (Singapore Dollars Thirty Million)
Value psm on GFA	:	S$2,690 psm
Value psm on NLA	:	S$2,690 psm

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EXECUTIVE SUMMARY

Date of Valuation	:	October 20, 2023.
Property	:	80 Boon Keng Road (also known as Continental Building – Phase 1) Singapore 339780 (the "Property")
Client	:	Boustead Projects Limited
Purpose of Valuation	:	Market valuation for financial reporting and financing purposes only.
Legal Description	:	Lot 2901N Town Subdivision 17.
Tenure	:	30 years lease commencing from April 1, 2011 with an option to renew for a further term of 18 years 4 months, subject to no breach of any covenants and conditions stipulated by JTC in the Lease.
Permitted Use	:	The Property is not to use or permit or suffer or any part thereof to be strictly used for the purpose of design, research and development and testing of automotive products, including car audio and navigation units, climate control units and instrumentation clusters, and related products only and for no other purpose whatever.
Registered Lessee	:	Perpetual (Asia) Limited (In Trust).
Brief Description of Property	:	The Property is a 7-storey light industrial building It is erected on an almost rectangular-shaped plot of land and slight above the access road level. Other site improvements include reinforced concrete driveway and loading / unloading bays and enclosed by plastered boundary walls.
Site Area (as provided)	:	Approximately 4,501.20 sq.m. (48,450.47 sq.ft.)
Gross Floor Area (GFA) (as provided and subject to survey)	:	Approximately 11,310.16 sq.m. (121,741.43 sq.ft.)
Total Net Lettable Area (NLA) (as provided)	:	Approximately 11,312.46 sq.m. (121,766.14 sq.ft.)
Tenancy Details	:	The Property is leased to Continental Automotive Singapore Pte Ltd for a term of 13 years with the lease commencing from July 10, 2012.

EXECUTIVE SUMMARY (CONT'D)

Annual Value (2023) (as provided by the client)	:	S$5,501,000/- - Includes the Annual Value of Phase 2
Capitalisation Rate	:	5.25%
Terminal Cap Rate	:	5.50%
Discount Rate	:	7.00%
Master Plan Zoning (2019 Edition)	:	Business 1 with a plot ratio of 2.5
Methods of Valuation	:	Income Capitalisation Method, Discounted Cash Flow Analysis and Direct Comparison Approach (Cross-check).
Market Value as at October 20, 2023	:	S$45,500,000/- (Singapore Dollars Forty-Five Million and Five Hundred Thousand)
Value psm on GFA	:	S$4,023 psm
Value psm on NLA	:	S$4,022 psm

EXECUTIVE SUMMARY

Date of Valuation	:	October 20, 2023.
Property	:	80 Boon Keng Road (also known as Continental Building – Phase 2) Singapore 339780 (the "Property")
Client	:	Boustead Projects Limited
Purpose of Valuation	:	Market valuation for financial reporting and financing purposes only.
Legal Description	:	Lot 2901N Town Subdivision 17.
Tenure	:	30 years lease commencing from April 1, 2011 with an option to renew for a further term of 18 years and 4 months subject to no breach of any covenants and conditions stipulated by JTC in the Lease.
Permitted Use	:	The Property is not to use or permit or suffer or any part thereof to be strictly used for the purpose of design, research and development and testing of automotive products, including car audio and navigation units, climate control units and instrumentation clusters, and related products only and for no other purpose whatever.
Registered Lessee	:	Perpetual (Asia) Limited (in Trust)
Brief Description of Property	:	The Property is a 6-storey light industrial building It is erected on an almost rectangular-shaped plot of land and slightly above the access road level. Other site improvements include reinforced concrete driveway and loading / unloading bays and enclosed by plastered boundary walls.
Site Area (as provided)	:	Approximately 2,001.0 sq.m. (21,538.56 sq.ft.)
Gross Floor Area (GFA) (as provided and subject to survey)	:	Approximately 4,936.19 sq.m. (53,132.66 sq.ft.)*
Total Net Lettable Area (NLA) (as provided)	:	Approximately 4,937.86 sq.m. (53,150.59 sq.ft.)*
Tenancy Details	:	The Property is leased to Continental Automotive Singapore Pte Ltd for a term of 10 years with the lease commencing from August 26, 2014. .

EXECUTIVE SUMMARY (CONT'D)

Annual Value (2023) (as provided by the client)	:	S$5,501,000/- Includes the Annual Value of Phase 1.
Capitalisation Rate	:	5.25%
Terminal Cap Rate	:	5.50%
Discount Rate	:	7.00%
Master Plan Zoning (2019 Edition)	:	Business 1 with a plot ratio of 2.5
Methods of Valuation	:	Income Capitalisation Income, Discounted Cash Flow Analysis and Direct Comparison Approach (Cross-check).
Market Value as at October 20, 2023	:	S$22,700,000/- (Singapore Dollars Twenty-Two Million and Seven Hundred Thousand)
Value psm on GFA	:	S$4,599 psm
Value psm on NLA	:	S$4,597psm

EXECUTIVE SUMMARY

Date of Valuation	:	October 20, 2023
Property	:	351 On Braddell 351 Braddell Road Singapore 579713 (the "Property")
Client	:	Boustead Projects Limited
Purpose of Valuation	:	Market valuation for financial reporting and financing purposes only.
Legal Description	:	Lot 10824P Mukim 17.
Tenure	:	30 years lease commencing from December 26, 2018.
Permitted Use:	:	The Land shall be strictly use for any use(s) as permitted or may be permitted by the Authorities under the Planning Act (Cap 232) for Business 1 (B1) zoning in accordance with the Master Plan Written Statement. No change in the Authorised Use which will result in a change of the industrial B1 zoning of the Land or any part thereof shall be allowed.
Registered Lessee:	:	Perpetual (Asia) Limited (In Trust).
Brief Description of Property	:	The Property is a 7-storey multi-user industrial building with ancillary facilities and temporary industrial canteen. The Temporary Occupation Permit (TOP) and Certificate of Statutory Completion (CSC) were issued on March 2, 2021 and December 1, 2021 respectively.
Site Area	:	9,716.2 sq.m. (104,584.21 sq.ft).
Gross Floor Area :(GFA) (as provided and subject to survey)	:	Approximately 24,213.43 sq.m. (260,631 sq.ft.).
Total Net Lettable Area (Nl (as provided)	:	Approximately 22,005.39 sq.m. (236,864 sq.ft.).

EXECUTIVE SUMMARY (CONT'D)

Tenancy Details	:	The Property is multi-tenanted and with lease terms predominantly between 3 to 6 years.
Annual Posted Land Rent	:	Nil. A Land Premium of S$53,588,888.88/- has been paid upfront.
Annual Value (2023) (as provided by the client)	:	S$11,128,200
Capitalisation Rate	:	5.00%.
Terminal Capitalisation Rate:	:	5.25%.
Discount Rate	:	7.25%.
Master Plan Zoning (2019 Edition)	:	Business 1 with a plot ratio of 2.5.
Methods of Valuation	:	Income Capitalisation Method and Discounted Cash Flow Analysis.
Market Value as at October 20, 2023	:	S$125,000,000/- (Singapore Dollars One Hundred Twenty Five Million)
Value psm on GFA	:	S$5,162 psm.
Value psm on NLA	:	S$5,681 psm.

EXECUTIVE SUMMARY

Date of Valuation	:	October 20, 2023
Property	:	J'Forte 26 Tai Seng Street Singapore 534057 (the "Property")
Client	:	Boustead Projects Limited
Purpose of Valuation	:	Market valuation for acquisition and mortgage security purposes only.
Legal Description	:	Lot 6531P Mukim 23.
Tenure	:	30 + 30 years lease commencing from June 9, 2007.
Permitted Use	:	The Property is to be used for the purpose of preparation of Japanese food and other food centralised kitchen, coldroom facilities, training school and operational headquarters including commercial area for multiple-user at 1st storey only except with the prior written consent of the lessor.
Registered Lessee	:	Suki Sushi Pte. Ltd.
Brief Description of Property	:	The Property is an 8-storey industrial development with basement carpark and commercial uses at the 1st storey. The Certificate of Statutory Completion was issued on June 4, 2012.
Site Area	:	6,589.2 sq.m. (70,926 sq.ft.)
Gross Floor Area (GFA) (as provided and subject to survey)	:	Approximately 17,931.42 sq.m. (193,012 sq.ft.)
Total Net Lettable Area (NLA) (as provided and subject to survey)	:	Approximately 17,790.58 sq.m. (191,496 sq.ft.)

EXECUTIVE SUMMARY (CONT'D)

Tenancy Details	:	The Property is multi-tenanted and with lease terms predominantly between 3 to 4 years.
Annual Land Rent	:	We were informed that upfront land premium has been paid for the 1st term.
Annual Value (2023) (as provided by the client)	:	S$5,822,700/-
Capitalisation Rate	:	5.00%.
Terminal Cap Rate	:	5.25%.
Discount Rate	:	7.00%.
Master Plan Zoning (2019 Edition)	:	Business 2 with a permissible plot ratio of 2.5 and additional plot ratio of 1.0 for 'White'.
Methods of Valuation	:	Income Capitalisation Method and Discounted Cash Flow Analysis.
Market Value as at October 20, 2023	:	S$107,000,000/- (Singapore Dollars One Hundred And Seven Million)
Value psm on GFA	:	S$5,967 psm.
Value psm on NLA	:	S$6,014 psm.

Annexure 1

General Principles of Valuation

GENERAL PRINCIPLES ADOPTED IN THE PREPARATION OF VALUATIONS AND REPORTS

These are the general principles upon which our Valuations and Reports are normally prepared; they apply unless we have specifically mentioned otherwise in the body of the report.

1) VALUATION STANDARDS

All work are carried out in accordance with the Singapore Institute of Surveyors and Valuers (SISV) Valuation Standards and Guidelines and International Valuation Standards (IVS), subject to variations to meet local laws, customs, practices and market conditions.

2) VALUATION BASIS

Our valuations are made on the basis of Market Value, defined by the SISV and IVSC as follows:

"Market Value is the estimated amount for which an asset or liability should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion."

3) CONFIDENTIALITY

Our Valuations and Reports are confidential to the party to whom they are addressed or their other professional advisors for the specific purpose(s) to which they refer. No responsibility is accepted to any other parties and neither the whole, nor any part, nor reference thereto may be included in any published document, statement or circular, or published in any way, nor in any communication with third parties, without our prior written approval of the form and context in which they will appear.

4) SOURCE OF INFORMATION

Where it is stated in the report that information has been supplied by the sources listed, this information is believed to be reliable and we shall not be responsible for its accuracy nor make any warranty or representation of the accuracy of the information. All other information stated without being attributed directly to another party is obtained from our searches of records, examination of documents or enquiries with the relevant authorities.

5) DOCUMENTATION

We do not normally read leases or documents of title and, where appropriate, we recommend that lawyer's advice on these aspects should be obtained. We assume, unless informed to the contrary, that all documentation is satisfactorily drawn and that good title can be shown and there are no encumbrances, restrictions, easements or other outgoings of an onerous nature which would have an effect on the value of the interest under consideration.

6) TOWN PLANNING AND OTHER STATUTORY REGULATIONS

Information on Town Planning is obtained from the set of Master Plan, Development Guide Plans (DGP) and Written Statement published by the competent authority. Unless otherwise instructed, we do not normally carry out requisitions with the various public authorities to confirm that the property is not adversely affected by any public schemes such as road and drainage improvements. If reassurance is required, we recommend that verification be obtained from your lawyers.

Our valuations are prepared on the basis that the premises and any improvements thereon comply with all relevant statutory regulations. It is assumed that they have been, or will be issued with a Certificate of Statutory Completion by the competent authority.

7) TENANTS

Enquiries as to the financial standing of actual or prospective tenants are not normally made unless specifically requested. Where properties are valued with the benefit of lettings, it is therefore assumed that the tenants are capable of meeting their obligations under the lease and that there are no arrears of rent or undisclosed breaches of covenant.

8) STRUCTURAL SURVEYS

We have not carried out a building survey nor any testing of services, nor have we inspected those parts of the property which are inaccessible. We cannot express an opinion about or advise upon the condition of uninspected parts and this Report should not be taken as making any implied representation or statement about such parts. Whilst any defects or items of disrepair are noted during the course of inspection, we are not able to give any assurance in respect of rot, termite or past infestation or other hidden defects.

9) SITE CONDITIONS

We do not normally carry out investigations on site in order to determine the suitability of the ground conditions and services for the existing or any new development, nor have we undertaken any archaeological, ecological or environmental surveys. Unless we are otherwise informed, our valuations are on the basis that these aspects are satisfactory and that, where development is proposed, no extraordinary expenses or delays will be incurred during the construction period.

10) OUTSTANDING DEBTS

In the case of buildings where works are in hand or have recently been completed, we do not normally make allowance for any liability already incurred, but not yet discharged, in respect of completed works, or obligations in favour of contractors, sub-contractors or any members of the professional or design team.

…../Page 2

11) INSURANCE VALUE

Our opinion of the insurance value is our assessment of the reinstatement cost for insurance purpose and it comprises the total cost of completely rebuilding the property to be insured, together with allowances for inflation, demolition and debris removal, professional fees, the prevailing G.S.T. (goods and services tax) and, if applicable, compliance with current regulations and by-laws.

12) DIMENSIONS, MEASUREMENTS & AREAS

Dimensions, measurements and areas included in the report are based on information contained in copies of documents provided to us and are therefore approximations. No on site measurements have been taken. We have no reason to doubt the truth and accuracy of the information provided. Our valuation is totally dependent on the adequacy and accuracy of the information supplied and/or the assumptions made. Should these prove to be incorrect or inadequate, the accuracy of the valuation may be affected.

13) ACCURACY, ERRORS & OMISSIONS

Whilst care has been taken in the preparation of the report, no representation is made or responsibility is accepted for errors, omissions and the accuracy of the whole or any part.

Annexure 2

Industrial Market Overview

Market Overview - Industrial

Market Highlights

- Advance estimates showed Singapore's economy grew by 0.7% year-on-year (y-o-y) in 2Q23, slightly faster than the 0.4% y-o-y growth in 1Q23.
- The islandwide stock of business park and logistics / warehouse space rose in 2Q23 following the completions of major new developments.
- Weighed down by the macroeconomic uncertainties, new enquiries for business park premises were generally muted in 2Q23. However, some earlier requirements translated into space commitments during the quarter.
- In the logistics / warehouse segment, the supply crunch is contributing to the growing unfulfilled demand for space.
- Amid a relatively quiet leasing market, the average islandwide business park rent stayed flat in 2Q23, while the persistent supply crunch pushed the average islandwide logistics / warehouse rents up for the ninth consecutive quarter.
- Reflecting the healthy appetite for industrial assets, investors bought one business park facility and six warehouses in 2Q23.
- Business park yields expanded for the second consecutive quarter, while Logistics / warehouse yields remained steady in 2Q23.

Market Overview – Industrial (Cont'd)

Quarterly Updates – Industrial Sector

	2Q22	1Q23	2Q23	y-o-y Change	q-o-q Change	End-2023
Existing Cumulative Stock ('000 sq ft)						
Whole Island	552,339	563,254	565,051	2.3%	0.3%	▲
Factory	404,960	413,108	413,894	2.2%	0.2%	▲
Single-user	276,632	280,508	281,164	1.6%	0.2%	▲
Multiple-user	128,327	132,601	132,730	3.4%	0.1%	▲
Business Park	24,682	25,737	25,909	5.0%	0.7%	▲
Logistics/Warehouse	122,698	124,420	125,249	2.1%	0.7%	▲
Average Vacancy Rate						
Whole Island	10.0%	11.2%	10.9%	93 bps	-30 bps	▲
Factory	10.0%	11.2%	11.0%	11 bps	-24 bps	▲
Single-user	9.7%	11.3%	11.4%	172 bps	12 bps	▲
Multiple-user	10.6%	11.1%	10.1%	-48 bps	-98 bps	▼
Business Park	14.9%	18.7%	19.4%	449 bps	67 bps	▲
Logistics/Warehouse	9.1%	9.7%	9.0%	-10 bps	-69 bps	▼
Projected Supply ('000 sq ft NLA)*						
Whole Island	32,249	26,646	27,198	N/A	N/A	N/A
Factory	26,316	20,916	20,469	N/A	N/A	N/A
Single-user	17,971	15,931	15,113	N/A	N/A	N/A
Multiple-user	8,344	4,986	5,356	N/A	N/A	N/A
Business Park	5,625	4,059	3,825	N/A	N/A	N/A
Logistics/Warehouse	5,933	5,730	7,168	N/A	N/A	N/A
Average Gross Effective Rental (SGD per sq ft/mth)						
Business Park	4.18	4.24	4.24	1.4%	0.0%	▼
Logistics/Warehouse	1.46	1.58	1.61	10.3%	1.9%	▲
Average Capital Values (SGD per sq ft)						
Business Park	665	664	661	-0.5%	-0.4%	▼
Logistics/Warehouse	205	225	230	12.0%	2.2%	▲
Market Yield**						
Business Park	5.88%	5.90%	5.92%	2 bps	2 bps	▶
Logistics/Warehouse	6.58%	6.58%	6.58%	0 bps	0 bps	▶

*Projected Supply in NLA; estimated at 80.0% of GFA
**Market yield refers to Business Park and Warehouse indicative yield
Source: JTC, JLL Research, August 2023

Market Overview – Industrial (Cont'd)

Supply

Business Park

The completion of the remaining phase of Surbana Jurong Campus in the CleanTech Park and the third phase of Perennial Business City in Jurong East, contributed to the q-o-q rise in the islandwide business park stock in 2Q23.

Meanwhile, CapitaLand unveiled its new life sciences and innovation cluster in June 2023, as part of its rejuvenation efforts for the Singapore Science Park.

Known as Geneo, the cluster consists of three properties at 1, 5 and 7 Science Park Drive. The property at 5 Science Park Drive was completed in 2019 and leased to e-commerce company Shopee, while 7 and 1 Science Park Drive remain on schedule for completion in 2023 and 2025, respectively.

Except for two upcoming developments in 2023 (i.e. Elementum in one-north) and 2025 (i.e. the second phase of Punggol Digital District) which saw minor upward adjustments to their proposed floor areas, there were no other changes to our supply pipeline from 2023 to 2026.

Logistics / Warehouse

The final phase of Fairprice Group Fresh Food Distribution Centre (7 Sunview Road) and the warehouse component of The Pulse located at 8 Aljunied Avenue 3 were completed in 2Q23. These contributed to the q-o-q rise in the islandwide logistics / warehouse stock.

As 1H23's net space addition came in above expectations, this raised the projected full-year 2023 supply quantum from three months ago.

In terms of supply pipeline, we have deferred the expected completions of several projects from 2024 to 2025. This included two upcoming single-user warehouses at 9 Tuas Avenue 13 and 498 Chai Chee Lane and the warehouse components of two single-user industrial developments at 5 Tuas Avenue 13 and Tampines North Drive 5.

Four new projects have also been added to 2025's supply pipeline. The warehouse component of VDL Enabling Technologies Group's new development and Maersk's proposed new distribution centre which is expected to have a capacity of 30,000 pallet Automated Storage & Retrieval System with a large floorplate of 160,000 sq ft, are both located along Jalan Ahmad Ibrahim. Separately, Schenker's new warehouse will be situated at Greenwich Drive. In addition, CapitaLand Ascendas REIT has unveiled its redevelopment plans to turn the two existing blocks of warehouse space at 5 Toh Guan Road East into a new six-storey ramp-up logistics development by end-2025.

Following these updates, the overall projected supply quantum has been raised, with supply anticipated to peak in 2025, instead of 2023 as forecasted in 1Q23.

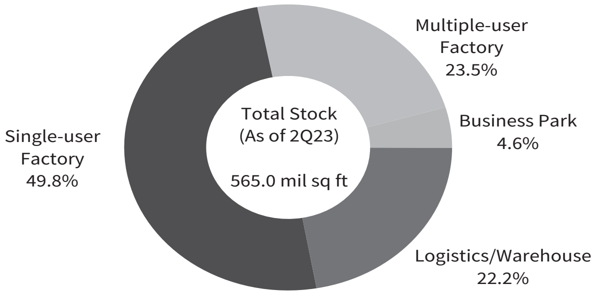
Notwithstanding, there is potential for the projected supply in the medium term to change should new projects be announced in the coming quarters.

Market Overview – Industrial (Cont'd)

Supply (Cont'd)

Logistics / Warehouse (cont'd)

Chart 1: Existing Industrial Stock Distribution



Note: Figures do not add to 100% due to rounding

Source: JTC, JLL Research, August 2023

Demand

Advance estimates released by the Ministry of Trade and Industry (MTI) on 14 July 2023 showed the Singapore economy continued to expand modestly, although the 0.7% y-o-y growth in 2Q23 was marginally faster than the 0.4% y-o-y growth registered in 1Q23.

Growth in 2Q23 was mainly supported by the services producing industries and construction sector which remained expansionary, as the y-o-y contraction in manufacturing output stretched into the third consecutive quarter.

Specifically, the fall in manufacturing output deepened from -5.3% y-o-y in 1Q23, to -7.5% y-o-y in 2Q23, with MTI attributing the steeper contraction to output declines across all manufacturing clusters, except for the transport engineering cluster.

This weakness was also evident in the Singapore Purchasing Managers' Index (PMI) – a barometer of the health of Singapore's manufacturing sector – which stayed within the contractionary zone (i.e. a reading of below 50) for the fourth consecutive month in June 2023. Overall, Singapore's 2Q23 PMI was weighed down by the continued weak electronics sector, as shown in the eleventh straight month of contraction in the Electronics PMI in June 2023.

Likewise, Non-Oil Domestic Exports (NODX) continued its downtrend in 2Q23, although at a slightly slower pace of 13.4% y-o-y compared to the 16.1% y-o-y decline in 1Q23. The third consecutive quarter of weakness in NODX was attributed to the sluggish demand for electronic and non-electronic exports, which posted their fourth and third straight quarters of contraction, respectively.

Conversely, output growth of the services producing industries gathered momentum to 3.0% y-o-y in 2Q23, from 1.8% y-o-y in 1Q23. This was supported by the expansion of all sectors within the group. In particular, the wholesale & retail trade and transportation & storage sectors reversed a 0.7% y-o-y contraction in 1Q23, to expand by 2.6% y-o-y in 2Q23.

Singapore's construction sector also continued to post output growth of 6.6% y-o-y in 2Q23, albeit slightly slower than the 6.9% y-o-y growth in 1Q23. This came on the back of expansions in both public and private sector construction outputs.

For full-year 2023, the MTI had maintained its GDP growth forecast of 0.5% to 2.5%, with growth projected to come in at around the mid-point of the range, according to its latest official forecast as of 25 May 2023.

Market Overview – Industrial (Cont'd)

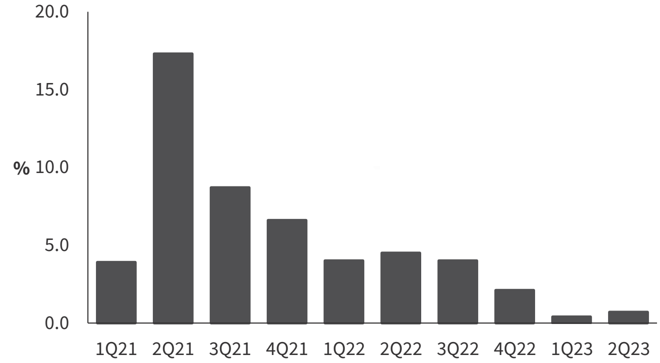
Demand (Cont'd)

This was based on the MTI's assessment of a weaker external demand outlook for Singapore for the rest of 2023 after considering, among others, the anticipated slowdown in the advanced economies, a deeper and more prolonged-than-previously envisaged downturn in the electronics sector, greater downside risks in the global economy and the weaker outlook for the manufacturing and trade-related sectors.

Meanwhile, Oxford Economics (OE) downgraded its 2023 and 2024 GDP growth projections from three months ago, as it expects the external environment to continue weighing on the economy. However, the economist maintained the view that GDP growth would pick up momentum in 2024.
On the manufacturing sector front, while OE had downgraded 2023's manufacturing output growth forecast from three months ago, the economist maintained its stance that growth would recover in 2024.

In terms of interest rates, OE made marginal adjustments to the Singapore Overnight Rate Average (SORA) but maintained that it would peak in 2023 and decline in 2024.

Chart 2: Quarterly Real GDP Growth



*Advance estimates as of 14 July 2023
Source: MTI, Oxford Economics, August 2023

Market Overview – Industrial (Cont'd)

Demand (Cont'd)

Business Park

Weighed down by the macroeconomic uncertainties, new enquiries for business park premises were generally muted in 2Q23. However, some earlier requirements translated into space commitments during the quarter.

For example, as announced in April 2023, UOB is investing in a new 300,000 sq ft global technology and innovation centre in the upcoming Punggol Digital District (PDD), scheduled for completion by end-2026. In the same month, Sulzer – a fluid engineering and chemical processing applications company – signed a tenancy agreement with JTC Corporation for its new research centre at JTC CleanTech Three to expand the firm's global footprint, albeit no further details (e.g. amount of space committed) were disclosed.

In terms of occupier movements, Intellian Technologies, a global provider of satellite communication solutions, announced the opening of its Singapore office in the International Business Park (IBP) in April 2023. Its new premise was reportedly double the size of its previous office. We also understand that Sony Electronics has shifted its operations from IBP to Perennial Business City during the quarter.

Elsewhere, Medpace officially opened its clinical contract research organisation office in the Razer HQ building in one-north, while Kajima Asia Pacific Holdings commenced operations in its newly completed business park development, The Gear, located in Changi Business Park (CBP).

Notwithstanding, data from JTC for 2Q23 showed net absorption contracted for the second consecutive quarter, albeit by a lesser extent. Consequently, overall net absorption contracted in 1H23.

Over the coming months, we could expect several occupiers to move into their fitted-out premises which received TOP in the earlier quarters e.g. IHiS is expected to shift into Elementum in 2024. This should help to keep net expansion expansionary.

However, given the below-par performance in 1H23, weakened sentiment following the rounds of downgrades in near-term economic prospects and the growing shadow stock arising from the ongoing consolidation in the technology sector, we pared down our near-term net absorption expansion forecasts.

Logistics / Warehouse

Demand for logistics / warehouse premises stayed healthy in 2Q23, with requirements continuing to stem from third-party logistics players (3PLs) and end users seeking new or additional spaces for their business needs. There were also requirements for temperature-controlled premises.

Against this backdrop, and the physical occupation of previously completed premises, net absorption jumped to a four-quarter high in 2Q23, reversing the contraction in 1Q23.

Examples of new openings during the quarter include UPS Healthcare, which officially opened its new 8,700 sq m (about 94,000 sq ft) purpose-built facility at Gul Circle in May 2023. The new premise can store healthcare products in temperatures ranging from -80 degrees to 25 degrees Celsius.

In the same month, TAK Products announced the relocation of its customer service and warehouse to its new facility at 14 Senoko Loop, which was completed in 1Q23.

CEVA Logistics also renewed the lease for its existing warehouse space of 31,230 sq m (approximately 336,200 sq ft) at 15 Greenwich Drive for a three-year term with ESR-LOGOS REIT.

Looking ahead, the geopolitical headwinds and possible supply chain disruptions could keep businesses cautious and inventory holding elevated, thereby underpinning near-term demand for logistics / warehouse space.

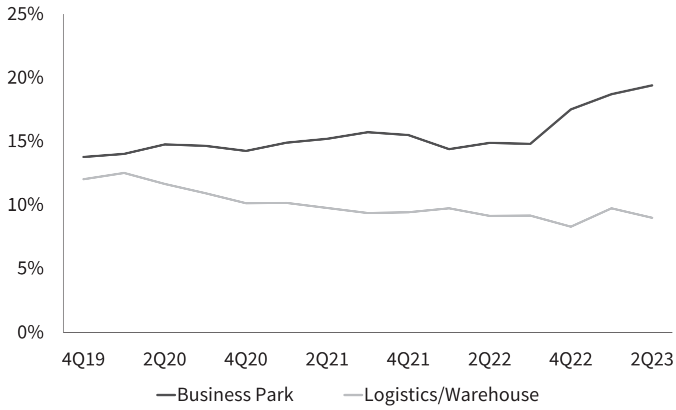
Market Overview – Industrial (Cont'd)

Demand (Cont'd)

Logistics / Warehouse (cont'd)

Considering the above, the expected physical move-in of major occupiers into their new logistics / warehouse premises in the coming quarters as well as 1H23's above-expectation net absorption, we have upgraded our annual net absorption expansions in the near-term.

Chart 3: Vacancy Rates



Source: JTC, JLL Research, August 2023

Market Overview – Industrial (Cont'd)

Rents

Business Park

Amid a relatively quiet leasing market, the average islandwide business park rent stayed flat in 2Q23, after inching up in 1Q23.

The below-par 1H23 rent performance, softening leasing market conditions and less sanguine macroeconomic prospects in the near-term led us to downgrade our annual rent outlook for 2023 and 2024.

Rents could now correct in 2H23 and turn in a full-year contraction. The strength of recovery in 2024 is now foreseen to be weaker due to the knock-on effects from the anticipated correction in 2H23 and weakened demand.

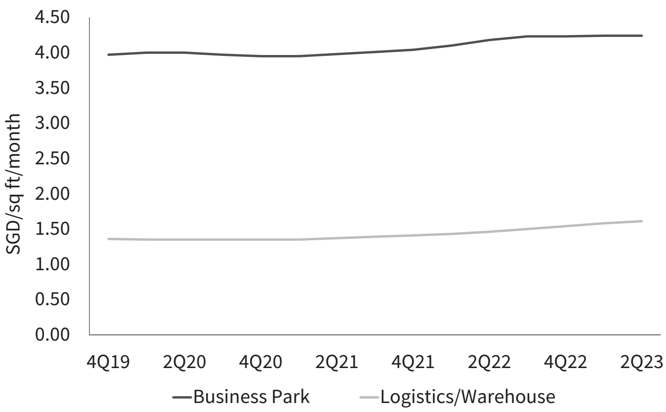
Logistics / Warehouse

The persistent supply crunch of quality premises pushed the average islandwide logistics / warehouse rents up for the ninth consecutive quarter in 2Q23.

With 1H23 rent growth tracking expectations, and no significant change in market fundamentals, we have kept our previous rent outlook.

To recap, the stiff competition for better quality logistics / warehouse facilities and tight vacancy levels should support future rent growth. However, the pace of growth could taper as tenant resistance towards further rent upside could set in due to the extended period of rent hike.

Chart 4: Gross Effective Rents



Source: JLL Research, August 2023

Table 1: Gross Effective Rents

Change in Rents	Business Park	Logistics/Warehouse
q-o-q	0.0%	1.9%
y-o-y	1.4%	10.3%
From Recent Peak	6.0% (1Q20)	7.3% (4Q13)
From Recent Trough	7.3% (4Q20)	19.3% (1Q20)

Source: JLL Research, August 2023

Market Overview – Industrial (Cont'd)

Capital Values

Business Park

There was one business park transaction in 2Q23. This involved the sale-and-leaseback of The Shugart by Seagate Singapore International Headquarters to CapitaLand Ascendas REIT for SGD 218.24 million. The property, with about 20 years remaining on its land tenure, comprises a six-storey podium and a nine-storey tower which will be leased back to Seagate for 10 years, with an option to renew for an additional 10 years.

In the wake of high interest rates and soft leasing market conditions, yields for business park assets expanded marginally for the second consecutive quarter. Amid stable rents, this translated to a slight q-o-q fall in capital values in 2Q23.

Going forward, we maintain that yields could stay expansionary in 2023 and 2024. However, the rent downgrade would translate to a sharper capital value correction in 2023, followed by a more modest recovery in 2024 as compared to our forecast three months ago.

Logistics / Warehouse

Investors remained keen to pursue opportunities to acquire good quality logistics / warehouse assets in 2Q23.

At the time of writing, there were two known logistics / warehouse deals worth at least SGD 5 million during the quarter.

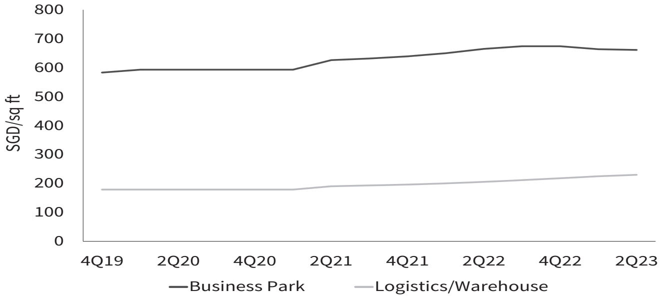
The larger transaction involved Hillhouse Capital's SGD 313.50 million acquisition of ESR-LOGOS REIT's portfolio of five warehouses at 3 Pioneer Sector 3, 21 Changi North Way, 6 Chin Bee Avenue, 4 & 6 Clementi Loop and 30 Toh Guan Road.

Separately, based on caveat records, a warehouse at 31 Tuas View Close transacted at SGD 12.89 million in May 2023. The property has a 60-year leasehold land tenure commencing from 9 July 1996.

Underpinned by keen investor interest, yields of logistics / warehouse assets continued to display resilience despite the current high interest rate environment. Amid stable yields and sustained rent growth, the average islandwide capital value headed north for the ninth consecutive quarter.

We continue to expect investors to gravitate towards logistics / warehouse assets due to the positive yield spread over interest rates in the near term. Along with the prospects of continued rent growth, we are maintaining our outlook for yields to hold steady and support capital values growth in both 2023 and 2024.

Chart 5: Capital Values



Source: JLL Research, August 2023

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Report and Valuation

Our ref : WTW/04/V/013117/23/GXZ

20 October 2023

PRIVATE & CONFIDENTIAL

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

Dear Sirs,

UPDATE VALUATION CERTIFICATE
LOT NOS. PTD 200721, PTD 200722, PTD 200726,
PTD 200739, PTD 200744, PTD 200750 TO PTD 200755,
PTD 200759 TO PTD 200764, PTD 200766, PTD 200767, PTD 200771 TO PTD 200773,
PTD 200779, PTD 200780, PTD 200784, PTD 200793, PTD 200794, PTD 200796,
PTD 200797, PTD 200800, PTD 200801, PTD 200804 TO PTD 200807,
PTD 200809, PTD 200811, PTD 200814 TO PTD 200816, PTD 200818,
PTD 200822, PTD 200823, PTD 200826 TO PTD 200833
MUKIM OF PULAI, DISTRICT OF JOHOR BAHRU, JOHOR
(IBP NUSAJAYA, KAWASAN PERINDUSTRIAN SILC, ISKANDAR PUTERI, JOHOR)

We thank you for your instructions to assess the market value of the above captioned properties for accounting purposes.

A Report and Valuation on the abovementioned properties was previously prepared by us under Reference No. WTW/04/V/010334/22/JTZ dated 31 March 2022. This Update Valuation Certificate should be read in conjunction with the said full Report and Valuation.

Having investigated available data related and relevant to the matter, we are pleased to report that in our opinion, the market value of the subject properties as at 20 October 2023 **ON THE BASIS / ADDITIONAL ASSUMPTIONS AND PROVISO AS STATED IN DETAIL UNDER THE TERMS OF REFERENCE HEREIN** with permission to sell, lease, transfer and free from all encumbrances is **RM141,900,000/- (Ringgit Malaysia : One Hundred Forty One Million And Nine Hundred Thousand Only)**.

KINDLY BE ADVISED THAT WE HAVE NOT INSPECTED THE PROPERTIES NOR CARRIED OUT A TITLE SEARCH ON THE TITLE OF THE PROPERTIES.

FOR THE PURPOSE OF THIS UPDATE VALUATION, WE HAVE PRESUMED THAT THE DETAILS AS STATED IN OUR VALUATION REPORT AS REFERENCED ABOVE ARE STILL VALID.

THE ABOVE REPORTED VALUE IS TO BE USED SOLELY FOR ACCOUNTING PURPOSES AND IS NOT TO BE USED FOR GRANTING FRESH OR ADDITIONAL FUNDING.

This valuation is subject to the Limiting Conditions, a copy of which is attached at the end of this certificate.

Yours faithfully
for and on behalf of
CBRE WTW Valuation & Advisory Sdn Bhd
(formerly C H Williams Talhar & Wong Sdn Bhd)

Sr LO KIN WENG
B. (Hons) Estate Mgt. MRICS, MRISM, MPEPS
Registered Valuer (V-917)

Our ref : WTW/04/V/013117/23/GXZ
Page 2

UPDATE VALUATION CERTIFICATE
LOT NOS. PTD 200721, PTD 200722, PTD 200726,
PTD 200739, PTD 200744, PTD 200750 TO PTD 200755,
PTD 200759 TO PTD 200764, PTD 200766, PTD 200767, PTD 200771 TO PTD 200773,
PTD 200779, PTD 200780, PTD 200784, PTD 200793, PTD 200794, PTD 200796,
PTD 200797, PTD 200800, PTD 200801, PTD 200804 TO PTD 200807,
PTD 200809, PTD 200811, PTD 200814 TO PTD 200816, PTD 200818,
PTD 200822, PTD 200823, PTD 200826 TO PTD 200833
MUKIM OF PULAI, DISTRICT OF JOHOR BAHRU, JOHOR
(IBP NUSAJAYA, KAWASAN PERINDUSTRIAN SILC, ISKANDAR PUTERI, JOHOR)

The individual market value of the subject properties is tabulated below: -

Lot No.	Developer Plot No.	Land Area (hectare)	Market Value
PTD 200721	2	0.0865	RM2,800,000/-
PTD 200722	3	0.0871	RM2,800,000/-
PTD 200726	7	0.0893	RM2,800,000/-
PTD 200739	19	0.1268	RM3,300,000/-
PTD 200744	23	0.0787	RM2,600,000/-
PTD 200750	28	0.0787	RM2,600,000/-
PTD 200751	29	0.0787	RM2,600,000/-
PTD 200752	30	0.0787	RM2,600,000/-
PTD 200753	31	0.0787	RM2,600,000/-
PTD 200754	32	0.0787	RM2,600,000/-
PTD 200755	33	0.0787	RM2,600,000/-
PTD 200759	37	0.1371	RM1,500,000/-
PTD 200760	38	0.1302	RM1,300,000/-
PTD 200761	39	0.1302	RM1,300,000/-
PTD 200762	40	0.0787	RM2,600,000/-
PTD 200763	41	0.0787	RM2,600,000/-
PTD 200764	42	0.0787	RM2,600,000/-
PTD 200766	44	0.0787	RM2,600,000/-
PTD 200767	45	0.0787	RM2,600,000/-
PTD 200771	47	0.0787	RM2,600,000/-
PTD 200772	48	0.0787	RM2,600,000/-
PTD 200773	49	0.0787	RM2,600,000/-
PTD 200779	54	0.1312	RM3,500,000/-
PTD 200780	55	0.1342	RM3,500,000/-
PTD 200784	58	0.0787	RM2,600,000/-
PTD 200793	67	0.0787	RM2,600,000/-
PTD 200794	68	0.0787	RM2,600,000/-
PTD 200796	70	0.0787	RM2,600,000/-
PTD 200797	71	0.0787	RM2,600,000/-
PTD 200800	72	0.134	RM1,500,000/-
PTD 200801	101	0.8096	RM9,000,000/-
PTD 200804	73	0.0787	RM2,600,000/-
PTD 200805	74	0.0787	RM2,600,000/-
PTD 200806	75	0.0787	RM2,600,000/-
PTD 200807	76	0.0787	RM2,600,000/-
PTD 200809	78	0.0787	RM2,600,000/-
PTD 200811	80	0.0787	RM2,600,000/-

Our ref : WTW/04/V/013117/23/GXZ
Page 3

UPDATE VALUATION CERTIFICATE
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MUKIM OF PULAI, DISTRICT OF JOHOR BAHRU, JOHOR
(IBP NUSAJAYA, KAWASAN PERINDUSTRIAN SILC, ISKANDAR PUTERI, JOHOR)

Lot No.	Developer Plot No.	Land Area (hectare)	Market Value
PTD 200814	83	0.0787	RM2,600,000/-
PTD 200815	84	0.0787	RM2,600,000/-
PTD 200816	85	0.0787	RM2,600,000/-
PTD 200818	87	0.1626	RM4,200,000/-
PTD 200822	89	0.0819	RM2,900,000/-
PTD 200823	90	0.0818	RM2,900,000/-
PTD 200826	93	0.0817	RM2,900,000/-
PTD 200827	94	0.0817	RM2,900,000/-
PTD 200828	95	0.0816	RM2,900,000/-
PTD 200829	96	0.0816	RM2,900,000/-
PTD 200830	97	0.0816	RM2,900,000/-
PTD 200831	98	0.0817	RM2,900,000/-
PTD 200832	99	0.0817	RM2,900,000/-
PTD 200833	100	0.0817	RM2,900,000/-
Total		**5.2581**	**RM141,900,000/-**

UPDATE VALUATION CERTIFICATE
LOT NOS. PTD 200721, PTD 200722, PTD 200726,
PTD 200739, PTD 200744, PTD 200750 TO PTD 200755,
PTD 200759 TO PTD 200764, PTD 200766, PTD 200767, PTD 200771 TO PTD 200773,
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MUKIM OF PULAI, DISTRICT OF JOHOR BAHRU, JOHOR
(IBP NUSAJAYA, KAWASAN PERINDUSTRIAN SILC, ISKANDAR PUTERI, JOHOR)

TERMS OF REFERENCE : To assess the market value of the above captioned properties for accounting purposes.

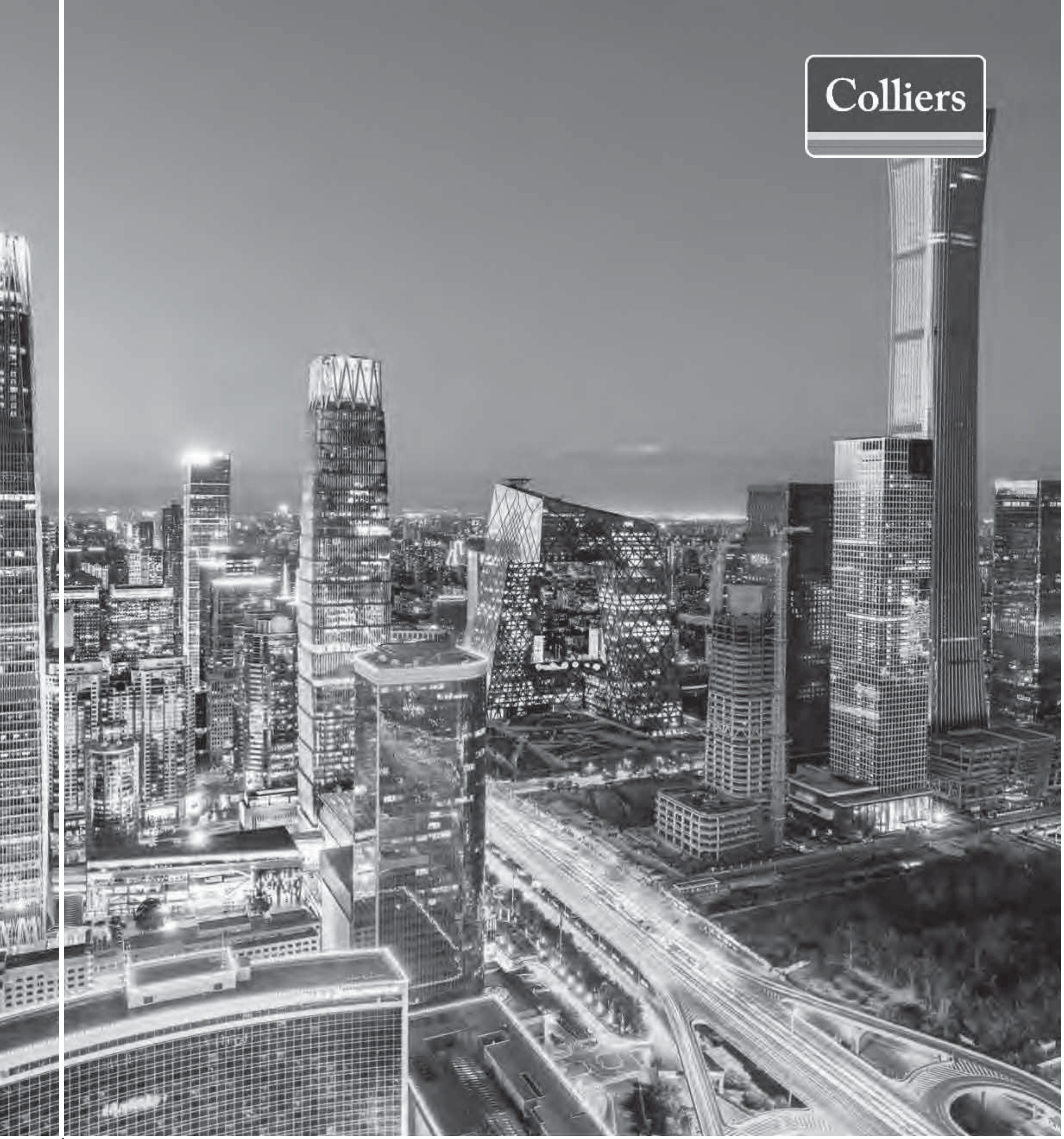
As instructed, the valuation is carried out based on the following **BASIS**: -

THE SUBJECT PROPERTIES ARE VALUED ON INDIVIDUAL UNIT-BY-UNIT BASIS.

DEFINITION : Market Value

"Market Value" is the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.

METHOD OF VALUATION : The subject properties are valued using the Comparison Approach. The Comparison Approach entails analysing recent transactions and asking prices of similar property in and around the locality for comparison purposes with adjustments made for differences in location, size, age and condition of unit and building, tenure, title restrictions if any and other relevant characteristics to arrive at the market value.



VALUATION

BEIJING TONGZHOU INTEGRATED DEVELOPMENT PHASE 1, BEIJING, PRC

OCTOBER 2023

PREPARED FOR: BOUSTEAD PROJECTS LIMITED

Colliers Appraisal and Advisory Services Co., Ltd.

Suite 507, Block A Gemdale Plaza
No. 91 Jianguo Road, Chaoyang District, Beijing

MAIN 86 21 6141 4350
FAX 86 21 6141 3699
EMAIL flora.he@colliers.com

Colliers

Our Ref: 23-13471

31 October 2023

Boustead Projects Limited

Dear Sir/Madam,

Re: Valuation of Beijing Tongzhou Integrated Development Ph 1, Plot 13, 14-1 and 14-2, West Bank of Core Tongzhou Grand Canal Zone, Tongzhou District, Beijing, the People's Republic of China (the "Property")

In accordance with our terms of engagement dated 25 September 2023, we attach our report setting out our opinion of the value of the "Property".

We confirm that we have made relevant enquiries and obtained such further information as we consider necessary as to allow us to provide you with our opinion of value, as at 20 October 2023, for Internal Reference Purposes.

Please note this report is for your sole use and for the purpose indicated only and no liability to any third party can be accepted for the whole or any part of the contents of the document. Neither the whole nor any part of this valuation report nor any reference thereto may not be included in any published documents, circular or statement, nor published in any way whatsoever except with the prior written approval of Colliers Appraisal and Advisory Services Co., Ltd. ("Colliers") as to the form and context in which it may appear.

If you have any queries concerning the report, please feel free to contact Flora, who would be most pleased to help.

Yours faithfully,
For and on behalf of
Colliers Appraisal and Advisory Services Co., Ltd.

ZhiRong He

Flora He 贺志蓉

Zhirong He (Flora He)
FRICS MCOMFIN
Executive Director
Valuation and Advisory Services I China

Colliers

EXECUTIVE SUMMARY

Property Overview

The Property, known as Beijing Tongzhou Integrated Development Phase 1, is a proposed mixed-use complex, which will include three high-rise buildings for office and apartment uses with a retail podium underneath. It is located on the west bank of the Core Tongzhou Grand Canal Zone (通州运河核心区). The Property is currently under construction. As advised, the Property will be directly connected to Metro Line M6 and S6 via its basement level upon completion.

Site Area:	38,926.00 sq m
Total Proposed GFA: (incl. Car Park)	412,748.35 sq m
Net Leasable Area (NLA)*	96,561.34 sq m (retail)
Property Address:	Plots 13, 14-1 and 14-2, west bank of Core Tongzhou Grand Canal Zone, Tongzhou District, Beijing, PRC
Ownership Details:	Pursuant to three State-owned Land-use Rights Certificates, the land-use rights of the Property with a site area of 38,926.00 sq m have been granted to 鹏瑞利美融加一(北京)置业有限公司, 鹏瑞利美融加二(北京)置业有限公司 and 鹏瑞利美融加三(北京)置业有限公司 for commercial and composite uses for a term expiring on 4 November 2052 and 4 November 2062, respectively.
Permitted Use:	Commercial and Composite
Town Plan Zoning:	Commercial and Composite

Valuation Details

Instructing Party:
Boustead Projects Limited

Registered Owner:	鹏瑞利美融加一(北京)置业有限公司 鹏瑞利美融加二(北京)置业有限公司 鹏瑞利美融加三(北京)置业有限公司
Interest Valued:	100% Leasehold Interest of the Property (As advised)
Purpose of Report:	Internal Reference Purposes
Valuation Approach:	Residual Method
Date of Valuation:	20 October 2023

Market Value on a "vacant land" basis as at 20 October 2023:	**RMB5,774,000,000** **RENMINBI FIVE BILLION SEVEN HUNDRED SEVENTY FOUR MILLION ONLY**

assumed 0.75 efficiency rate for retail

MARKET OVERVIEW

PROJECT FOCUS

The Property, known as Beijing Tongzhou Integrated Development Phase 1, is a proposed mixed-use, complex which will include three high-rise buildings for office and apartment uses with a retail podium underneath. It is located on the west bank of the Core Tongzhou Grand Canal Zone (通州运河核心区). The Property is currently under development. As advised, the Property will be directly connected to the Metro Line M6 and S6 via its basement level upon completion.

Tongzhou District is a district of Beijing. It is located in southeast Beijing and considered the eastern gateway to the nation's capital. Downtown Tongzhou itself lies around 20 kilometres (km) east of central Beijing, at the northern end of the Grand Canal and at the easternmost end of Chang'an Avenue. The entire district covers an area of over 900 square kilometres (sq km), which is equivalent to 6% of Beijing's total area.

Traditionally known as a commuter town, Tongzhou District has been positioned as the second administrative centre in the "Beijing City Master Plan (2016-2035)" released in late 2017 due to its prominent location and unique environmental landscape. As the government plans to shift part of the capital's administrative departments to Tongzhou District, Tongzhou are undertaking more municipal functions in the city. Additionally, as the only district in Beijing that borders both Tianjin Municipal City and Hebei Province, Tongzhou is expected to play a significant role in the Beijing-Tianjin-Hebei integration.

Functional Areas of Tongzhou

Source: Colliers (for identification purposes only)

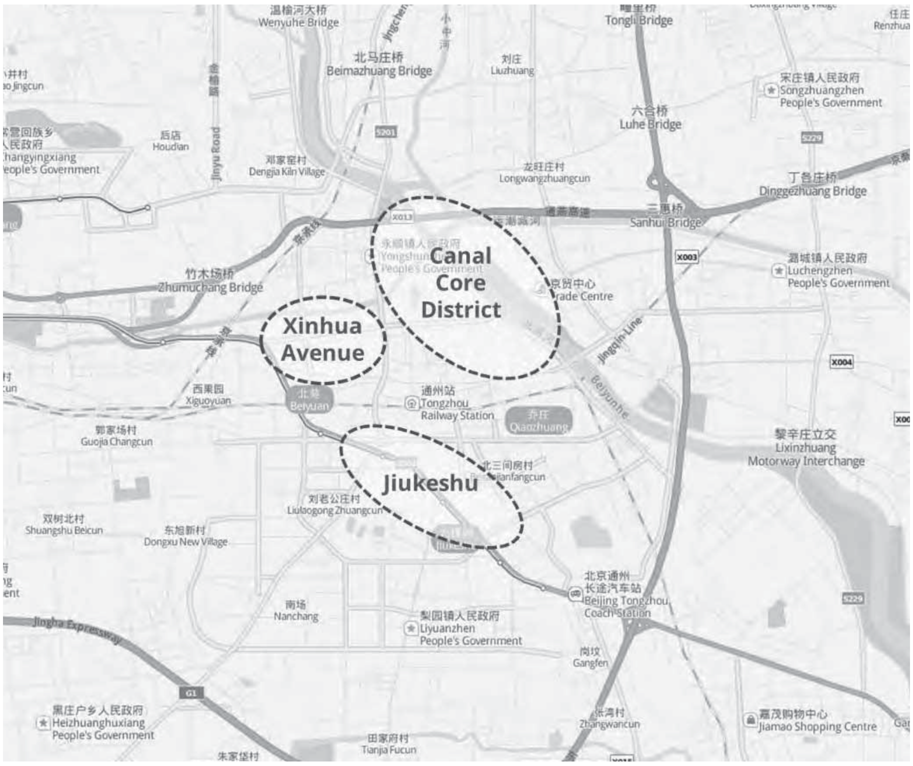
According to the Beijing City Master Plan, approximately 155 sq km of areas in central Tongzhou will be set to be the new city centre of Beijing, consisting of three key functional areas, namely Municipal office area, Canal commercial area and Cultural and tourism area. Occupying an area of approximately six sq km, the Municipal office area mainly covers areas in the surrounding the Lucheng Subway Station, which is the eastern terminal of Subway Line 6. Many major bureaus of the Beijing's Municipal Government will be relocated to this area. The Canal commercial area covers 17.4 sq km on the intersection of five rivers, namely Tonghui River, Northern Canal, Wenyu River, Zhongxiao River and Yunchaojian River. This area targets to accommodate companies that are relocated from core areas of Beijing, and is expected to house industries of the financial, IT and high-end services sectors with all will be supported by the Beijing-Tianjin-Hebei integration initiative. Covering an area of approximately 12 sq km, the Culture and tourism area, will mainly focus on the development of culture and tourism with Beijing Universal Studios resort being its landmark projects. Key industries in the area will include cultural and creative, tourism and exhibitions.

The Universal Beijing Resort, which officially opened in the third quarter of 2021, has quickly become one of China's most popular attractions. It has emerged as a new consumption landmark, attracting a significant number of visitors, and stimulating Beijing's potential purchasing power. The resort's debut has contributed to the growth of tourism and consumer spending in the area, further enhancing Beijing's appeal as a vibrant destination for both domestic and international tourists. Between January and August 2023, total retail sales in Tongzhou District were recorded around RMB35.2 billion, an increase of 1.6% YOY. In terms of consumption patterns, commodity retail sales reached about RMB32.01 billion, a YOY decrease of 1%. On the other hand, revenue from catering services amounted to about RMB3.21 billion, representing a significant increase of 36.2% compared to the same period last year.

Over the past decade, Tongzhou's economy has been growing rapidly. As of the end of 2022, Tongzhou District has achieved a total GDP of about RMB125.3 billion, growing 3.9% YOY. Total population of Tongzhou District was recorded at about 1.84 million by 2022 year-end. Stepping into 2023, the real estate market of Tongzhou began to show signs of slowing down. According to the statistics released by the Tongzhou District People's Government of Beijing Municipality, between January and August, fixed asset investment in Tongzhou experienced a YOY decrease of 13.4%. Additionally, real estate investment in the district also declined by 11.7% compared to the same period last year. From January to August, the total construction area of real estate development in Tongzhou was about 12.33 million sq m, a decrease of 16.5% compared to the same period last year. Newly commenced construction area for this year was about 410,000 sq m, a decrease of 60% YOY, while newly completed area was about 768,000 sq m, a decrease of 40.6% YOY. From January to August, total sold area of real estate development in Tongzhou District was about 530,000 sq m, a decrease of 11.7% compared to the same period last year. Among them, the sold residential area was about 329,000 sq m, a decrease of 25.4% YOY. Unsold area of real estate development in Tongzhou District between January and August was about 2,717,000 sq m, an increase of 13.4% YOY.

Since 2010, the commercial market in Tongzhou District has experienced rapid development. Currently, Tongzhou has established three submarkets: Canal Core Area Submarket (运河核心区), Xinhua Avenue Submarket (新华大街) and Jiukeshu Submarket (九棵树). These submarkets serve as key commercial hubs within the district, offering various opportunities for businesses and contributing to the growth of the local economy.

Map of Commercial Submarkets in Tongzhou District



Source: Colliers (for identification purposes only)

In Q2 2023, two new projects were added to the office leasing market in Tongzhou, including KWG International Finance Plaza Tower 4B (合景国际金融广场 4B 座) with a total GFA of about 27,000 sq m and Sino-Ocean Grand Canal Place Office Tower II (远洋乐堤港二座) with a GFA of about 58,000 sq m. The retail market also saw the debut of Grand Canal Place (远洋乐堤港), bringing in about 100,000 sq m of quality retail space to Tongzhou District and effectively filling the market gap of Canal Core District in addition to supporting the upgrading of local residents' consumption.

As a result of financial limitations, tenants are reducing expenses and moving to areas that offer more affordable options. During the third quarter of 2023, there was a consistent demand for office spaces in the Tongzhou District, leading to a positive net absorption and a slight decrease in the district's vacancy rate. The rental prices for office spaces in Tongzhou District also experienced a slight rise due to the sustained demand. Benefiting significantly from the government's consumption campaign, Beijing's retail market demonstrated a promising trajectory of recovery and experienced a surge in consumer activity. The stable demand for retail spaces resulted in a continuous decrease in the vacancy rate, while the average rental prices observed a marginal increase.

MARKET EVIDENCE / COMPARABLES

RENT

During the course of our valuation, we have made reference to market rent comparables for retail and office in the nearby area. In forming our opinion of market rent, we have had further discussions with active agents in the market.

Retail

Leasing Comparables for Retail

Items	Comparable 1	Comparable 2	Comparable 3
Property (Eng.)	Link Plaza - Jingtong	Tongzhou Wanda Plaza	BHG Mall
Property	领展购物中心	通州万达广场	华联天时名苑购物中心
City	Beijing	Beijing	Beijing
Submarket	Tongzhou	Tongzhou	Tongzhou
Detail Address	No.21 Cuijing Beili	South of Xinhua West Street	Yangzhou Bei Li
Completion	2014	2014	2012
Asking Level	L1	L1	L1
Asking NLA (sq m)	Average	Average	Average
Price Nature	Asking	Asking	Asking
Date of Asking	Q3 2023	Q3 2023	Q3 2023
Monthly Rent on NLA (RMB psm)	517	608	456

Office

Leasing Comparables for Office

Items	Comparable 1	Comparable 2	Comparable 3
Property (Eng.)	Beijing International Fortune Centre	Fortune Habour	Poly Metropolitan
Property (Chi.)	北京国际财富中心	财富港	保利大都汇
City	Beijing	Beijing	Beijing
Submarket	Tongzhou	Tongzhou	Tongzhou
Detail Address	No.1 Gongyuan Street	West of Tongsheng North Road	No.156 Xinhua North Street
Completion	2022	2024	2018
Asking Level	Mid Zone	Mid Zone	Mid Zone
Asking GFA (sq m)	Average	Average	Average
Price Nature	Transaction	Asking	Asking
Date of Asking	Q2 2023	Q3 2023	Q3 2023
Monthly Rent on GFA (RMB psm)	240	243	240

SALES

During the course of our valuation, we have made reference to sales comparables for apartment, retail and office property in the nearby area. In forming our opinion of market price, we have had further discussions with active agents in the market.

Apartment

Sales Comparables for Apartment

Items	Comparable 1	Comparable 2	Comparable 3
Name (ENG)	Metropolis Riverside	Hejing Centre	Art Park 9
Name (CHN)	万科·大都会滨江	合景中心	新光大中心
City	Beijing	Beijing	Beijing
District	Tongzhou District	Tongzhou District	Tongzhou District
Detailed Address	East of Xinhua North Road	West of Binhe Mid Road	Binhui North Road
Transacted GFA (sq m)	164	103	111
Completion	2022	2014	2017
Price Nature	Transaction	Transaction	Transaction
Date of Transaction	Q3 2023	Q3 2023	Q3 2023
Approx. Unit Price (RMB psm)	51,400	48,500	48,000

Office

Sales Comparables for Office

Items	Comparable 1	Comparable 2	Comparable 3
Name (ENG)	IIM5	World Chamber of Commerce Centre	Poly Metropolis
Name (CHN)	M5 运河 1 号	世界侨商中心	保利大都汇
City	Beijing	Beijing	Beijing
District	Tongzhou District	Tongzhou District	Tongzhou District
Detailed Address	No.9 Yunheyuan Road	South of Tongyan Road	East of Xinhua North Road
Transacted/Asking GFA (sq m)	95	93	104
Completion	2018	2018	2016
Price Nature	Asking	Asking	Asking
Date of Transaction/Asking	Q3 2023	Q3 2023	Q3 2023
Approx. Unit Price (RMB psm)	41,000	54,000	42,000

Retail

Sales Comparables for Retail

Items	Comparable 1	Comparable 2	Comparable 3
Name (ENG)	Tongzhou R&F Centre	Mikai Town	Business Garden
Name (CHN)	通州富力中心	米开 Town	金融街园中园
City	Beijing	Beijing	Beijing
District	Tongzhou District	Tongzhou District	Tongzhou District
Detailed Address	No.91 Yudaihe East Street	No.6 Xincheng South Street	No.5 Yard Yujing East Road
Transacted GFA (sq m)	166	50	665
Completion	2018	2020	2011
Price Nature	Transaction	Asking	Transaction
Date of Transaction	Q1 2023	Q2 2023	Q3 2023
Approx. Unit Price on Retail GFA (RMB psm)	73,000	70,000	47,000

VALUATION

Gross Development Value

In the course of arriving at the Gross Development Value (GDV) of the Property in the Residual Method, we have adopted the Market Approach for the apartments, offices, retail and car park, and the Income Capitalisation Method for retail, offices and car park. Details are as below:

Market Approach

In assessing the unit rates for the Property, we have made reference to the sales of similar properties in the vicinity. After analysis, the adopted unit rates of the Property are listed below:

Portion	Unit Price (RMB psm / lot)
Apartment	49,000
Office	49,000
Retail	Average: 43,000
Titled Car Park (per lot) (For sale)	240,000

Income Capitalisation Method

In assessing the market rents for the Property, we have made referenced to the rental levels for similar properties in the vicinity. Detail analysis is listed in market evidence / comparables. After analysis, the adopted unit rates of the Property are listed below:

Portion	Capitalisation Rate Utilised	Market Rent (RMB psm per month / RMB per lot per month)
Retail	5.0%	Average: 340
Office	4.0%	253
Car Park	7.0%	600

After using the Market Approach and the Income Capitalisation Method, our opinion of the GDV of the Property, as if completed at the valuation date, using the above methods is RMB14,667,000,000.

The breakdown of GDV by plots is listed below:

Portion	Gross Development Value
Plot 13	RMB5,760,000,000
Plot 14-1	RMB3,484,000,000
Plot 14-2	RMB5,423,000,000
Total	**RMB14,667,000,000**

Project Cost and Other Assumptions

To estimate the total development costs, we have also made the following assumptions:

Items	Content
Total Project Cost	RMB3,615,000,000
Value-added Tax	5.0% on GDV
VAT Surcharge	0.6% on GDV
Marketing Fees and Letting Fees	4.8% on GDV
Professional Fees	2.5% on total construction cost
Contingency	10.0% on total construction cost
Interest Rate on holding costs	4.83%
Developer's Profit	10.0% on GDV
Other Soft Costs (incl. project management & disposal fees)	4.5% on total construction cost

Output Summary

Per the Client's instruction, we are of the opinion that the market value of the Property on a "vacant land" basis, exclusive of stamp duty and deed tax, as at the date of valuation, using the above method is **RMB5,774,000,000 (RENMINBI FIVE BILLION SEVEN HUNDRED SEVENTY FOUR MILLION ONLY)**.

APPENDICES

APPENDIX 1: CAVEATS AND ASSUMPTIONS

1. DEFINITIONS

In these Caveats and Assumptions the following words or phrases shall have the meaning or meanings set out below:

'Confidential Information' means information that:

(a) Is by its nature confidential.
(b) Is designated by Us as confidential.
(c) You know or ought to know is confidential.
(d) Includes, without limitation: information comprised in or relating to any of Our intellectual property in the Services or any reports or certificates provided as part of the Services.
(e) You or Your affiliates provide to Us for the purposes of the Services.

'**Currency Date'** means, in relation to any valuation report, the date as at which our professional opinion is stated to be current.

'Fee' means the amount agreed to be paid for the Services as set out in the Quotation.

'**Parties**' means You or Us as the context dictates.

'**Quotation**' means the written quote provided by Us in relation to the Services.

'**Services'** means the valuation services provided pursuant to these terms and conditions and the Quotation, and includes any documents, reports or certificates provided by Us in connection with the Services.

'**The Property'** means the assets which are subject of our appointment as your advisor. This may include land, buildings, plant & equipment and other assets as described in the appointment agreement.

'We', 'Us', 'Our', 'Colliers' means Colliers.

'You', 'Your', 'Client' means the person, company, firm or other legal entity by or on whose behalf instructions are given, and any person, firm, company or legal entity who actually gave the instructions to us even though such instructions were given as agent for another.

'**Professional Property Practice Standards'** refers to RICS Valuation - Professional Standards, or appropriate standards.

2. PERFORMANCE OF SERVICES

2.1 We have provided the Services in accordance with:

(a) The terms and conditions contained herein; or
(b) As specifically instructed by You for the purpose of the Services; and
(c) Within the current provisions set by the prevailing Professional Property Practice Standards.

3. CONDITION OF THE PROPERTY

3.1 No allowance has been made in our report for any charges, mortgages or amounts owing on any of the properties valued nor for any expenses or taxation which may be incurred in effecting a sale. We have assumed that the Property is free from and clear of any and all charges, liens and encumbrances of an onerous nature likely to affect value, whether existing or otherwise, unless otherwise stated. We assume no responsibility for matters legal in nature nor do we render any opinion as to the title which is assumed to be good and marketable. We are not aware of any easements or rights of way affecting the property and our valuation assumes that none exists.

3.2 We have assumed that the Property has been constructed, occupied and used in full compliance with, and without contravention of, all ordinances, except only where otherwise stated. We have further assumed that, for any use of the Property upon which this report is based, any and all required licences, permits, certificates, and authorisations have been obtained, except only where otherwise stated.

3.3 We have assumed that any development sites are in a condition suitable for development; this has not been checked by us.
3.4 We have not carried out detailed site measurements to verify the correctness of the site areas in respect of the properties but have assumed that the site areas shown on the documents and official site plans handed to us are correct. All documents and contracts have been used as reference only and all dimensions, measurements and areas are approximations. No on-site measurement has been taken.
3.5 We have assumed that there is no timber infestation, asbestos or any other defect (unless advised otherwise) and that the property is compliant with all relevant environmental laws. It is Your responsibility to provide reports to Us that are relevant to these issues.
3.6 An internal inspection has been made, unless otherwise stated, no detailed on-site measurements have been taken.
3.7 While due care is exercised in the course of our inspection to note any serious defects, no structural survey of the Property will or has been undertaken, and We will not (and are not qualified to) carry out a structural, geotechnical or environmental survey. We will not inspect those parts of the property that are unexposed or inaccessible.
3.8 None of the services have been tested by Us and we are unable therefore to report on their present condition, but will presume them to be in good working order.
3.9 We recommend that You engage appropriately qualified persons to undertake investigations excluded from our Services.
3.10 No responsibility will be accepted either to You or to any third party for loss or damage that may result directly or indirectly from the condition of the property.

4. ENVIRONMENT AND PLANNING

4.1 We have obtained only verbal town planning information. It is your responsibility to check the accuracy of this information by obtaining a certificate under the appropriate legislation.
4.2 We do not hold ourselves to be experts in environmental contamination. Unless otherwise stated, our inspection of the site did not reveal any contamination or pollution affectation, and our valuation has been prepared on the assumption that that the land is not contaminated and has not been affected by pollutants of any kind. We would recommend that this matter be checked by a suitably qualified environmental consultant. Should subsequent investigation show the site is contaminated, our valuation may require revision.

5. BUILDING AREAS

5.1 Where a survey is provided to Us for consideration, We will assume that information contained in the survey is accurate and has been prepared in accordance with the prevailing Professional Property Practice Standards.
5.2 If you do not provide Us with a survey, We will estimate building areas based only upon available secondary information (including but not limited to building plans, deposited plans, and our own measurements). Such estimates do not provide the same degree of accuracy or certainty as would be provided by a survey prepared by an appropriately qualified professional in accordance with the prevailing Professional Property Practice Standards.
5.3 Where such a survey is subsequently produced which differs from the areas estimated then You will refer the valuation back to Us for comment or, where appropriate, amendment.

6. OTHER ASSUMPTIONS

6.1 Unless otherwise notified by You, We will assume:
(a) There are no easements, mortgages, leases, encumbrances, covenants, caveats, rights of way or encroachments except those shown on the title.
(b) All licences and permits can be renewed and We have not made any enquiries in this regard.
6.2 Where third party expert or specialist information or reports are provided to Us or obtained by Us in connection with Services (including but not limited to surveys, quantity surveyors reports, environmental audits, structural / dilapidation reports), we will rely upon the apparent expertise

of such experts / specialists. We will not verify the accuracy of this information or reports, and assume no responsibility for their accuracy.

6.3 Our services are provided on the basis that the Client has provided us, to the best of its knowledge, with a full and frank disclosure of all information and other facts which may affect the service, including all secrecy clauses and side agreements. We accept no responsibility or liability whatsoever for the valuation unless such a full disclosure has been made.

6.4 Any plans, sketches or maps included in this report are for identification purposes only and should not be treated as certified copies of areas or other particulars contained therein.

6.5 The study of possible alternative development options and the related economics are not within the scope of this report, unless otherwise stated.

6.6 Our opinion about the market value of the property is free from any influence and/ or point of views of any other parties.

7. ESTIMATED SELLING PRICE

7.1 Where you instruct Us to provide an estimated selling price, You agree that the Services:

(a) Are limited to the provision of an opinion based on Our knowledge of the market and informal enquiries.

(b) We are not required to carry out a full inspection of the property; any inspection of comparable properties; a search of title(s) or other enquiries as to encumbrances, restrictions or impediments on title(s); or other investigations which would be required for a formal valuation.

(c) Provide an indicative figure only which is not suitable for use for any purpose other than as general information or guide as to sale expectations. It is not suitable to be relied upon for the purpose of entry into any transaction.

7.2 No responsibility will be accepted either to You or to any third party for loss or damage that may result from the issue of such an estimated selling price.

8. CURRENCY OF VALUATION

8.1 Due to possible changes in market forces and circumstances in relation to the property the Services can only be regarded as relevant as at the Currency Date.

8.2 Where You rely upon Our valuation report after the Currency Date, You accept the risks associated with market movements between the Currency Date and the date of such reliance.

8.3 Without limiting the generality of 8.2, You should not rely upon Our valuation:

(a) After the expiry of 3 months from the Currency Date;

(b) Where circumstances have occurred during that period which may have a material effect on the value of the property or the assumptions or methodology used in the valuation report.

9. MARKET PROJECTIONS

9.1 Any market projections incorporated within our Services including, but not limited to, income, expenditure, associated growth rates, interest rates, incentives, yields and costs are projections only and may prove to be inaccurate. Accordingly, such market projections should be interpreted as an indicative assessment of potentialities only, as opposed to certainties.

9.2 Where Our Services include market projections such projections require the dependence upon a host of variables that are highly sensitive to varying conditions. Accordingly, variation in any of these conditions may significantly affect these market projections.

9.3 Where market projections form part of Our Services, We draw your attention to the fact that there will be a number of variables within acceptable market parameters that could be pertinent to Our Services and the projections adopted are representative of only one of these acceptable parameters.

9.4 All statements of fact in the valuation report which are used as the basis of our analyses, opinions, and conclusions will be true and correct to the best of our knowledge and belief. We do not make any representation or warranty, express or implied, as to the accuracy or completeness of the information or the state of affairs of the Property furnished to us by you.

10. YOUR OBLIGATIONS

10.1 You warrant that the instructions and subsequent information supplied by You, to the best of your knowledge, contain a full and frank disclosure of all information that is relevant to Our provision of the Services.

10.2 You warrant that all third party expert or specialist reports provided to Us by You for the purpose of Us providing the Services are provided with the authority of the authors of those reports.

10.3 You authorise and license Us to incorporate Your intellectual property within Our report(s).

10.4 You will not release any part of Our valuation report or its substance to any third party without Our written consent. When we consent for You to release Our report or any part of Our report to any third party, we do so on the basis that these terms and conditions will apply to the new addressee(s) as if it / they had been a party to the original letter of instruction between us. Where we consent to such reliance, You agree to furnish the addressee with a copy of any reliance letter issued by Us and/or a copy of these terms and conditions.

10.5 We reserve the right to reconsider or amend the valuation advice, or the Fee set out in Our Quotation to You, if;

(a) Certificates, surveys, leases, side agreements or related documentation that were not provided to Us prior to the provision of the Services are subsequently provided, and contain matters that may affect the value of the advice; or

(b) Where subsequent site inspections made in relation to any of the matters raised in Clause 3 materially affect or may alter the value of the property, the subject of the Services.

(c) The information provided to Us by You prior to the provision of services is in any way incomplete, misleading or wrong.

10.6 If You release any part of the valuation advice or its substance without written consent, You agree to defend and indemnify Us against claims by a third party who has reviewed the report if We have not, at or subsequent to the time of engagement, provided our specific written consent to such party reviewing and relying on the report. We have no responsibility to any other person even if that person suffers damage as a result of You providing this valuation without Our prior consent.

10.7 You agree that the only remedy for losses or damages relating to the breach of this Agreement shall be limited to three times Our contracted fee for the assignment and no claim shall be made for any consequential or punitive damages.

10.8 You agree not to bring any claim for any losses against any director, consultant or any employee of Ours. You hereby agree that Our director, consultant or any employee does not have a personal duty of care to You and any claim for losses must be brought against Colliers.

10.9 Where any loss is suffered by You for which We and any other person are jointly and severally liable to You the loss recoverable by You from Us shall be limited so as to be in proportion to our relative contribution to the overall fault.

11. CONFIDENTIALITY

11.1 This report and each part of it is prepared and intended for the exclusive use of the Client for the sole purpose outlined in Our agreement for internal reference purposes, and/or the purposes as specified in the agreement, and in accepting this report, the Client expressly agrees not to use or rely upon this report or any part of it for any other purpose. No person other than the Client shall use or rely upon this report or any part of it for any purpose unless we have given Our express written consent. Similarly neither the whole nor any part of this report nor any reference thereto may be included in any document, circular or statement nor published in any way without our written approval of the form and context in which it may appear.

11.2 If consent to disclose the Confidential Information is provided by Us, You agree to abide by any additional terms and conditions that We may apply to that disclosure.

11.3 You agree that You will indemnify, hold harmless and defend Us from and against any and all loss, liability, costs or expenses (including but not limited to professional or executive time) We may suffer or reasonably incur, directly or indirectly, as a result of a breach of this clause.

11.4 Unless otherwise directed in writing by Client, Colliers retains the right to include references to the Services in its promotional material. Such references shall not contain confidential material.

12. PRIVACY

12.1 We may obtain personal information about You in the course of performing Our Services. We respect your privacy and advise You that we will only obtain information that is necessary to assist us in the course of performing Our Services. If it is necessary for Us to engage third parties, we will inform these parties that they are not to disclose any personal information about You to any person or organisation other than Us.

13. SUBCONTRACTING

13.1 We may sub-contract or otherwise arrange for another person to perform any part of the Services or to discharge any of Our obligations under any part of these terms and conditions, with Your consent.

14. LIMITATION OF COLLIERS LIABILITY

14.1 To the extent permissible under applicable laws, in no event shall Colliers be liable to Client or anyone claiming by, through or under Client, including insurers, for any lost, delayed, or diminished profits, revenues, production, business, use or opportunities, or any incidental, special, indirect, or economic losses, wasted costs, diminution of value or consequential damages, of any kind or nature whatsoever, however caused.

14.2 We shall be released from Our obligations to the extent that performance thereof is delayed, hindered or prevented by any circumstances beyond Our reasonable control (examples being a strike, act of God or act of terrorism). All the costs and benefits forecasted will, ultimately, be determined by future market conditions. Forecasts of these elements are based on assumptions of certain variable factors, which, in turn, are extremely sensitive to changes in the market and economic contexts. For this reason, the figures mentioned in this report were not computed under any known or guaranteed conditions. Rather, these are forecasts drawn from reliable sources of data and information and made in the best judgment and professional integrity of Colliers. Notwithstanding this, Colliers reiterates that it will not accept any responsibilities in the face of damage claims that might result from any error, omission or recommendations, viewpoints, judgments and information provided in this report.

14.3 Neither Colliers nor any employee of Ours shall be required to give testimony or to appear in court or any other tribunal or at any government agency by reason of this valuation report or with reference to the property in question, except by court summons / judicial notification, and unless prior arrangements have been made and we are properly reimbursed for reasonable time and expenses incurred. The hourly billings pertain to court preparation, waiting and travel time, document review and preparation (excludes valuation report) and all meetings related to court testimony.

14.4 We are free from any possible legal and/ or non-legal issue which may attach to the Property's title documents.

14.5 All statements of fact in the valuation report which are used as the basis of our analyses, opinions, and conclusions will be true and correct to the best of our knowledge and belief. We do not make any representation or warranty, express or implied, as to the accuracy or completeness of the information or the state of affairs of the Property furnished to Us by You.

14.6 Our liability for loss and damage attributable to Our negligence, breach of contract, misrepresentation or otherwise (but not in respect of fraud, fraudulent misrepresentation, death or personal injury) shall be limited to a maximum of three times Our contracted fee for the assignment per property for any single case. A single case of damages is defined as the total sum of all damage claims of all persons entitled to claim, which arise from one and the same professional error / offence. In the case of damages suffered from several offences brought about by the same technical error within the scope of several coherent services of a similar nature, we are only to be held liable for an amount of three times Our contracted fee for the assignment per property.

14.7 Where the agreement is addressed to more than one Client, the above limit of liability applies to the aggregate of all claims by all such Clients and not separately to each Client.

14.8 No third party will be entitled to rely on any part of Our valuation report or its substance or advice except with our written consent. Should any third party rely on Our report without obtaining Our written consent, We are not bound by any liability which arises from the use of or reliance upon Our valuation report by such unauthorised party.

14.9 We will not be liable for any services outside the scope of the services agreed to be performed by Us, and in respect of any consequential losses or loss of profits.

14.10 Responsibility for Our valuation extends only to the party(ies) to whom it is addressed. However in the event of Us being asked by You to re-address Our report to another party or other parties or permit reliance upon it by another party or other parties, We will give consideration to doing so, to named parties, and We reserve the right to charge additional fee for doing so although We will agree such fee with You before commencing the work.

15. ENTIRE AGREEMENT

15.1 No further agreement, amendment or modification of these terms and conditions shall be valid or binding unless made in writing and executed on behalf of the Parties by their duly authorised officers.

15.2 If there is inconsistency between these terms and conditions and the Quotation, any letter of instruction from You, or other specific request or information shall prevail to the extent of the inconsistency.

15.3 Copyright in any reports, documents or other material provided to You by Us shall remain Our property at all times unless otherwise stated.

16. ANTI BRIBERY AND CORRUPTION MEASURES

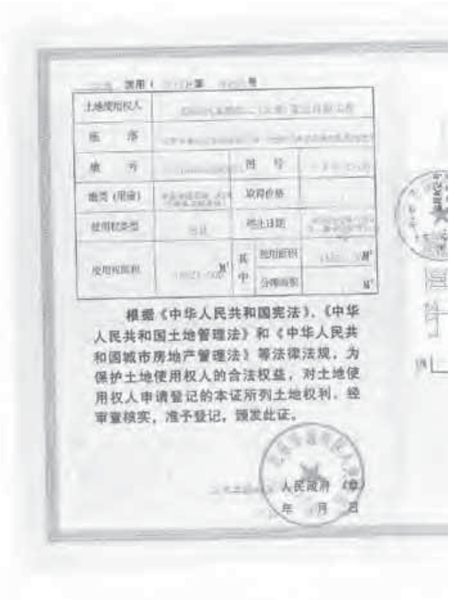
16.1 We represent, in connection with any services to be provided to You, that neither We nor Our contractors, employees or agents (collectively, “Consultant”) has made or will make, either directly or indirectly, any payments (i) to or for the use or benefit of any Government Official (ii) to any other person either for an advance or reimbursement, if Consultant knows or has reason to know that any part of such payment has been or will be given to any Government official or (iii) to any person or entity, the payment of which would violate laws and regulations in Australia, the United States, the United Kingdom or any other government entity having jurisdiction over the activities carried out by Consultant. The term "Government Official" in this paragraph means any officer or employee of a government or any governmental department or agency, or any person acting in an official capacity for or on behalf of any such government or governmental department or agency, including employees of state-owned or controlled entities and candidates for political office.

16.2 We represent that, in connection with any services to be provided to You, We will conduct operations at all times in compliance with applicable financial recordkeeping and reporting requirements, including all applicable money laundering-related laws of any jurisdictions where We conduct business or own assets.

APPENDIX 2: TITLE COPIES

State-owned Land-use Rights Certificate

Plot 13



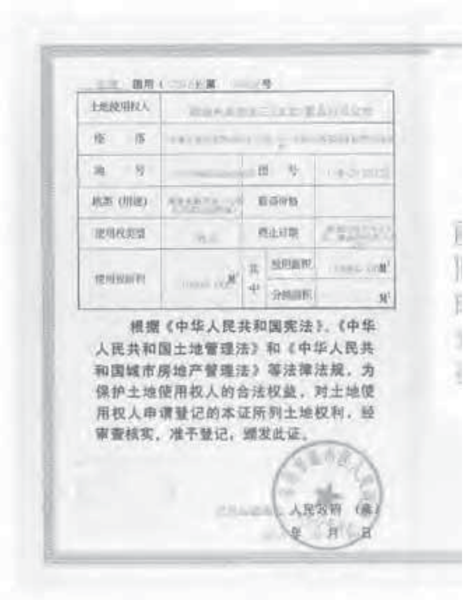
土地使用权人			
座落			
地号		图号	
地类（用途）		取得价格	
使用权类型		终止日期	
使用权面积	M²	其中 独用面积	M²
		分摊面积	M²

根据《中华人民共和国宪法》、《中华人民共和国土地管理法》和《中华人民共和国城市房地产管理法》等法律法规，为保护土地使用权人的合法权益，对土地使用权人申请登记的本证所列土地权利，经审查核实，准予登记，颁发此证。

人民政府（章）

年 月 日

Plot 14-1

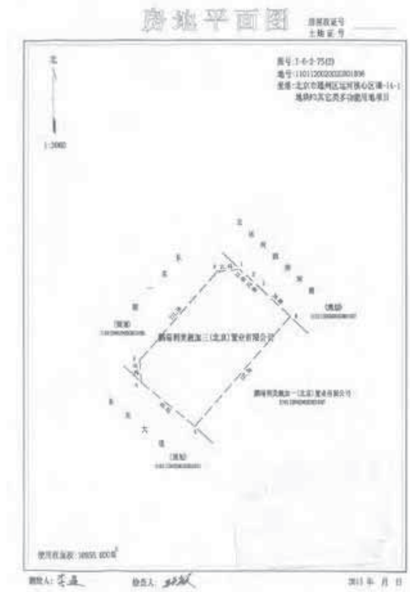


土地使用权人			
座落			
地号		图号	
地类（用途）		取得价格	
使用权类型		终止日期	
使用权面积	M²	其中 独用面积	M²
		分摊面积	M²

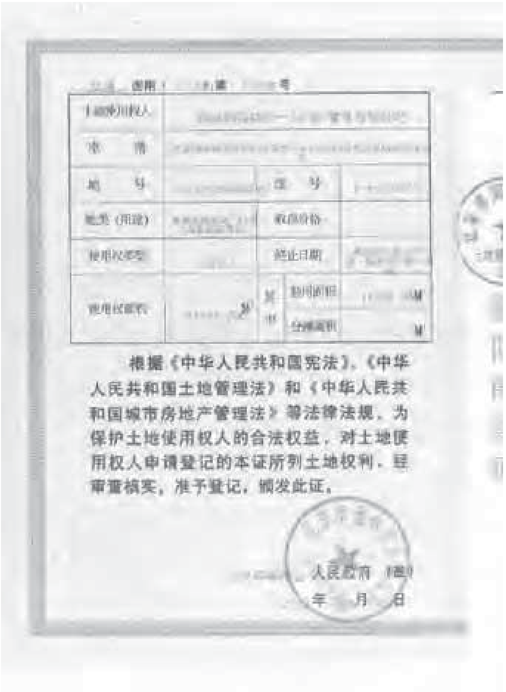
根据《中华人民共和国宪法》、《中华人民共和国土地管理法》和《中华人民共和国城市房地产管理法》等法律法规，为保护土地使用权人的合法权益，对土地使用权人申请登记的本证所列土地权利，经审查核实，准予登记，颁发此证。

人民政府（章）

年 月 日



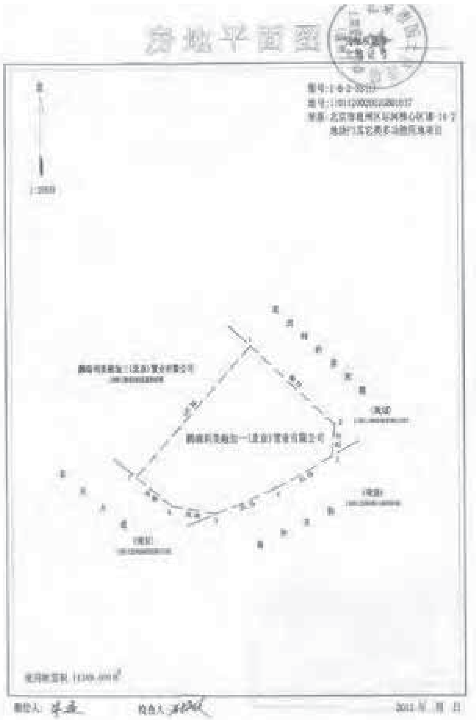
Plot 14-2



土地使用权人			
座落			
地号		图号	
地类（用途）		取得价格	
使用权类型		终止日期	
使用权面积		其中 独用面积	
		分摊面积	

根据《中华人民共和国宪法》、《中华人民共和国土地管理法》和《中华人民共和国城市房地产管理法》等法律法规，为保护土地使用权人的合法权益，对土地使用权人申请登记的本证所列土地权利，经审查核实，准予登记，颁发此证。

人民政府（章）
年 月 日



Construction Work Planning Permit

Plot 13

No.0002026

中华人民共和国

建设工程规划许可证

建字第 110112201700084 号
2017规（通）建字0035号

根据《中华人民共和国城乡规划法》第四十条规定，经审核，本建设工程符合城乡规划要求，颁发此证。

发证机关 北京市规划和国土资源管理委员会

日　　期 2017年09月21日

建设单位（个人）	鹏瑞利美融加二（北京）置业有限公司
建设项目名称	Ⅷ-13地块地上部分(商务型公寓、商业及附属用房）等2项（通州区运河核心区Ⅷ-13地块项目）
建设位置	通州区运河核心区
建设规模	156272.4平方米

附图及附件名称

本工程建设工程规划许可证附件及设计总平面图两份。

遵守事项

一、本证是经城乡规划主管部门依法审核，建设工程符合城乡规划要求的法律凭证。
二、未取得本证或不按本证规定进行建设的，均属违法建设。
三、未经发证机关许可，本证的各项规定不得随意变更。
四、城乡规划主管部门依法有权查验本证，建设单位（个人）有责任提交查验。
五、本证所需附图与附件由发证机关依法确定，与本证具有同等法律效力。

Plot 14-1

No. 0003019

中华人民共和国

建设工程规划许可证

建字第110112201900237 号
2019规自（通）建字0120号

根据《中华人民共和国城乡规划法》第四十条规定，经审核，本建设工程符合城乡规划要求，颁发此证。

发证机关 北京市规划和自然资源委员会

日　　期 2019年11月18日

建设单位（个人）	鹏瑞利美融加三（北京）置业有限公司
建设项目名称	通州区运河核心区Ⅷ-14-1地块项目（14-1#地块地上部分）
建设位置	通州区运河核心区
建设规模	68008.67平方米

附图及附件名称

本工程建设工程规划许可证附件及设计总平面图两份。

遵守事项

一、本证是经城乡规划主管部门依法审核，建设工程符合城乡规划要求的法律凭证。
二、未取得本证或不按本证规定进行建设的，均属违法建设。
三、未经发证机关许可，本证的各项规定不得随意变更。
四、城乡规划主管部门依法有权查验本证，建设单位（个人）有责任提交查验。
五、本证所需附图与附件由发证机关依法确定，与本证具有同等法律效力。

No.0002173

中华人民共和国

建设工程规划许可证

建字第110112201800080号
2018规土（通）建字0013号

根据《中华人民共和国城乡规划法》第四十条规定，经审核，本建设工程符合城乡规划要求，颁发此证。

发证机关 北京市规划和国土资源管理委员会

日　期 2018年06月07日

建设单位（个人）	鹏瑞利美融加三（北京）置业有限公司
建设项目名称	通州区运河核心区Ⅷ-14-1地块项目（Ⅷ-14-1地块地下部分）
建设位置	通州区运河核心区
建设规模	40575.33平方米

附图及附件名称

本工程建设工程规划许可证附件及设计总平面图两份。

遵守事项

一、本证是经城乡规划主管部门依法审核，建设工程符合城乡规划要求的法律凭证。
二、未取得本证或不按本证规定进行建设的，均属违法建设。
三、未经发证机关许可，本证的各项规定不得随意变更。
四、城乡规划主管部门依法有权查验本证，建设单位（个人）有责任提交查验。
五、本证所需附图与附件由发证机关依法确定，与本证具有同等法律效力。

Plot 14-2

No. 0003020

中华人民共和国

建设工程规划许可证

建字第10112201900238号
2019规自（通）建字0121号

根据《中华人民共和国城乡规划法》第四十条规定，经审核，本建设工程符合城乡规划要求，颁发此证。

发证机关 北京市规划和自然资源委员会

日　期2019年11月18日

建设单位（个人）	鹏瑞利美融加一（北京）置业有限公司
建设项目名称	通州区运河核心区Ⅷ-14-2地块项目（14-2#地块地上部分）
建设位置	通州区运河核心区
建设规模	110391.33平方米

附图及附件名称

本工程建设工程规划许可证附件及设计总平面图两份。

遵守事项

一、本证是经城乡规划主管部门依法审核，建设工程符合城乡规划要求的法律凭证。
二、未取得本证或不按本证规定进行建设的，均属违法建设。
三、未经发证机关许可，本证的各项规定不得随意变更。
四、城乡规划主管部门依法有权查验本证，建设单位（个人）有责任提交查验。
五、本证所需附图与附件由发证机关依法确定，与本证具有同等法律效力。

No. 0002174

中华人民共和国

建设工程规划许可证

建字第 110112201800081 号

2018规土（通）建字0014号

根据《中华人民共和国城乡规划法》第四十条规定，经审核，本建设工程符合城乡规划要求，颁发此证。

发证机关 北京市规划和国土资源管理委员会

日　期 2018年06月07日

建设单位（个人）	鹏瑞利美融加一（北京）置业有限公司
建设项目名称	通州区运河核心区Ⅷ-14-2地块项目（Ⅷ-14-2地块地下部分）
建设位置	通州区运河核心区
建设规模	37500.62平方米

附图及附件名称

本工程建设工程规划许可证附件及设计总平面图两份，

遵守事项

一、本证是经城乡规划主管部门依法审核，建设工程符合城乡规划要求的法律凭证。
二、未取得本证或不按本证规定进行建设的，均属违法建设。
三、未经发证机关许可，本证的各项规定不得随意变更。
四、城乡规划主管部门依法有权查验本证，建设单位（个人）有责任提交查验。
五、本证所需附图与附件由发证机关依法确定，与本证具有同等法律效力。

Construction Work Commencement Permit

Plot 13

中华人民共和国
建筑工程施工许可证

编号 110112201709300101
[2017]施[通]建字0049号

根据《中华人民共和国建筑法》第八条规定，经审查，本建筑工程符合施工条件，准予施工。

特发此证

发证机关 通州区住房和城乡建设委员会

发证日期 2017-09-30

印刷编号：07198

建设单位	鹏瑞利美融加二（北京）置业有限公司		
工程名称	Ⅷ-13地块地上部分（商务型公寓、商业及附属用房）等2项（通州区运河核心区Ⅷ-13地块项目）		
建设地址	通州区运河核心区		
建设规模	156272.40平方米	合同价格	74738.6216万元
勘察单位	中铁第五勘察设计院集团有限公司		
设计单位	中国建筑设计院有限公司		
施工单位	江苏中南建筑产业集团有限责任公司		
监理单位	北京国金管理咨询有限公司		
勘察单位项目负责人	焦消杰	设计单位项目负责人	童英姿
施工单位项目负责人	姜吉龙	总监理工程师	张大吉
合同工期	1296 天		
备注此证含附件：			

注意事项：

一、本证放置施工现场，作为准予施工的凭证。
二、未经发证机关许可，本证的各项内容不得变更。
三、住房城乡建设行政主管部门可以对本证进行查验。
四、本证自发证之日起三个月内应予施工，逾期应办理延期手续，不办理延期或延期次数，时间超过法定时间的，本证自行废止。
五、在建的建筑工程因故中止施工的，建设单位应当自中止施工之日起一个月内向发证机关报告，并按照规定做好建筑工程的维护管理工作。
六、建筑工程恢复施工时，应当向发证机关报告；中止施工满一年的工程恢复施工前，建设单位应当报发证机关核验施工许可证。
七、凡未取得本证擅自施工的属违法建设，将按《中华人民共和国建筑法》的规定予以处罚。

Plot 14-1

中华人民共和国

建筑工程施工许可证

编号 [2019]施[通]建字 0169 号
110112201912260101

根据《中华人民共和国建筑法》第八条规定，经审查，本建筑工程符合施工条件，准予施工。

特发此证

发证机关 通州区住房和城乡建设委员会

发证日期 2019-12-26

建设单位	鹏瑞利美融加三（北京）置业有限公司		
工程名称	通州区运河核心区Ⅷ14-1地块项目（14-1#地块地上部分）		
建设地址	通州区运河核心区		
建设规模	68008.67 平方米	合同价格	29581.135903 万元
勘察单位	中铁第五勘察设计院集团有限公司		
设计单位	中国建筑设计研究院有限公司		
施工单位	江苏中南建筑产业集团有限责任公司		
监理单位	北京五环国际工程管理有限公司		
勘察单位项目负责人	焦清杰	设计单位项目负责人	柴培根
施工单位项目负责人	吕东京	总监理工程师	刘兴亚
合同工期	785 天		
备注	此证含附件:		

注意事项：

一、本证放置施工现场，作为准予施工的凭证。
二、未经发证机关的许可，本证的各项内容不得变更。
三、住房城乡建设行政主管部门可以对本证进行查验。
四、本证自发证之日起三个月内应予施工，逾期应办理延期手续，不办理延期或延期次数、时间超过法定时间的，本证自行废止。
五、在建的建筑工程因故中止施工的，建设单位应当自中止施工之日起一个月内向发证机关报告，并按照规定做好建筑工程的维护管理工作。
六、建筑工程恢复施工时，应当向发证机关报告；中止施工满一年的工程恢复施工前，建设单位应当报发证机关核验施工许可证。
七、凡未取得本证擅自施工的属违法建设，将按《中华人民共和国建筑法》的规定予以处罚。

中华人民共和国

建筑工程施工许可证

编号 [2018]施[通]建字 0067 号
110112201807270201

根据《中华人民共和国建筑法》第八条规定，经审查，本建筑工程符合施工条件，准予施工。

特发此证

发证机关 通州区住房和城乡建设委员会

发证日期 2018-07-27

建设单位	鹏瑞利美融加三（北京）置业有限公司		
工程名称	通州区运河核心区Ⅷ-14-1地块项目（Ⅷ-14-1地块地下部分）		
建设地址	通州区运河核心区		
建设规模	40575.33 平方米	合同价格	21708.832425 万元
勘察单位	中铁第五勘察设计院集团有限公司		
设计单位	中国建筑设计研究院有限公司		
施工单位	江苏中南建筑产业集团有限责任公司		
监理单位	北京国金管理咨询有限公司		
勘察单位项目负责人	焦清杰	设计单位项目负责	柴培根
施工单位项目负责人	吕东京	总监理工程师	李玉智
合同工期	512 天		
备注	此证含附件:		

注意事项：

一、本证放置施工现场，作为准予施工的凭证。
二、未经发证机关的许可，本证的各项内容不得变更。
三、住房城乡建设行政主管部门可以对本证进行查验。
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五、在建的建筑工程因故中止施工的，建设单位应当自中止施工之日起一个月内向发证机关报告，并按照规定做好建筑工程的维护管理工作。
六、建筑工程恢复施工时，应当向发证机关报告；中止施工满一年的工程回复施工前，建设单位应当报发证机关核验施工许可证。
七、凡未取得本证擅自施工的属违法建设，将按《中华人民共和国建筑法》的规定予以处罚。

Plot 14-2

中华人民共和国

建筑工程施工许可证

编号 [2019]施[通]建字 0171 号
110112201912260301

根据《中华人民共和国建筑法》第八条规定，经审查，本建筑工程符合施工条件，准予施工。

特发此证

发证机关 通州区住房和城乡建设委员会

发证日期 2019-12-26

建设单位	鹏瑞利美融加一（北京）置业有限公司		
工程名称	通州区运河核心区Ⅷ-14-2地块项目（14-2#地块地上部分）		
建设地址	通州区运河核心区		
建设规模	110391.33 平方米	合同价格	45904.188588 万元
勘察单位	中铁第五勘察设计院集团有限公司		
设计单位	中国建筑设计研究院有限公司		
施工单位	江苏中南建筑产业集团有限责任公司		
监理单位	北京五环国际工程管理有限公司		
勘察单位项目负责人	焦清杰	设计单位项目负责人	柴培根
施工单位项目负责人	孙海龙	总监理工程师	刘兴亚
合同工期	808 天		
备注	此证含附件:		

注意事项：

一、本证放置施工现场，作为准予施工的凭证。
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三、住房城乡建设行政主管部门可以对本证进行查验。
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五、在建的建筑工程因故中止施工的，建设单位应当自中止施工之日起一个月内向发证机关报告，并按照规定做好建筑工程的维护管理工作。
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七、凡未取得本证擅自施工的属违法建设，将按《中华人民共和国建筑法》的规定予以处罚。

中华人民共和国

建筑工程施工许可证

编号 [2018]施[通]建字 0066 号
110112201807270101

根据《中华人民共和国建筑法》第八条规定，经审查，本建筑工程符合施工条件，准予施工。

特发此证

发证机关 通州区住房和城乡建设委员会

发证日期 2018-07-27

建设单位	鹏瑞利美融加一（北京）置业有限公司		
工程名称	通州区运河核心区Ⅷ-14-2地块项目（Ⅷ-14-2地块地下部分）		
建设地址	通州区运河核心区		
建设规模	37500.62 平方米	合同价格	23504.495518 万元
勘察单位	中铁第五勘察设计院集团有限公司		
设计单位	中国建筑设计研究院有限公司		
施工单位	江苏中南建筑产业集团有限责任公司		
监理单位	北京国金管理咨询有限公司		
勘察单位项目负责人	焦清杰	设计单位项目负责	柴培根
施工单位项目负责人	孙海龙	总监理工程师	李玉智
合同工期	442 天		
备注	此证含附件:		

注意事项：

一、本证放置施工现场，作为准予施工的凭证。
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六、建筑工程恢复施工时，应当向发证机关报告；中止施工满一年的工程回复施工前，建设单位应当报发证机关核验施工许可证。
七、凡未取得本证擅自施工的属违法建设，将按《中华人民共和国建筑法》的规定予以处罚。

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