

BOUSTEAD SINGAPORE LIMITED (SGX:F9D) UNAUDITED RESULTS FOR FINANCIAL YEAR ENDED 31 MARCH 2022

	2H FY2022	2H FY2021	Change	FY2022	FY2021	Change
Revenue	S\$291.5m	S\$396.0m	-26%	S\$631.8m	S\$685.7m	-8%
Gross profit	S\$64.2m	S\$87.0m	-26%	S\$144.8m	S\$173.6m	-17%
Profit before income tax ("PBT")	S\$19.8m	*S\$172.5m	-89%	S\$55.2m	*S\$204.3m	-73%
Total profit after income tax but before non-controlling interests ("total profit")	S\$12.9m	S\$156.1m	-92%	S\$38.8m	S\$178.9m	-78%
Profit attributable to equity holders of the Company ("net profit")	S\$9.3m	S\$91.3m	-90%	S\$30.6m	S\$113.1m	-73%
Net profit (adjusted for comparative review)**	S\$13.3m	S\$19.5m	-32%	S\$32.3m	S\$44.6m	-28%
- Earnings per share	1.9cts	18.8cts	-90%	6.3cts	23.3cts	-73%
- Net asset value per share				89.9cts	92.3cts	-3%

* Includes the Real Estate Division (Boustead Projects)'s successful launch of Boustead Industrial Fund with a value unlocking transaction one-off gain of S\$134.8m.

** For comparative review, the net profit is adjusted for other gains/losses net of non-controlling interests, impairments and the Jobs Support Scheme.

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

FY2022 Highlights:

- For FY2022, overall revenue was 8% lower year-on-year at S\$631.8 million, with the impact of the prolonged COVID-19 pandemic, inflationary pressures and volatile global geoeconomic and geopolitical environment resulting in a lack of business development opportunities, affecting revenue and order backlog.
- For FY2022, total profit and net profit were 78% and 73% lower year-on-year at S\$38.8 million and S\$30.6 million respectively, largely due to the successful launch of Boustead Industrial Fund ("BIF") which delivered a value-unlocking gain of S\$134.8 million ("BIF Value-Unlocking Gain") at the end of FY2021.
- For a comparative review, after adjusting for other gains/losses net of non-controlling interests, impairments and the Jobs Support Scheme ("JSS"), net profit for FY2022 would have been 28% lower year-on-year.
- The current order backlog of S\$274 million (unrecognised project revenue remaining at the end of FY2022 plus the total value of new orders secured since then), of which S\$39 million is under the Energy Engineering Division and S\$235 million is under the Real Estate Division, remains significantly lower compared to S\$447 million disclosed in the FY2021 financial results announcement. However, the Geospatial Division improved the deferred services backlog to S\$113 million remaining at the end of FY2022.
- The Board has proposed a final dividend of 2.5 cents per share for shareholder's approval. Taken along with the interim dividend of 1.5 cents per share already paid, the total dividend paid and proposed for FY2022 is 4.0 cents per share, comparable to the total ordinary dividends for FY2021.

SINGAPORE, 26 MAY 2022 – SGX Mainboard-listed Boustead Singapore Limited (“Boustead” or the “Group”), a progressive global infrastructure-related engineering and technology group, today announced its unaudited financial results for the second-half and full-year ended 31 March 2022 (“2H FY2022” and “FY2022” respectively).

For 2H FY2022, overall revenue was 26% lower year-on-year at S\$291.5 million, with the impact of the prolonged COVID-19 pandemic, inflationary pressures and volatile global geoeconomic and geopolitical environment resulting in a lack of business development opportunities, affecting revenue and order backlog. Total profit and net profit for 2H FY2022 were 92% and 90% lower year-on-year at S\$12.9 million and S\$9.3 million respectively, largely due to the successful launch of BIF which delivered the BIF Value-Unlocking Gain of S\$134.8 million at the end of FY2021, and significantly boosted total profit and net profit in 2H FY2021. For a comparative review, after adjusting for other gain/losses net of non-controlling interests, impairments and the JSS, net profit for 2H FY2022 would have been 32% lower year-on-year.

For FY2022, overall revenue was 8% lower year-on-year at S\$631.8 million, mainly due to the same reasons mentioned earlier for 2H FY2022. Total profit and net profit for FY2022 were 78% and 73% lower year-on-year at S\$38.8 million and S\$30.6 million respectively, due to the same reasons mentioned earlier, especially the launch of BIF. For a comparative review, after adjusting for other gains/losses net of non-controlling interests, impairments and the JSS, net profit for FY2022 would have been 28% lower year-on-year.

In view of the Group’s continued profitability derived from core businesses as well as a strong cash position, the Board of Directors has proposed a final dividend of 2.5 cents per share for shareholders’ approval. Taken along with the interim dividend of 1.5 cents per share already paid, the total dividend paid and proposed for FY2022 is 4.0 cents per share, comparable to the total ordinary dividends for FY2021.

Mr Wong Fong Fui, Chairman & Group Chief Executive Officer of Boustead said, “FY2022 bore the full brunt of COVID-19 and this was made worse by challenges like supply chain and cost disruptions, inflationary pressures and geopolitical events with impacts that are most deeply felt on our engineering & construction activities. Among our divisions, Geospatial delivered steadfast results while Healthcare continued to underperform and in this respect, we will step up on our efforts to address the challenges faced.”

Mr Wong added, “Moving ahead, we hope to see an easing of the pandemic’s impact, with COVID-19 cases receding and restrictions lifted in many parts of the world. However, we expect the overall business situation to continue to be challenging in the coming year, with no imminent end to the Ukraine-Russia conflict that has escalated challenges like inflationary pressures. Nevertheless, at the divisional level, the global energy sector will be more promising in the year to come with improved sentiments on oil prices. For our Real Estate Division, we look forward to turning the page in the new financial year and return to a new normal, as we look to complete projects that were secured before COVID-19 which did not take into account pandemic-related costs.”

Mr Wong concluded, “With resilient and robust business fundamentals, together with our Boustead Men and Women who have proven to be a nimble team, the Group is in a strong and steady position to navigate the road ahead, as we continue to uphold a healthy balance sheet, net cash position and wide range of available financing options to weather the challenging global landscape. Previous strict cost management measures and a disciplined, prudent and risk-managed approach to capital allocation and investment decisions, will continue to be applied.”

As a result of lower order backlog carried forward at the end of FY2021 as compared to FY2020 and fewer new contracts secured in FY2022, the Energy Engineering Division’s revenue was 43% lower year-on-year at S\$112.3 million. The division was deeply impacted by the lingering effects of the COVID-19 pandemic, such as reductions in global travel, crude oil and natural gas price volatility, and demand and supply mismatch, which had serious effects on pursuing business development opportunities and capturing new contracts. In light of both short-term and long-term uncertainties, made

more complex towards the end of FY2022 by the Ukraine-Russia conflict, global energy corporations continued to delay final investment decisions.

The Real Estate Division (Boustead Projects)'s revenue was 13% higher year-on-year at S\$339.1 million, mainly due to higher revenue recognition on engineering & construction ("E&C") projects in 1H FY2022, whereas 1H FY2021 had been deeply impacted by the prolonged shutdown of E&C project sites due to the pandemic. The division's recovery in overall revenue for FY2022 was partially offset by the reduction in rental revenue following the sale of interests in 14 properties to BIF at the end of FY2021.

The Geospatial Division's revenue remained stable year-on-year at S\$168.3 million, as demand for geospatial technology and smart mapping capabilities continued to hold firm, despite the pandemic and currency exchange headwinds.

The Healthcare Division's revenue was 21% lower year-on-year at S\$12.0 million. The division's performance continued to be impacted by the pandemic, which has seen clients prioritising their needs in addressing COVID-19 over rehabilitative care and sports science solutions, resulting in order delays across South East Asia.

The Group's overall gross profit for FY2022 was 17% lower year-on-year at S\$144.8 million, with the overall gross margin decreasing to 23% from 25% in FY2021. The decrease in overall gross margin was mainly due to the decrease in Boustead Projects' rental revenue following the sale of interests in properties to BIF as previously mentioned and partially offset by the gross margin improvement for E&C projects in FY2022, arising from better and more visible cost management on projects secured post-pandemic.

PBT for FY2022 was 73% lower year-on-year at S\$55.2 million, mainly attributable to the BIF Value-Unlocking Gain which boosted FY2021's result, as mentioned earlier. The PBT performances of the divisions were significantly weaker, with revenue recognition affected by the lingering effects of the pandemic and in the absence of the BIF Value-Unlocking Gain.

The Group's net asset value per share was 89.9 cents at the end of FY2022, compared to 92.3 cents at the end of FY2021. The net cash position (i.e. net of all bank borrowings) declined to S\$387.9 million at the end of FY2022, translating to a net cash per share position of 80.4 cents.

During FY2022, the Group had been awarded approximately S\$193 million in new contracts, with challenging conditions and global travel restrictions that made it difficult to conduct meaningful business development activities. The situation is expected to improve with greater normalisation of global travel and business activities. The current order backlog of S\$274 million (unrecognised project revenue remaining at the end of FY2022 plus the total value of new orders secured since then), of which S\$39 million is under the Energy Engineering Division and S\$235 million is under the Real Estate Division, remains significantly lower compared to S\$447 million disclosed in the FY2021 financial results announcement. However, the Geospatial Division improved the deferred services backlog to S\$113 million remaining at the end of FY2022.

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About Boustead Singapore Limited

Established in 1828, Boustead Singapore Limited (SGX:F9D) is a progressive global Infrastructure-Related Engineering and Technology Group listed on the SGX Mainboard.

As Singapore's oldest continuous business organisation, we focus on the niche engineering and development of key infrastructure to support sustainable shared socio-economic growth. Our strong suite of engineering services under our Energy Engineering Division and Real Estate Division centres on energy infrastructure and smart, eco-sustainable and future-ready business park and industrial developments.

In addition, we provide technology-driven transformative solutions to improve the quality of life for all walks of life. Our Geospatial Division provides professional services and exclusively distributes Esri ArcGIS technology – the world's leading geographic information system, smart mapping and location analytics enterprise platform – to major markets in the Asia Pacific. The enterprise platform creates digital infrastructure solutions and digital twins that enable smart nations, smart cities and smart communities to solve the world's most complex problems by improving human wellbeing and ecosystems, and helping in the effective planning and management of key infrastructure and resources. Our Healthcare Division provides innovative medical solutions that address niche areas of age-related chronic diseases and mobility issues, with a focus on rehabilitative care and sports science in the Asia Pacific.

With a vast global network stretching across Asia, Australia, Europe, Africa and the Americas, we are ready to serve the world. To date, we have undertaken projects in 91 countries and territories globally.

Over the years, we have been a recipient of many reputable awards including the prestigious Forbes Asia 200 Best Under A Billion Award. In 2019, we were awarded the Most Transparent Company Award and Sustainability Award (Runner-Up) by the Securities Investors Association (Singapore). From 2020 to 2022, we also ranked among Singapore's Best Employers, Singapore's Fastest Growing Companies and Asia-Pacific High-Growth Companies. We were also honoured with the Corporate Excellence & Resilience Award at the Singapore Corporate Awards 2021 Special Edition.

Visit us at www.boustead.sg.

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