

**BOUSTEAD PROJECTS LIMITED**  
AND ITS SUBSIDIARIES

**SINGAPORE'S LEADING INNOVATOR IN  
INDUSTRIAL REAL ESTATE SOLUTIONS**

**SGXNET ANNOUNCEMENT**  
UNAUDITED RESULTS FOR FY2017  
ENDED 31 MARCH 2017



## Corporate Profile

Established in 1996, Boustead Projects Limited is a leading industrial real estate solutions provider in Singapore, with core engineering expertise in the design-and-build, and development of industrial facilities for multinational corporations and local enterprises. To date, we have constructed and developed more than 3,000,000 square metres of industrial real estate regionally in Singapore, China, Malaysia and Vietnam. Our wholly-owned design-and-build subsidiary, Boustead Projects E&C Pte Ltd (“BPEC”) is approved by the Building & Construction Authority (“BCA”) of Singapore for Grade CW01-A1 and General Builder Class One License to execute building construction contracts of unlimited value.

Our in-depth experience in designing and constructing custom-built facilities covers the aerospace, commercial, electronics, food processing, healthcare, high-tech manufacturing, lifestyle, logistics, oil & gas, petrochemical, precision engineering, R&D, resource recovery, technology and transportation industries. We are also a leader in pioneering advanced eco-sustainable facilities under the BCA’s Green Mark Programme and the U.S. Green Building Council’s Leadership in Energy & Environmental Design Program. In Singapore, BPEC is one of only nine bizSAFE Mentors and also a bizSAFE Star, the highest qualification that can be attained in recognition of a company’s health, safety and environmental management programmes.

Boustead Projects is a 51%-owned subsidiary of Boustead Singapore Limited, a progressive global Infrastructure-Related Engineering Services and Geo-Spatial Technology Group which is separately listed on the SGX Mainboard.

On 30 April 2015, Boustead Projects listed on the SGX Mainboard. Consistent with the combined financial statements for the financial years ended 31 March 2014, 31 March 2013 and 31 March 2012 issued as part of Boustead Projects’ Introductory Document dated 31 March 2015, the acquisitions of Wuxi Boustead Industrial Development Co., Ltd, Boustead Real Estate Fund, Boustead Funds Management Pte. Ltd., Boustead Trustees Pte. Ltd. and Boustead Property Services Pte. Ltd. by the Group have been accounted for as a business combination involving entities under common control, as the Company and Wuxi Boustead Industrial Development Co., Ltd, Boustead Real Estate Fund, Boustead Funds Management Pte. Ltd., Boustead Trustees Pte. Ltd. and Boustead Property Services Pte. Ltd. are under the common control of Boustead Singapore Limited before and after the acquisitions. Please refer to Boustead Projects’ Introductory Document for further details on the restructuring exercise.

Visit the Boustead Projects Group website at [www.bousteadprojects.com](http://www.bousteadprojects.com).

**BOUSTEAD PROJECTS LIMITED**  
(Company Registration No. 199603900E)

**Unaudited Financial Statements and Related Announcement for the Fourth Quarter and Full-Year Ended 31 March 2017**

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

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

	Note	GROUP Fourth quarter ended			GROUP Full-year ended		
		31.3.17 \$'000	31.3.16 \$'000	Inc/(Dcr) %	31.3.17 \$'000	31.3.16 \$'000	Inc/(Dcr) %
<b>Revenue</b>		38,519	59,429	-35%	228,307	255,475	-11%
<b>Cost of sales</b>		(26,053)	(45,237)	-42%	(169,786)	(196,508)	-14%
<b>Gross profit</b>		12,466	14,192	-12%	58,521	58,967	-1%
Other income	1	1,052	1,813	-42%	3,581	4,581	-22%
Other gains/(losses) – net	2	14,639	(35)	NM	14,698	(128)	NM
Expenses							
- Selling and distribution		(1,086)	(1,131)	-4%	(4,013)	(4,017)	-0%
- Administrative		(7,780)	(6,897)	13%	(22,829)	(23,034)	-1%
- Finance		(583)	(668)	-13%	(2,391)	(3,985)	-40%
Share of loss of an associated company and joint ventures		(522)	(857)	-39%	(2,693)	(2,675)	1%
<b>Profit before income tax</b>	3	18,186	6,417	183%	44,874	29,709	51%
Income tax expense	4	(3,918)	(1,034)	279%	(8,625)	(6,844)	26%
<b>Total profit</b>		14,268	5,383	165%	36,249	22,865	59%
Profit attributable to:							
Equity holders of the Company		14,268	5,380	165%	36,098	22,865	58%
Non-controlling interests		-	3	-100%	151	-	NM
		14,268	5,383	165%	36,249	22,865	59%

NM – not meaningful

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

	GROUP Fourth quarter ended			GROUP Full-year ended		
	31.3.17 \$'000	31.3.16 \$'000	Inc/(Dcr) %	31.3.17 \$'000	31.3.16 \$'000	Inc/(Dcr) %
<b>Total profit</b>	14,268	5,383	165%	36,249	22,865	59%
<b>Other comprehensive (loss)/income:</b>						
<u>Items that may be reclassified subsequently to profit or loss</u>						
- Currency translation differences arising from consolidation	(266)	153	NM	(1,011)	(1,650)	-39%
<b>Other comprehensive (loss)/income, net of tax</b>	(266)	153	NM	(1,011)	(1,650)	-39%
<b>Total comprehensive income</b>	14,002	5,536	153%	35,238	21,215	66%
Total comprehensive income attributable to:						
Equity holders of the Company	14,002	5,533	153%	35,087	21,215	65%
Non-controlling interests	-	3	-100%	151	-	NM
	14,002	5,536	153%	35,238	21,215	66%

NM – not meaningful

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

	GROUP Fourth quarter ended			GROUP Full-year ended		
	31.3.17 \$'000	31.3.16 \$'000	Inc/(Dcr) %	31.3.17 \$'000	31.3.16 \$'000	Inc/(Dcr) %
<u>Note 1: Other income</u>						
Interest income	745	1,496	-50%	2,325	3,365	-31%
Sublease income	307	317	-3%	1,256	1,216	3%
	1,052	1,813	-42%	3,581	4,581	-22%
<u>Note 2: Other gains/(losses) – net</u>						
Currency exchange losses – net	(130)	(35)	271%	(71)	(128)	-45%
Impairment loss on an investment property	(3,551)	-	NM	(3,551)	-	NM
Gain on disposal of an available-for-sale financial asset – net	8,913	-	NM	8,913	-	NM
Compensation from termination of lease	9,407	-	NM	9,407	-	NM
	14,639	(35)	NM	14,698	(128)	NM
<u>Note 3: Profit before income tax is arrived at after charging:</u>						
Depreciation expense	(2,087)	(1,599)	31%	(7,080)	(6,593)	7%
Employee share-based payment expense	(692)	(514)	35%	(692)	(514)	35%
<u>Note 4: Income tax</u>						
<p>The provision for income tax is made after taking into account non-deductible expenses, non-taxable income and temporary differences and is based on the statutory tax rates of the respective countries that the Group operates in.</p> <p>The Group's income tax expense varied from the amount of income tax expense determined by applying the Singapore income tax rate of 17% mainly due to intercompany profits earned by the Company from its subsidiaries on design-build-and-lease projects which are held as investment properties by the Group, certain expenses which are not deductible for tax purposes and overseas subsidiaries' profits which are subject to higher tax rates.</p>						

NM – not meaningful

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

**Balance Sheets**

	Note	GROUP		COMPANY	
		31.3.17 \$'000	31.3.16 \$'000	31.3.17 \$'000	31.3.16 \$'000
<b>ASSETS</b>					
<b>Current assets</b>					
Cash and cash equivalents		113,374	90,876	100,164	71,700
Properties held for sale		30,612	30,413	-	-
Trade receivables		64,185	69,737	43,272	60,872
Other receivables and prepayments		41,681	17,398	143,309	133,778
Foreign exchange contracts		-	13	-	13
Contracts work-in-progress		8,436	6,133	2,468	3,453
		258,288	214,570	289,213	269,816
<b>Non-current assets</b>					
Other receivables and prepayments		6,064	3,395	-	-
Investment in an associated company		-	200	-	-
Investments in joint ventures		32,354	13,755	37,263	17,203
Investments in subsidiaries		-	-	28,282	29,135
Available-for-sale financial assets		20,519	38,391	20,519	38,391
Investment properties		134,796	146,182	-	-
Property, plant and equipment		812	743	506	714
		194,545	202,666	86,570	85,443
<b>Total assets</b>		452,833	417,236	375,783	355,259
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Borrowings	1(b)(ii)	18,295	5,095	-	-
Trade and other payables		106,695	102,877	167,419	158,554
Income tax payable		10,898	8,231	4,651	4,497
Foreign exchange contracts		-	306	-	306
Contracts work-in-progress		9,458	10,375	-	10,375
		145,346	126,884	172,070	173,732
<b>Non-current liabilities</b>					
Borrowings	1(b)(ii)	70,059	88,354	-	-
Trade payables		4,973	5,401	3,170	5,401
Deferred income tax liabilities		3,077	2,737	77	1
		78,109	96,492	3,247	5,402
<b>Total liabilities</b>		223,455	223,376	175,317	179,134
<b>NET ASSETS</b>		229,378	193,860	200,466	176,125
<b>EQUITY</b>					
<b>Capital and reserves attributable to equity holders of the Company</b>					
Share capital		15,000	15,000	15,000	15,000
Treasury shares		(35)	-	(35)	-
Retained profits		218,179	182,081	185,141	161,125
Other reserves		(3,766)	(3,115)	360	-
		229,378	193,966	200,466	176,125
Non-controlling interests		-	(106)	-	-
<b>Total equity</b>	1(d)(i)	229,378	193,860	200,466	176,125

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

Amount repayable within one year or less, or on demand

<b>As at 31.3.17 \$'000</b>		<b>As at 31.3.16 \$'000</b>	
Secured	Unsecured	Secured	Unsecured
18,295	-	5,095	-

Amount repayable after one year

<b>As at 31.3.17 \$'000</b>		<b>As at 31.3.16 \$'000</b>	
Secured	Unsecured	Secured	Unsecured
70,059	-	88,354	-

Total borrowings of \$88,354,000 (31.3.16: \$93,449,000) are secured over properties held for sale and investment properties of the Group.

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

**Consolidated Statement of Cash Flows**

	GROUP		GROUP	
	Fourth quarter ended 31.3.17 \$'000	31.3.16 \$'000	Full-year ended 31.3.17 \$'000	31.3.16 \$'000
<b>Cash flows from operating activities</b>				
Profit before income tax	18,186	6,417	44,874	29,709
Adjustments for:				
Depreciation expenses	2,087	1,599	7,080	6,593
Impairment loss on an investment property	3,551	-	3,551	-
Share of loss of an associated company and joint ventures	522	857	2,693	2,675
Employee share-based compensation expense	692	514	692	514
Fair value losses on foreign exchange contracts	-	30	(105)	104
Gain on disposal of an available-for-sale financial asset – net	(8,913)	-	(8,913)	-
Write-off of accrued leasing income	954	-	954	-
Interest income	(745)	(1,496)	(2,325)	(3,365)
Finance expenses	583	668	2,391	3,985
Currency exchange losses – net	130	35	71	128
	17,047	8,624	50,963	40,343
Change in working capital:				
- Trade and other receivables	23,749	13,584	(322)	(6,636)
- Contracts work-in-progress	2,846	5,641	(3,219)	11,665
- Properties held for sale	-	-	(164)	-
- Trade and other payables	(12,210)	(9,463)	2,381	(4,765)
Cash generated from operations	31,432	18,386	49,639	40,607
Interest received	745	1,496	2,325	3,365
Interest paid	(583)	(668)	(2,391)	(3,985)
Income tax refunded/(paid)	78	(209)	(5,619)	(8,999)
<b>Net cash provided by operating activities</b>	<b>31,672</b>	<b>19,005</b>	<b>43,954</b>	<b>30,988</b>



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

Consolidated Statement of Cash Flows (cont'd)

	GROUP Fourth quarter ended		GROUP Full-year ended	
	31.3.17 \$'000	31.3.16 \$'000	31.3.17 \$'000	31.3.16 \$'000
<b>Cash flows from investing activities</b>				
Purchase of property, plant and equipment	(149)	(46)	(392)	(224)
Purchase of available-for-sale financial assets	-	-	-	(20,519)
Consideration paid for acquisition of subsidiaries	-	-	-	(7,178)
Proceeds from repayment of loan by ultimate holding company	-	-	-	130,430
Proceeds from disposal of an available-for-sale financial asset	1,375	-	1,375	-
Proceeds from repayment of loans by joint ventures	-	-	5,453	51,981
Loans to joint ventures	(17,352)	(1,520)	(20,370)	(11,399)
Loan to a related party	-	(96)	(2,054)	(2,710)
<b>Net cash (used in)/ provided by investing activities</b>	<b>(16,126)</b>	<b>(1,662)</b>	<b>(15,988)</b>	<b>140,381</b>
<b>Cash flows from financing activities</b>				
Purchase of treasury shares	(35)	-	(35)	-
Repayment of borrowings	(1,618)	(10,773)	(5,094)	(93,030)
Repayment of loan to ultimate holding company	-	-	-	(20,750)
Dividends received from a joint venture	140	-	265	-
Dividends paid to equity holders of the Company	-	-	-	(80,000)
Dividends paid to non-controlling interests	-	-	(45)	-
<b>Net cash used in financing activities</b>	<b>(1,513)</b>	<b>(10,773)</b>	<b>(4,909)</b>	<b>(193,780)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>14,033</b>	<b>6,570</b>	<b>23,057</b>	<b>(22,411)</b>
<b>Cash and cash equivalents</b>				
Beginning of financial period/year	99,535	83,964	90,876	114,279
Effects of currency translation on cash and cash equivalents	(194)	342	(559)	(992)
<b>End of financial period/year</b>	<b>113,374</b>	<b>90,876</b>	<b>113,374</b>	<b>90,876</b>

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

	(-----Other reserves-----)							Subtotal \$'000	Equity attributable to the Company \$'000	Non- equity holders of controlling interests \$'000	Total \$'000
	Share capital \$'000	Treasury shares \$'000	Retained profits \$'000	Merger reserve \$'000	Share-based compensation reserve \$'000	Foreign currency translation reserve \$'000					
<b>GROUP</b>											
Balance at 1 April 2016	15,000	-	182,081	(2,854)	-	(261)	(3,115)	193,966	(106)	193,860	
Profit for the period	-	-	21,830	-	-	-	-	21,830	151	21,981	
Other comprehensive loss for the period	-	-	-	-	-	(745)	(745)	(745)	-	(745)	
Total comprehensive income/(loss) for the period	-	-	21,830	-	-	(745)	(745)	21,085	151	21,236	
Distributions	-	-	-	-	-	-	-	-	(45)	(45)	
Balance at 31 December 2016	15,000	-	203,911	(2,854)	-	(1,006)	(3,860)	215,051	-	215,051	
Profit for the period	-	-	14,268	-	-	-	-	14,268	-	14,268	
Other comprehensive income for the period	-	-	-	-	-	(266)	(266)	(266)	-	(266)	
Total comprehensive income for the period	-	-	14,268	-	-	(266)	(266)	14,002	-	14,002	
Purchase of treasury shares	-	(35)	-	-	-	-	-	(35)	-	(35)	
Employee share option scheme - Value of employee services	-	-	-	-	360	-	360	360	-	360	
Balance at 31 March 2017	15,000	(35)	218,179	(2,854)	360	(1,272)	(3,766)	229,378	-	229,378	

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

	(-----Other reserves-----)				Subtotal \$'000	Equity attributable to equity holders of the Company \$'000	Non- controlling interests \$'000	Total \$'000
	Share capital \$'000	Retained profits \$'000	Merger reserve \$'000	Foreign currency translation reserve \$'000				
<b>GROUP</b>								
Balance at 1 April 2015	15,000	239,216	(2,854)	1,389	(1,465)	252,751	(106)	252,645
Profit/(loss) for the period	-	17,485	-	-	-	17,485	(3)	17,482
Other comprehensive loss for the period	-	-	-	(1,803)	(1,803)	(1,803)	-	(1,803)
Total comprehensive income/(loss) for the period	-	17,485	-	(1,803)	(1,803)	15,682	(3)	15,679
Dividends	-	(80,000)	-	-	-	(80,000)	-	(80,000)
Balance at 31 December 2015	15,000	176,701	(2,854)	(414)	(3,268)	188,433	(109)	188,324
Profit for the period	-	5,380	-	-	-	5,380	3	5,383
Other comprehensive income for the period	-	-	-	153	153	153	-	153
Total comprehensive income for the period	-	5,380	-	153	153	5,533	3	5,536
Balance at 31 March 2016	15,000	182,081	(2,854)	(261)	(3,115)	193,966	(106)	193,860

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

	Share capital \$'000	Treasury shares \$'000	(--Other reserves--) Share-based compensation reserve \$'000	Retained profits \$'000	Total \$'000
<b>COMPANY</b>					
Balance at 1 April 2016	15,000	-	-	161,125	176,125
Profit for the period, representing total comprehensive income for the period	-	-	-	12,234	12,234
Balance at 31 December 2016	15,000	-	-	173,359	188,359
Profit for the period, representing total comprehensive income for the period	-	-	-	11,782	11,782
Purchase of treasury shares	-	(35)	-	-	(35)
Employee share option scheme					
- Value of employee services	-	-	360	-	360
Balance at 31 March 2017	15,000	(35)	360	185,141	200,466

	Share capital \$'000	Retained profits \$'000	Total \$'000
<b>COMPANY</b>			
Balance at 1 April 2015	15,000	199,795	214,795
Profit for the period, representing total comprehensive income for the period	-	13,221	13,221
Dividends	-	(80,000)	(80,000)
Balance at 31 December 2015	15,000	133,016	148,016
Profit for the period, representing total comprehensive income for the period	-	28,109	28,109
Balance at 31 March 2016	15,000	161,125	176,125

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

During the period, the issued and paid-up capital of the Company (excluding treasury shares) decreased from 320,000,000 ordinary shares to 319,960,000 ordinary shares. This is due to the repurchase of a total of 40,000 ordinary shares pursuant to the Share Buy-Back Mandate approved at the Extraordinary General Meeting of the Company held on 28 July 2016. As at 31 March 2017, there were a total of 40,000 (31 March 2016: Nil) treasury shares.

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

	<b>As at 31.3.17</b>	<b>As at 31.3.16</b>
Total number of issued shares (excluding treasury shares)	319,960,000	320,000,000

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

Not applicable.

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

The figures have not been audited or reviewed.

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

Not applicable.

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

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

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

None, as disclosed in Note 4 above.

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

	GROUP		GROUP	
	Fourth quarter ended 31.3.17	31.3.16	Full-year ended 31.3.17	31.3.16
Earnings per ordinary share for the period/year after deducting any provision for preference dividends:-				
(i) Based on weighted average number of ordinary shares in issue (¢)	4.5	1.7	11.3	7.1
(ii) On a fully diluted basis (¢)	4.5	1.7	11.3	7.1
Weighted average number of ordinary shares in issue:				
Basic	319,986,667	320,000,000	319,996,667	320,000,000
Fully diluted	320,000,000	320,000,000	320,000,000	320,000,000

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

	GROUP		COMPANY	
	31.3.17	31.3.16	31.3.17	31.3.16
Net asset value per ordinary share based on issued shares (excluding treasury shares) as at the end of the period reported on (\$)	0.717	0.606	0.627	0.550
Number of issued shares (excluding treasury shares) as at the end of the period reported on	319,960,000	320,000,000	319,960,000	320,000,000

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

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

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

#### Overview

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

For 4Q FY2017, the BP Group registered revenue of \$38.5 million, 35% lower year-on-year due to lower revenue contributions from both the design-and-build and leasing businesses. However, total profit of \$14.3 million was 165% higher year-on-year mainly due to other gains and losses, primarily the non-recurring compensation from the early termination of the AusGroup lease and the gain from the sale of the BP Group's interest in TripleOne Somerset ("TripleOne Somerset Sale"), partially offset by an impairment loss on an investment property.

For FY2017, the BP Group registered revenue of \$228.3 million, 11% lower year-on-year due to lower revenue contributions from both the design-and-build and leasing businesses. However, total profit of \$36.2 million was 59% higher year-on-year mainly due to better operating results from the design-and-build business, and other gains and losses, primarily the non-recurring compensation from the early termination of the AusGroup lease and the gain from the TripleOne Somerset Sale, partially offset by an impairment loss on an investment property. Without the one-off other gains and losses, adjusted total profit would have been \$24.8 million or 8% higher year-on-year.

#### Segment Revenue

Segment	Revenue			Revenue		
	4Q FY2017	4Q FY2016	Favourable/ (Unfavourable) Change	FY2017	FY2016	Favourable/ (Unfavourable) Change
	\$'m	\$'m	%	\$'m	\$'m	%
Design-and-Build	30.4	49.7	-39	195.2	221.1	-12
Leasing	8.1	9.7	-16	33.1	34.4	-4
BP Group Total	38.5	59.4	-35	228.3	255.5	-11

Note: Any differences in summation are due to rounding differences.

#### 4Q FY2017 Segment Revenue

Design-and-build revenue for 4Q FY2017 was \$30.4 million, 39% lower year-on-year as there were a greater number of significant projects which contributed to the previous year's comparative period, coupled with fewer projects secured during FY2017 for revenue conversion during 4Q FY2017.

Leasing revenue for 4Q FY2017 declined to \$8.1 million, mainly due to a few partial vacancies in the industrial leasehold portfolio and the early termination of the AusGroup lease.

## FY2017 Segment Revenue

Design-and-build revenue for FY2017 was \$195.2 million, 12% lower year-on-year. The previous year registered higher revenue mainly due to greater work progress in several significant projects.

Leasing revenue for FY2017 declined to \$33.1 million, mainly due to a few partial vacancies in the industrial leasehold portfolio and the early termination of the AusGroup lease, partially offset by the initial full-year contributions of two leases.

## **Group Profitability**

A breakdown of profit before income tax ("PBT") by business segment is provided as follows.

Segment	PBT			PBT		
	4Q FY2017	4Q FY2016	Favourable/ (Unfavourable) Change	FY2017	FY2016	Favourable/ (Unfavourable) Change
	\$'m	\$'m	%	\$'m	\$'m	%
Design-and-Build	1.0	1.8	-44	14.9	13.9	+7
Leasing	*8.3	4.6	+80	*21.1	15.8	+34
Investments	**8.9	0.0	NM	**8.9	0.0	NM
BP Group Total	18.2	6.4	+183	44.9	29.7	+51

Note: Any differences in summation are due to rounding differences.  
 NM – not meaningful  
 \* Includes \$9.4m compensation from termination of lease and \$3.6m impairment loss on investment property previously leased to AusGroup  
 \*\* Gain from TripleOne Somerset Sale, net of fees

## 4Q FY2017 Group Profitability

The BP Group's overall gross profit for 4Q FY2017 decreased 12% year-on-year to \$12.5 million, as a result of lower revenue from both the design-and-build and leasing businesses. Nonetheless, overall gross margin for 4Q FY2017 increased to 32% from 24% in 4Q FY2016, mainly from the unlocking of cost savings from previously completed projects.

Other income for 4Q FY2017 decreased 42% year-on-year to \$1.1 million, mainly due to lower interest income.

Other gains for 4Q FY2017 came mainly from non-recurring compensation from the early termination of the AusGroup lease and the gain from the TripleOne Somerset Sale, partially offset by an impairment loss on an investment property.

Total overhead expenses for 4Q FY2017 were \$8.9 million (selling and distribution expenses of \$1.1 million and administrative expenses of \$7.8 million), increasing 10% year-on-year mainly due to the write-off of accrued leasing income. Selling and distribution expenses were 4% lower compared to 4Q FY2016.

Finance expenses for 4Q FY2017 decreased 13% year-on-year to \$0.6 million following significant repayment of borrowings throughout FY2016 to substantially deleverage the industrial leasehold portfolio.

Share of loss of an associated company and joint ventures mainly represents the elimination of construction and project management profits attributable to projects in which the BP Group has entered into with an associated company and joint ventures. For 4Q FY2017, this share of loss decreased to \$0.5 million.



PBT for 4Q FY2017 increased 183% year-on-year to \$18.2 million, mainly supported by other gains, partially offset by lower overall gross profit, lower other income and higher administrative expenses.

Income tax expense for 4Q FY2017 increased 279% year-on-year to \$3.9 million, largely due to higher profitability.

Due to the reasons mentioned earlier, total profit for 4Q FY2017 grew 165% year-on-year to \$14.3 million.

Profit attributable to equity holders of the Company ("net profit") for 4Q FY2017 grew 165% year-on-year to \$14.3 million.

#### FY2017 Group Profitability

The BP Group's overall gross profit for FY2017 decreased marginally by 1% to \$58.5 million, mainly due to lower revenue earned from the leasing business but partially offset by higher gross profit from the design-and-build business. Overall gross margin for FY2017 increased to 26% from 23% in FY2016, mainly from the unlocking of cost savings from previously completed projects.

Other income for FY2017 decreased 22% year-on-year to \$3.6 million, mainly due to lower interest income.

Other gains for FY2017 came mainly from the non-recurring compensation from the early termination of the AusGroup lease and the gain from the TripleOne Somerset Sale, partially offset by an impairment loss on an investment property.

Total overhead expenses for FY2017 were \$26.8 million (selling and distribution expenses of \$4.0 million and administrative expenses of \$22.8 million), decreasing 1% year-on-year, mainly due to higher legal and professional fees in the prior year, partially offset by the write-off of accrued leasing income and higher salaries and wages in the current year. Selling and distribution expenses remained unchanged.

Finance expenses for FY2017 decreased 40% year-on-year to \$2.4 million following significant repayment of borrowings throughout FY2016 to substantially deleverage the industrial leasehold portfolio.

Share of loss of an associated company and joint ventures mainly represents the elimination of construction and project management profits attributable to projects in which the BP Group has entered into with an associated company and joint ventures. For FY2017, this share of loss was \$2.7 million, which was comparable year-on-year.

PBT for FY2017 increased 51% year-on-year to \$44.9 million, mainly supported by other gains mentioned earlier and lower finance expenses, partially offset by lower overall gross profit and lower other income.

Income tax expense for FY2017 increased 26% year-on-year to \$8.6 million, largely due to higher profitability.

Due to the reasons mentioned earlier, total profit for FY2017 grew 59% year-on-year to \$36.2 million.

Net profit for FY2017 grew 58% year-on-year to \$36.1 million.

#### **Statement of Cash Flows**

##### 4Q FY2017 Cash Flows

During 4Q FY2017, cash and cash equivalents (after taking into account the effects of currency translation) increased by \$13.8 million to \$113.4 million, uplifted by cash provided by operating activities, partially offset by cash used in investing and financing activities.

Net cash provided by operating activities amounted to \$31.7 million, mainly due to operating cash flows before changes in working capital of \$17.0 million and a positive change in working capital of \$14.4 million. The positive change in working capital is due to a decrease in trade and other receivables and net contracts work-in-progress, partially offset by a decrease in trade and other payables.

Net cash used in investing activities amounted to \$16.1 million, mainly due to loans to joint ventures.

Net cash used in financing activities amounted to \$1.5 million, largely due to the scheduled repayment of borrowings.

#### FY2017 Cash Flows

During FY2017, cash and cash equivalents (after taking into account the effects of currency translation) increased by \$22.5 million to \$113.4 million, uplifted by cash provided by operating activities.

Net cash provided by operating activities amounted to \$44.0 million, mainly due to operating cash flows before changes in working capital of \$51.0 million, partially offset by a negative change in working capital of \$1.3 million, which resulted from increases in trade and other receivables and net contracts work-in-progress, partially offset by an increase in trade and other payables.

Net cash used in investing activities amounted to \$16.0 million, mainly due to net loans extended to joint ventures and a related party.

Net cash used in financing activities amounted to \$4.9 million, largely due to the scheduled repayment of borrowings.

#### **Balance Sheets**

At the end of FY2017, the BP Group's financial position remained healthy with cash and cash equivalents of \$113.4 million and total equity of \$229.4 million.

Under current assets, the BP Group's cash and cash equivalents increased to \$113.4 million as described earlier under the explanation for Statement of Cash Flows. Trade receivables declined to \$64.2 million mainly due to collection of prior year outstanding debts. Other receivables and prepayments significantly increased to \$41.7 million, mainly due to outstanding proceeds from the disposal of an available-for-sale financial asset (i.e. the TripleOne Somerset Sale) and compensation from the early termination of the AusGroup lease, partially offset by repayment of loans from a joint venture.

Under non-current assets, investments in joint ventures rose to \$32.4 million mainly as a result of the extension of shareholders' loans to joint ventures for the development of industrial properties for lease. Available-for-sale financial assets dropped significantly to \$20.5 million, following the TripleOne Somerset Sale. Investment properties declined to \$134.8 million mainly as a result of depreciation and an impairment loss on the property previously leased to AusGroup. Other receivables and prepayments increased to \$6.1 million mainly as a result of the remaining compensation proceeds from the early termination of the AusGroup lease.

Under liabilities, total trade and other payables increased to \$111.7 million with an increase in progress claims from subcontractors.

Total borrowings declined to \$88.4 million due to the scheduled repayment of borrowings in relation to the industrial leasehold portfolio.

The BP Group's net asset value per share climbed to 71.7 cents at the end of FY2017 from 60.6 cents at the end of FY2016, while the net cash position (cash and cash equivalents less total borrowings) stood at \$25.0 million at the end of FY2017.

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

None.

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

The industrial real estate sector in Singapore continues to remain highly challenging and competitive. Nevertheless, the BP Group captured over \$140 million in contracts in FY2017, contributing to an order book backlog of about \$146 million (unrecognised project revenue remaining at the end of FY2017 plus the total value of new orders secured since then).

To address the challenging market conditions, the BP Group has focused on building additional strategic platforms, capturing opportunities in high value industries, driving cost and productivity improvements, and geographically diversifying its business. During FY2017, the BP Group made good progress on these initiatives, expanding and enhancing its base of strategic partnerships. The BP Group expects to leverage on these platforms for further medium to long-term growth both in Singapore and overseas.

The completion of the GSK global HQ for Asia in FY2017 under the Boustead Development Partnership (“BDP”) has increased the BP Group’s industrial leasehold portfolio (both wholly and jointly-owned properties) and share of recurring rental income. During FY2017, two new development projects were also added under the BDP, namely the Mediapolis development and the Continental Building Phase 3 development. These new developments are set to contribute design-and-build income (during the construction phase) and share of recurring rental income (during the leasing phase) to the BP Group.

While the BP Group will continue to work on growing its recurring income base, the level of profit in FY2018 is not likely to match that of FY2017 as the latter was boosted by non-recurring gains from compensation for the early termination of the Ausgroup lease and the TripleOne Somerset Sale.

Given the capital-intensive nature of property development, the BP Group will seek to prudently manage its cash resources to maintain an optimal balance between paying dividends and investing in growth opportunities across its various geographic markets.

**11. Dividend**

**(a) Current Financial Period Reported On**

Any dividend declared for the current financial period reported on?

Yes.

The Board is proposing an inaugural ordinary dividend of 1.5 cents per share and a special dividend of 1 cent per share for shareholders' approval.

Name of Dividend	Final proposed	Special proposed
Dividend Type	Cash	Cash
Dividend Amount (per ordinary share)	1.5 cents	1.0 cent
Tax Rate	Tax exempt (1-tier)	Tax exempt (1-tier)

**(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**

18 August 2017.

**(d) Books closure**

Notice is hereby given that the Transfer Books and Register of Members of the Company will be closed on 4 August 2017 for the purpose of determining shareholders' entitlements to the final and special dividend to be paid on 18 August 2017, subject to and contingent upon shareholders' approval for the proposed dividends being obtained at the forthcoming Annual General Meeting of the Company.

Duly completed transfers received by the Company's Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 up to 5.00 p.m. on 4 August 2017 will be registered before entitlements to the dividend are determined.

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

Not applicable.

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

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

**PART II – ADDITIONAL INFORMATION REQUIRED FOR FULL-YEAR ANNOUNCEMENT**

**14. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer’s most recently audited annual financial statements, with comparative information for the immediately preceding year.**

Segment information is presented in respect of the group’s business segments which comprised its two core segments, design-and-build and leasing. These are provided to the group’s chief operating decision maker for the purpose of resource allocation and assessment of segment performance and are reported in accordance with FRS 108 Operating Segments. The group operates predominantly in Singapore and has operations in Malaysia, China and Vietnam.

**BY BUSINESS SEGMENTS**

<b>FY2017</b>	<b>Design-and-Build \$'000</b>	<b>Leasing \$'000</b>	<b>Investments \$'000</b>	<b>Elimination \$'000</b>	<b>Group \$'000</b>
<b>Primary segments</b>					
<b>Revenue</b>					
External sales	195,217	33,090	-	-	228,307
Total revenue	195,217	33,090	-	-	228,307
<b>Result</b>					
Segment result before interest	14,899	22,274	₪	(1,146)	44,940
Interest income	1,156	1,169	-	-	2,325
Finance costs					(2,391)
Profit before income tax					44,874
Income tax expense					(8,625)
Total profit					36,249
Attributable to:					
Equity holders of the Company					36,098
Non-controlling interests					151
					36,249
<b>FY2016</b>					
<b>Primary segments</b>					
<b>Revenue</b>					
External sales	221,089	34,386	-	-	255,475
Inter-segment sales	569	-	-	(569)	-
Total revenue	221,658	34,386	-	(569)	255,475
<b>Result</b>					
Segment result before interest	19,330	18,312	-	(7,313)	30,329
Interest income	1,922	1,443	-	-	3,365
Finance costs					(3,985)
Profit before income tax					29,709
Income tax expense					(6,844)
Total profit					22,865
Attributable to:					
Equity holders of the Company					22,865
Non-controlling interests					-
					22,865

## BY GEOGRAPHICAL SEGMENTS

Revenue	Singapore \$'000	Other Countries \$'000	Group \$'000
External sales for the full-year ended			
31.3.17	208,813	19,494	228,307
31.3.16	229,415	26,060	255,475

15. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

As detailed in Note 8.

16. A breakdown of sales.

	GROUP Full-year ended		
	31.3.17 \$'000	31.3.16 \$'000	Inc/(Dcr) %
Sales reported for first half-year	123,140	110,436	12%
Operating profit after income tax for first half-year	13,502	10,333	31%
Sales reported for second half-year	105,167	145,039	-27%
Operating profit after income tax reported for second half-year	22,747	12,532	82%

17. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full-year and its previous full-year.

Name of Dividend	Current Financial Year Ended 31.3.17		
	Ordinary	Special	Total
Type of Dividend	Cash	Cash	Cash
Dividend Per Share	1.5 cents	1.0 cents	2.5 cents
Annual Dividend (S\$'000)	4,800	3,200	8,000

Name of Dividend	Previous Financial Year Ended 31.3.16		
	Ordinary	Special	Total
Type of Dividend	-	-	-
Dividend Per Share	-	-	-
Annual Dividend (S\$'000)	-	-	-

**18. 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 Group does not have a general mandate for interested person transactions. The following transactions that the Group entered into would be regarded as interested person transactions pursuant to the Listing Manual of the SGX-ST :-

Name of interested person	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than S\$100,000)	
	31.3.17 S\$'000	31.3.16 S\$'000
Boustead Singapore Limited (“BSL”) & its subsidiaries (“BSL Group”)		
i) Provision of central management and administration services by the BSL Group <sup>(1)</sup>	-	40
ii) Lease of office premises from the BSL Group <sup>(1)</sup> (includes shared expenses such as IT, utilities and common area usage)	178	194
iii) Interest income from the BSL Group <sup>(1)</sup>	-	51
iv) Reimbursement to BSL for the issue of BSL shares to employees of the Company pursuant to the Boustead Restricted Share Plan 2011 <sup>(1)</sup>	332	514
v) BSL's sale of shares in its entire holding in Perennial Tongzhou Development Pte. Ltd. of 367,142 ordinary shares <sup>(1)</sup>	-	20,478
vi) Assignment of the loan from BSL to the Company on the loan granted by BSL to Perennial Tongzhou Development Pte. Ltd.	-	716

(1) This is deemed to have been specifically approved by shareholders upon the distribution of shares by dividend in specie of the extraordinary general meeting of Boustead Singapore Limited held on 16 April 2015 and is therefore not subject to Rules 905 and 906 of the Listing Manual to the extent that there is no subsequent changes to the terms of such agreement.

**19. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13).**

Name	Age	Family relationship with any director and/or chief executive officer and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Wong Yu Wei (Huang Youwei)	40	Son of Mr Wong Fong Fui, Substantial Shareholder	Deputy Chairman & Executive Director  The position of Deputy Chairman was first held with effect from 25 March 2015.	No change

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

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

BY ORDER OF THE BOARD

*Tay Chee Wah*  
Company Secretary  
22 May 2017