



**Boustead Singapore Limited**  
(Co. Reg. No. 197501036K)

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## BOUSTEAD FINANCIAL RESULTS ANNOUNCEMENT FOR 1Q FY2018 ENDED 30 JUNE 2017

	1Q FY2018	1Q FY2017	Change
<b>Revenue</b>	<b>S\$90.3m</b>	S\$113.7m	-21%
<b>Gross profit</b>	<b>S\$33.0m</b>	S\$36.0m	-8%
<b>Profit before income tax ("PBT")</b>	<b><sup>1</sup>S\$8.5m</b>	<sup>2</sup> S\$13.9m	-39%
<b>Total profit</b>	<b>S\$6.0m</b>	S\$10.5m	-43%
<b>Profit attributable to equity holders of Company ("net profit")</b>	<b>S\$2.9m</b>	S\$7.0m	-58%
<b>Net profit (adjusted for comparative review)*</b>	<b>S\$4.6m</b>	S\$6.1m	-25%
<b>- Earnings per share</b>	<b>0.6cts</b>	1.3cts	-54%
<b>- Net asset value per share</b>	<b>62.5cts</b>	59.0cts	+6%

Notes:

<sup>1</sup> Includes other losses of S\$1.6m 1Q FY2018

<sup>2</sup> Includes other gains of S\$0.9m in 1Q FY2017

\* Net profit adjusted for other gains/losses net of non-controlling interests for comparative review.

**Note to Editors: The Group's revenue is largely derived from project-oriented businesses 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.**

### 1Q FY2018 Highlights:

- Revenue of S\$90.3 million was 21% lower year-on-year.
- Net profit of S\$2.9 million was 58% lower year-on-year. For comparative review, after adjusting for other gains/losses net of non-controlling interests, net profit would be 25% lower year-on-year.
- The Group's current order book backlog stands at S\$209 million.

**Singapore, 10 August 2017** – Mainboard-listed Boustead Singapore Limited (“Boustead” or the “Group”), a progressive global infrastructure-related engineering services and geo-spatial technology group today announced its unaudited financial results for the first quarter ended 30 June 2017 (“1Q FY2018”).

For 1Q FY2018, the Group registered revenue of S\$90.3 million, total profit of S\$6.0 million and net profit of S\$2.9 million. Revenue was 21% lower year-on-year, while total profit and net profit were 43% and 58% lower year-on-year respectively. The swing from other gains in 1Q FY2017 to other losses in 1Q FY2018 was mainly due to currency exchange effects, which had a significant dampening effect on total profit and net profit. After adjusting for other gains/losses net of non-controlling interests, net profit would be 25% lower year-on-year.

Net profit declined at a faster pace than total profit due to higher contributions by Boustead Projects Limited to total profit, which resulted in the dilutive effect of the higher non-controlling interests on net profit.

Mr Wong Fong Fui, Chairman and Group Chief Executive Officer of Boustead said, “It was a highly challenging first quarter, with our Energy-Related Engineering Division experiencing its first quarterly loss since the global oil & gas recession began three years’ ago. The loss was aggravated by S\$1.3 million in currency exchange losses due to large exposure to USD – the prime operating currency of the global oil & gas industries.”

Mr Wong added, “Our Real Estate Solutions Division and Geo-Spatial Technology Division delivered respectable results. We continue to boost business development efforts across all three divisions. In addition, we will continue to apply our already prudent cost management measures. As mentioned in our FY2017 annual report, on the acquisition front, we are evaluating opportunities related to our three divisions and have broadened our acquisition mandate to include opportunities outside our core businesses.”

The depressed state of the global oil & gas industries continued to adversely impact revenue at the Energy-Related Engineering Division, which was 29% lower year-on-year at S\$18.6 million. Final investment decisions on major oil & gas capital expenditures, especially for greenfield developments continued to be deferred.

Faced with a challenging industrial real estate sector in Singapore, the Real Estate Solutions Division (under Boustead Projects) registered revenue that was 25% lower year-on-year at S\$45.7 million, with lower revenue contributions from both the design-and-build and leasing businesses.

Although revenue at the Geo-Spatial Technology Division was 3% lower year-on-year at S\$25.7 million, demand for the division’s products and solutions remained firm across Australia and parts of South East Asia.

Despite the Group’s gross profit for 1Q FY2018 declining 8% year-on-year to S\$33.0 million, the overall gross margin for 1Q FY2018 improved to 36% compared to 32% in 1Q FY2017. Nonetheless, gross margin pressure remains present.

PBT for 1Q FY2018 decreased 39% year-on-year to S\$8.5 million, mainly driven by lower other income, higher other losses and higher share of loss of an associated company and joint ventures.

The Group’s net asset value per share strengthened to 62.5 cents at the end of 1Q FY2018 from 61.7 cents at the end of FY2017, while the net cash position (i.e. net of all bank borrowings) improved to S\$212.2 million at the end of 1Q FY2018, translating to a net cash per share position of 40.6 cents. In addition, the Group held S\$76.0 million in available-for-sale financial assets and financial assets held for trading at the end of 1Q FY2018, of which almost three quarters of the amount is highly liquid.

The Group's current order book backlog stands at about S\$209 million (unrecognised project revenue remaining at the end of 1Q FY2018 plus the total value of new orders secured since then), of which S\$72 million is under the Energy-Related Engineering Division and S\$137 million is under the Real Estate Solutions Division.

Given the Group's healthy net cash position, available-for-sale financial assets and financial assets held for trading, and wide range of financing options, the Group continues to uphold an excellent position to capitalise on any good acquisition and investment opportunities that may arise.

While the Group believes it will continue to be profitable in FY2018, the normalised levels of profit will not be comparable to that of FY2017.

-- End of media release --

## **About Boustead Singapore Limited**

Established in 1828, Boustead Singapore Limited (SGX:F9D) is a progressive global Infrastructure-Related Engineering Services and Geo-Spatial Technology Group listed on the SGX. Focusing on the engineering and development of key infrastructure to support economic growth in global markets, our strong suite of engineering services comprises Energy-Related Engineering and Real Estate Solutions.

Under our Geo-Spatial Technology arm, we provide professional services and exclusively distribute Esri geo-spatial technology – the world’s leading geographic information system – to major markets across Australia and parts of South East Asia. Our intelligent mapping platform and digital infrastructure are essential to create smart nations, smart cities and smart communities by solving the world’s largest problems through effective and sustainable planning, deployment and management of key infrastructure and resources.

With a vast global network stretching across Asia, Australia, Europe, Africa and the Americas, Boustead is ready to serve the world. To date, we have undertaken infrastructure-related projects in 85 countries and territories globally.

In 2008 and 2009, we were recognised in the prestigious Forbes Asia 200 Best Under A Billion as one of the Asia Pacific’s 200 best public-listed corporations under US\$1 billion in revenue. In 2015, we were also the winner of the Singapore Golden Jubilee Business Award, in recognition of the best 50 Singapore corporations who have achieved and contributed to Singapore’s progress and success over the past 50 years since independence. In 2017, we were ranked by FinanceAsia as Singapore’s Best Small-Cap in the annual Asia’s Best Companies Poll. We are also listed on the MSCI World Small Cap Index for Singapore and the FTSE ST Small Cap Index.

Visit us at [www.boustead.sg](http://www.boustead.sg).

## **Financial Results Archive**

To access the archive of financial results for the last five financial years, please go to: [http://www.boustead.sg/investor\\_centre/quarterly\\_results.asp](http://www.boustead.sg/investor_centre/quarterly_results.asp).

## **Contact Information**

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