



Boustead Singapore Limited
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BOUSTEAD FINANCIAL RESULTS ANNOUNCEMENT FOR 2Q FY2019 ENDED 30 SEPTEMBER 2018

	2Q FY2019	2Q FY2018	Change	1H FY2019	1H FY2018	Change
Revenue	S\$118.4m	S\$104.9m	+13%	S\$225.4m	S\$195.2m	+15%
Gross profit	S\$42.5m	S\$40.8m	+4%	S\$84.0m	S\$73.7m	+14%
Profit before income tax ("PBT")	*S\$15.7m	**S\$16.7m	-6%	*S\$39.6m	**S\$25.1m	+58%
Total profit	S\$11.2m	S\$12.4m	-10%	S\$29.3m	S\$18.4m	+59%
Profit attributable to equity holders of Company ("net profit")	S\$6.9m	S\$7.1m	-3%	S\$19.1m	S\$10.0m	+90%
Net profit (adjusted for comparative review)***	S\$7.1m	S\$8.6m	-17%	S\$11.7m	S\$13.1m	-11%
- Earnings per share	1.4cts	1.4cts	+0%	3.9cts	1.9cts	+105%
- Net asset value per share				66.2cts	62.4cts	+6%

Notes:

* Includes other losses of S\$0.2m in 2Q FY2019 and other gains of S\$7.6m in 1H FY2019.

** Includes other losses of S\$1.5m and S\$3.2m in 2Q FY2018 and 1H FY2018 respectively.

*** 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 performance. Full-year to full-year comparisons are more appropriate for analytical purposes.

2Q FY2019/1H FY2019 Highlights:

- Total revenue for 2Q FY2019 and 1H FY2019 increased 13% and 15% year-on-year to S\$118.4 million and S\$225.4 million respectively.
- Total profit and net profit for 2Q FY2019 decreased 10% and 3% year-on-year to S\$11.2 million and S\$6.9 million respectively, mainly due to higher overhead expenses and share of losses of associated companies and joint ventures, which outpaced the improvements in gross profit, other income and other losses.
- Total profit and net profit for 1H FY2019 increased 59% and 90% year-on-year to S\$29.3 million and S\$19.1 million respectively, mainly supported by a combination of better operating performance and sizeable other gains.
- For a comparative review after adjusting for other gains/losses net of non-controlling interests, net profit for 2Q FY2019 and 1H FY2019 would have been about S\$1.4 million lower for both periods than 2Q FY2018 and 1H FY2018 or 17% and 11% lower year-on-year respectively.
- The Group's current order book backlog stands at a healthy S\$298 million.
- The Board declared an interim cash dividend per share of 1 cent.

Singapore, 12 November 2018 – Mainboard-listed Boustead Singapore Limited (“Boustead” or the “Group”), a progressive global infrastructure-related engineering services, geo-spatial technology and healthcare group today announced its unaudited financial results for the second quarter and first half ended 30 September 2018 (“2Q FY2019” or “1H FY2019” respectively).

For 2Q FY2019, total revenue increased 13% year-on-year to S\$118.4 million. However, total profit and net profit decreased 10% and 3% year-on-year to S\$11.2 million and S\$6.9 million respectively, mainly due to higher overhead expenses and share of losses of associated companies and joint ventures, which outpaced the improvements in gross profit, other income and other losses.

For 1H FY2019, total revenue increased 15% year-on-year to S\$225.4 million. Total profit and net profit increased 59% and 90% year-on-year to S\$29.3 million and S\$19.1 million respectively, mainly supported by a combination of better operating performance and sizeable other gains from the completed sale of 25 Changi North Rise in 1Q FY2019 under the Group’s separately listed Real Estate Solutions Division (under Boustead Projects Limited).

For a comparative review after adjusting for other gains/losses net of non-controlling interests, net profit for 2Q FY2019 and 1H FY2019 would have been about S\$1.4 million lower for both periods than 2Q FY2018 and 1H FY2018 or 17% and 11% lower year-on-year respectively.

As the Group delivered steady core profitability and maintained a healthy cash position, the Board of Directors declared an interim cash dividend per share of 1 cent, matching the interim dividend of the previous year.

Mr Wong Fong Fui, Chairman and Group Chief Executive Officer of Boustead said, “We had a steady 1H FY2019 financial performance. There continues to be a gradual improvement in the outlook of the respective industries that we operate in. In addition, we will ride on our healthy financial position to weather the challenges posed by current global geo-political headwinds and evaluate any good opportunities that may appear.”

With the gradual improvement in the outlook of the global oil & gas industries, the Energy-Related Engineering Division’s revenue for 2Q FY2019 grew 3% year-on-year to S\$23.4 million. Client enquiries continued to be under more active review as compared to one year earlier.

Riding on a healthy order book backlog carried forward at the end of FY2018, the Real Estate Solutions Division (under Boustead Projects)’s revenue for 2Q FY2019 climbed 21% year-on-year to S\$60.6 million, with higher design-and-build revenue partially offset by lower leasing revenue.

The Geo-Spatial Technology Division continued to witness steady demand for its solutions across Australia and parts of South East Asia, although there was a minor revenue dip for 2Q FY2019 of 4% year-on-year to S\$30.5 million.

Making its maiden revenue contribution, the newly acquired Healthcare Division generated revenue for 2Q FY2019 of S\$3.7 million.

The Group’s overall gross profit for 2Q FY2019 increased 4% year-on-year to S\$42.5 million, though the overall gross margin was 36% compared to 39% in 2Q FY2018. Gross margin pressure continued to be felt across the Group.

Total PBT for 2Q FY2019 decreased 6% year-on-year to S\$15.7 million. Excluding currency exchange losses, the Energy-Related Engineering Division would have registered an operating profit for 2Q FY2019.

At the end of 1H FY2019, the Group's financial position remained healthy and also included the consolidated balance sheet of the newly acquired Healthcare Division.

The Group's net asset value per share strengthened to 66.2 cents at the end of 1H FY2019 from 63.5 cents at the end of FY2018, even after the final dividend payments for FY2018 by both Boustead Singapore and Boustead Projects, while the net cash position (i.e. net of all bank borrowings) remained healthy at S\$188.4 million at the end of 1H FY2019, translating to a net cash per share position of 38.2 cents. In addition, the Group held S\$66.0 million in investment securities at the end of 1H FY2019, of which about half of the amount is highly liquid.

The Group has been awarded about S\$127 million in contracts since the start of FY2019. The current order book backlog stands at a healthy S\$298 million (unrecognised project revenue remaining at the end of 2Q FY2019 plus the total value of new orders secured since then), of which S\$86 million is under the Energy-Related Engineering Division and S\$212 million is under the Real Estate Solutions Division.

The Group continues to see a gradual improvement in the outlook across the sectors in which the Group operates in, although the business environment remains challenging with global geo-political headwinds.

With a healthy balance sheet and net cash position, and wide range of financing options, the Group continues to be in an excellent position to capitalise on any good acquisition and investment opportunities that may arise.

Barring unforeseen circumstances and shifts in the global economic outlook, the Group believes that it can continue to deliver steady results in FY2019.

-- End of media release --

About Boustead Singapore Limited

Established in 1828, Boustead Singapore Limited (SGX:F9D) is a progressive global Infrastructure-Related Engineering Services, Geo-Spatial Technology and Healthcare Group listed on the SGX Mainboard. Focusing on the niche 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 Geo-Spatial Technology, we provide professional services and exclusively distribute Esri geo-spatial technology – the world’s leading geographic information system and location analytics platform – to major markets across Australia and parts of South East Asia. Our location analytics platform and digital infrastructure solutions 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.

In Healthcare, we provide niche innovative assistive technologies and transformational medical solutions that improve the daily lives of chronic disease patients in Asia, with a focus on rehabilitative care, sleep care and sports science.

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 infrastructure-related projects in 87 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 half-century 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 Micro Cap Index, FTSE Global Small Cap Index and FTSE ST Small Cap Index.

Visit us at 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.

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