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ENGINEERING THE WORLD OF THE FUTURE

ENERGY-RELATED ENGINEERING · REAL ESTATE SOLUTIONS · GEOSPATIAL TECHNOLOGY · HEALTHCARE TECHNOLOGY

BOUSTEAD SINGAPORE LIMITED
AND ITS SUBSIDIARIES

SGXNET ANNOUNCEMENT
UNAUDITED RESULTS FOR 2Q FY2020
ENDED 30 SEPTEMBER 2019

Corporate Profile

Established in 1828, Boustead Singapore Limited (SGX:F9D) is a progressive global Infrastructure-Related Engineering and Technology 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, centred on energy infrastructure and smart eco-sustainable business park and industrial developments.

In addition, we provide technology-driven transformative solutions to improve quality of life for all walks of life. Geospatial Technology provides professional services and exclusively distributes Esri's ArcGIS technology – the world's leading geographic information system and location analytics platform – to major markets across Australia and parts of South East Asia. The software creates digital infrastructure solutions that enable smart nations, smart cities and smart communities by solving the world's largest problems through effective and sustainable planning and management of key infrastructure and resources. Healthcare Technology provides niche innovative medical solutions that address age-related chronic diseases and mobility issues, with a focus on rehabilitative care, sleep 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 infrastructure-related projects in 89 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 2017, we were ranked by FinanceAsia as Singapore's Best Small-Cap in the annual Asia's Best Companies Poll. In 2019, we were awarded the Most Transparent Company in the Industrials Category and Sustainability Award (Runner-Up) in the Mid Cap Category by the Securities Investors Association (Singapore). We are also listed on the MSCI World Micro Cap Index, FTSE Global Small Cap Index, FTSE Developed Small Cap Index and FTSE ST Small Cap Index.

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BOUSTEAD SINGAPORE LIMITED
(Company Registration No. 197501036K)

Unaudited Financial Statements and Related Announcement for the Second Quarter Ended 30 September 2019

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 Second quarter ended			GROUP Half-year ended		
		30.9.19 \$'000	30.9.18 (Restated) \$'000	Inc/(Dcr) %	30.9.19 \$'000	30.9.18 (Restated) \$'000	Inc/(Dcr) %
Revenue		162,943	112,859	44%	292,109	201,664	45%
Cost of sales		(125,366)	(75,575)	66%	(217,695)	(131,449)	66%
Gross profit		37,577	37,284	1%	74,414	70,215	6%
Other income	1	1,656	2,268	-27%	3,561	3,873	-8%
Other gains/(losses) – net	2	1,486	(221)	NM	2,225	7,636	-71%
Impairment loss on financial assets		(1,490)	-	NM	(1,490)	(15)	NM
Expenses							
- Selling and distribution		(8,769)	(8,454)	4%	(18,074)	(16,633)	9%
- Administrative		(16,634)	(14,853)	12%	(31,891)	(30,014)	6%
- Finance	3	(1,269)	(552)	130%	(2,449)	(964)	154%
Share of (loss)/profit of associated companies and joint ventures		(318)	219	NM	(1,495)	376	NM
Profit before income tax	4	12,239	15,691	-22%	24,801	34,474	-28%
Income tax expense	5	(3,375)	(4,506)	-25%	(6,529)	(8,729)	-25%
Total profit		8,864	11,185	-21%	18,272	25,745	-29%
Profit attributable to:							
Equity holders of the Company		5,737	6,885	-17%	12,415	16,000	-22%
Non-controlling interests		3,127	4,300	-27%	5,857	9,745	-40%
		8,864	11,185	-21%	18,272	25,745	-29%

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 Second quarter ended			GROUP Half-year ended		
	30.9.19	30.9.18	Inc/(Dcr)	30.9.19	30.9.18	Inc/(Dcr)
	\$'000	(Restated) \$'000	%	\$'000	(Restated) \$'000	%
Total profit	8,864	11,185	-21%	18,272	25,745	-29%
Other comprehensive (loss)/income:						
<i>Items that may be reclassified subsequently to profit or loss:</i>						
Financial assets, at FVOCI						
- Fair value gains – debt instruments	79	4	NM	76	260	-71%
- Reclassification to profit or loss on disposal	(4)	(282)	-99%	(4)	(396)	-99%
Cash flow hedges						
- Fair value losses	(25)	-	NM	(33)	-	NM
- Realised and transferred to profit or loss	9	-	NM	9	-	NM
Currency translation differences arising from consolidation	(641)	(855)	-25%	(2,534)	(1,667)	52%
<i>Items that will not be reclassified subsequently to profit or loss:</i>						
Remeasurement of retirement benefit obligation, net of tax	-	-	-	(4)	-	NM
Non-controlling interests' share of currency translation differences arising from consolidation	183	(565)	NM	(169)	(388)	-56%
Other comprehensive loss net of tax	(399)	(1,698)	-77%	(2,659)	(2,191)	21%
Total comprehensive income	8,465	9,487	-11%	15,613	23,554	-34%
Total comprehensive income attributable to:						
Equity holders of the Company	5,163	5,752	-10%	9,937	14,197	-30%
Non-controlling interests	3,302	3,735	-12%	5,676	9,357	-39%
	8,465	9,487	-11%	15,613	23,554	-34%

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			GROUP		
	Second quarter ended			Half-year ended		
	30.9.19	30.9.18	Inc/(Dcr)	30.9.19	30.9.18	Inc/(Dcr)
	(Restated)		(Restated)			
	\$'000	\$'000	%	\$'000	\$'000	%
<u>Note 1: Other income</u>						
Interest income	1,367	1,979	-31%	2,983	3,289	-9%
Sublease income	289	289	0%	578	584	-1%
	1,656	2,268	-27%	3,561	3,873	-8%
<u>Note 2: Other gains/(losses) – net</u>						
Fair value gains/(losses)						
- Derivative financial instruments	627	85	638%	471	612	-23%
- Financial assets, at FVPL	16	(207)	NM	(29)	(362)	-92%
Financial assets, at FVOCI						
- Reclassification from other comprehensive income on disposal	(4)	282	NM	(4)	396	NM
Gain on disposal of a property	-	-		-	5,890	-100%
Currency exchange gains/(losses) – net	847	(381)	NM	1,787	1,100	62%
	1,486	(221)	NM	2,225	7,636	-71%
<u>Note 3: Finance expenses</u>						
Interest expense on borrowings	(548)	(552)	-1%	(1,133)	(964)	18%
Interest expense on lease liabilities	(721)	-	NM	(1,316)	-	NM
	(1,269)	(552)	130%	(2,449)	(964)	154%
<u>Note 4: Profit before income tax is arrived at after (charging)/crediting the following:</u>						
Depreciation expense	(2,491)	(2,368)	5%	(4,844)	(4,700)	3%
Depreciation charge of rights-of-use assets	(1,610)	-	NM	(2,814)	-	NM
(Loss)/Gain on disposal of property, plant and equipment	(48)	-	NM	(17)	2	NM
Employee share-based compensation expense	(53)	(131)	-60%	(105)	(262)	-60%
Amortisation of intangible assets	(157)	(53)	196%	(314)	(106)	196%
Allowance for impairment of receivables, net	(1,490)	-	NM	(1,490)	(15)	NM
<u>Note 5: Income tax expense</u>						
The provision for income tax expense is made after taking into account non-deductible expenses and temporary differences, and is based on the statutory corporate income tax rates of the respective countries which the Group operates in. For the current period, the Group's income tax expense varied from the amount of income tax expense determined by applying the Singapore corporate income tax rate of 17%, mainly due to certain expenses which are not deductible for tax purposes and overseas subsidiaries' profits which are generally subject to higher corporate income tax rates.						

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.

Statements of Financial Position

	Note	GROUP		COMPANY	
		30.9.19 \$'000	31.3.19 \$'000	30.9.19 \$'000	31.3.19 \$'000
ASSETS					
Current assets					
Cash and cash equivalents		258,575	246,861	30,841	41,179
Trade receivables		123,767	96,034	-	-
Other receivables and prepayments		61,006	67,316	1,824	4,791
Loans to subsidiaries		-	-	43,105	29,965
Inventories		4,012	3,568	-	-
Properties held for sale		26,608	26,670	-	-
Rights-of-use assets		9,388	-	-	-
Contract assets		61,120	103,474	-	-
Investment securities		6,068	15,811	6,068	15,811
Derivative financial instruments		507	234	178	-
		551,051	559,968	82,016	91,746
Non-current assets					
Trade receivables		7,742	11,212	-	-
Other receivables and prepayments		5,379	5,759	2,971	2,915
Contract assets		-	2,657	-	-
Investment securities		47,787	44,544	10,861	8,018
Property, plant and equipment		27,189	17,221	6	-
Rights-of-use assets		38,005	-	-	-
Investment properties**		179,565	182,118	-	-
Intangible assets		2,261	2,137	30	30
Investments in associated companies		16,431	12,875	-	-
Investments in joint ventures		48,250	40,673	-	-
Investments in subsidiaries		-	-	85,467	85,595
Deferred income tax assets		7,470	5,165	-	-
		380,079	324,361	99,335	96,558
Total assets		931,130	884,329	181,351	188,304
LIABILITIES					
Current liabilities					
Trade and other payables		187,186	167,791	1,409	977
Lease liabilities		6,707	-	-	-
Income tax payable		12,398	13,133	-	-
Loans from subsidiaries		-	-	64,481	60,420
Contract liabilities		76,599	58,981	-	-
Borrowings	1(b)(ii)	35,466	67,840	-	-
Derivative financial instruments		131	303	-	272
		318,487	308,048	65,890	61,669
Non-current liabilities					
Trade and other payables		8,594	6,158	-	-
Lease liabilities		91,329	-	-	-
Contract liabilities		518	1,134	-	-
Borrowings	1(b)(ii)	27,300	79,757	-	-
Pension liability		2,474	2,831	-	-
Deferred income tax liabilities		4,844	4,051	-	-
		135,059	93,931	-	-
Total liabilities		453,546	401,979	65,890	61,669
NET ASSETS		477,584	482,350	115,461	126,635
EQUITY					
Capital and reserves attributable to equity holders of the Company					
Share capital		74,443	70,758	74,443	70,758
Treasury shares		(6,718)	(1,488)	(6,718)	(1,488)
Other reserves		(9,112)	(6,955)	2,477	2,142
Retained profits		272,857	273,828	45,259	55,223
		331,470	336,143	115,461	126,635
Non-controlling interests		146,114	146,207	-	-
Total equity	1(d)(i)	477,584	482,350	115,461	126,635

** Includes rights-of-use assets of \$50.1 million in respect of land lease assets of the investment properties with the adoption of SFRS (I) 16 Leases from 1 April 2019 as set out under Note 5.

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

Amount repayable within one year or less, or on demand

As at 30.9.19 \$'000		As at 31.3.19 \$'000	
Secured	Unsecured	Secured	Unsecured
35,466	-	67,840	-

Amount repayable after one year

As at 30.9.19 \$'000		As at 31.3.19 \$'000	
Secured	Unsecured	Secured	Unsecured
27,300	-	79,757	-

Total borrowings of \$62,766,000 (31.3.19: \$147,597,000) are secured either by corporate guarantee, properties held for sale or 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 Second quarter ended		GROUP Half-year ended	
	30.9.19 \$'000	30.9.18 \$'000	30.9.19 \$'000	30.8.18 \$'000
Cash flows from operating activities				
Profit before income tax	12,239	15,691	24,801	34,474
Adjustments for:				
- Share of loss/(profit) of associated companies and joint ventures	318	(219)	1,495	(376)
- Elimination of share of unrealised construction and project management margins	3,112	2,338	4,440	4,092
- Depreciation expense	2,491	2,368	4,844	4,700
- Depreciation charge of rights-to-use assets	1,610	-	2,814	-
- Amortisation expense	157	53	314	106
- Loss/(Gain) on disposal of property, plant and equipment	48	-	17	(2)
- Employee share-based compensation expense	53	131	105	262
- Loss/(Gain) on disposal of investment securities	4	(282)	4	(396)
- Fair value losses/(gains) on financial assets, at FVPL	(16)	207	29	362
- Allowance for impairment of receivables, net	1,490	-	1,490	15
- Gain on disposal of a property	-	-	-	(5,890)
- Finance expenses	1,269	552	2,449	964
- Interest income	(1,367)	(1,979)	(2,983)	(3,289)
- Unrealised currency exchange gains	161	(57)	171	46
	21,569	18,803	39,990	35,068
Change in working capital:				
- Trade receivables, other receivables and prepayments	(6,052)	21,142	(34,391)	6,032
- Inventories and contracts assets/liabilities	(10,098)	(16,294)	62,325	(14,014)
- Trade and other payables	22,675	(8,662)	21,204	11,185
- Derivative financial instruments	(627)	(85)	(471)	(612)
Cash provided by operations	27,467	14,904	88,657	37,659
Interest received	1,367	1,979	2,983	3,289
Interest paid	(548)	(552)	(1,133)	(964)
Income tax paid	(6,414)	(8,447)	(8,790)	(10,009)
Net cash provided by operating activities	21,872	7,884	81,717	29,975

- 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		GROUP	
	Second quarter ended 30.9.19	30.9.18 (Restated)	Half-year ended 30.9.19	30.9.18 (Restated)
	\$'000	\$'000	\$'000	\$'000
Cash flows from investing activities				
Proceeds from disposal of investment securities	3,449	4,750	9,449	9,190
Proceeds from disposal of property, plant and equipment	104	3	204	5
Proceeds from disposal of a property – net	-	-	-	10,395
Proceeds from disposal of a subsidiary	8,202	-	8,202	-
Dividends received from joint ventures	1,100	-	1,100	-
Government grant received	-	92	-	92
Acquisition of a subsidiary, net of cash acquired	-	(1,760)	-	(17,244)
Purchase of investment securities	-	(4,700)	(3,106)	(4,700)
Purchase of property, plant and equipment	(4,823)	(6,578)	(7,369)	(6,739)
Additions to investment properties	(1,353)	(287)	(5,663)	(1,079)
Additions to intangible assets	(301)	(104)	(446)	(229)
Loans to joint ventures	(2,385)	(4,974)	(6,096)	(7,435)
Loan to an associated company	-	(669)	-	(1,675)
Net cash (used in)/provided by investing activities	3,993	(14,227)	(3,725)	(19,419)
Cash flows from financing activities				
Proceeds from borrowings	351	10,644	733	10,644
Purchase of treasury shares	(2,685)	-	(5,230)	-
Repayment of borrowings	(1,658)	(2,681)	(41,358)	(3,955)
Payment on lease liabilities	(2,122)	-	(3,444)	-
Acquisition of shares from non-controlling shareholder	-	-	(6,243)	-
Dividends paid to non-controlling interests	(2,936)	(2,182)	(2,936)	(2,182)
Dividends paid to equity holders of the Company	(6,075)	(9,859)	(6,075)	(9,859)
Net cash used in financing activities	(15,125)	(4,078)	(64,553)	(5,352)
Net increase/(decrease) in cash and cash equivalents	10,740	(10,421)	13,439	5,204
Cash and cash equivalents				
Beginning of financial period	248,350	280,496	246,861	265,382
Effects of currency translation on cash and cash equivalents	(515)	(1,677)	(1,725)	(2,188)
End of financial period	258,575	268,398	258,575	268,398

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-----)											Total equity \$'000
	Share capital \$'000	Treasury shares \$'000	Fair value reserve \$'000	Capital reserve \$'000	Share-based compensation reserve \$'000	Hedge reserve \$'000	Foreign currency translation reserve \$'000	Subtotal \$'000	Retained profits \$'000	Equity attributable to equity holders of the Company \$'000	Non-controlling interests \$'000	
GROUP												
Balance at 1 April 2019	70,758	(1,488)	5,778	(12,724)	654	(9)	(654)	(6,955)	273,828	336,143	146,207	482,350
Profit for the period	-	-	-	-	-	-	-	-	6,678	6,678	2,730	9,408
Other comprehensive loss for the period	-	-	(3)	-	-	(4)	(1,893)	(1,900)	(4)	(1,904)	(356)	(2,260)
Total other comprehensive (loss)/income for the period	-	-	(3)	-	-	(4)	(1,893)	(1,900)	6,674	4,774	2,374	7,148
Employee share-based compensation												
- Value of employee services	-	-	-	-	28	-	-	28	-	28	24	52
- Treasury shares re-issued by a subsidiary	-	-	-	418	(418)	-	-	-	-	-	-	-
Purchase of treasury shares	-	(2,545)	-	-	-	-	-	-	-	(2,545)	-	(2,545)
Acquisition of shares from non-controlling shareholder	-	-	-	-	-	-	(2)	(2)	(3,359)	(3,361)	(2,882)	(6,243)
Balance at 30 June 2019	70,758	(4,033)	5,775	(12,306)	264	(13)	(2,549)	(8,829)	277,143	335,039	145,723	480,762

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

	(-----Other reserves-----)											
	Share capital \$'000	Treasury shares \$'000	Fair value reserve \$'000	Capital reserve \$'000	Share-based compensation reserve \$'000	Hedge reserve \$'000	Foreign currency translation reserve \$'000	Subtotal \$'000	Retained profits \$'000	Equity attributable to equity holders of the Company \$'000	Non-controlling interests \$'000	Total equity \$'000
Profit for the period	-	-	-	-	-	-	-	-	5,737	5,737	3,127	8,864
Other comprehensive income/(loss) for the period	-	-	75	-	-	(8)	(641)	(574)	-	(574)	175	(399)
Total other comprehensive income/(loss) for the period	-	-	75	-	-	(8)	(641)	(574)	5,737	5,163	3,302	8,465
Employee share-based compensation												
- Value of employee services	-	-	-	-	28	-	-	28	-	28	25	53
Dividends												
- In cash	-	-	-	-	-	-	-	-	(6,075)	(6,075)	(2,936)	(9,011)
- In scrip	-	-	-	-	-	-	-	-	(3,948)	(3,948)	-	(3,948)
Issue of new shares pursuant to scrip dividend scheme	3,685	-	-	263	-	-	-	263	-	3,948	-	3,948
Purchase of treasury shares	-	(2,685)	-	-	-	-	-	-	-	(2,685)	-	(2,685)
Balance at 30 September 2019	74,443	(6,718)	5,850	(12,043)	292	(21)	(3,190)	(9,112)	272,857	331,470	146,114	477,584

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

	(-----Other reserves-----)											
	Share capital \$'000	Treasury shares \$'000	Fair value reserve \$'000	Capital reserve \$'000	Share-based compensation reserve \$'000	Hedge reserve \$'000	Foreign currency translation reserve \$'000	Subtotal \$'000	Retained profits \$'000	Equity attributable to equity holders of the Company \$'000	Non-controlling interests \$'000	Total equity \$'000
GROUP												
Balance at 1 April 2018	104,555	(35,285)	5,687	(13,065)	725	-	2,444	(4,209)	256,965	322,026	131,658	453,684
Profit for the period	-	-	-	-	-	-	-	-	9,115	9,115	5,445	14,560
Other comprehensive income/(loss) for the period	-	-	142	-	-	-	(812)	(670)	-	(670)	177	(493)
Total other comprehensive income/(loss) for the period	-	-	142	-	-	-	(812)	(670)	9,115	8,445	5,622	14,067
Employee share-based compensation												
- Value of employee services	-	-	-	-	69	-	-	69	-	69	62	131
- Treasury shares re-issued by a subsidiary	-	-	-	187	(187)	-	-	-	-	-	-	-
Effect of acquisition of shares from non-controlling shareholder	-	-	-	(7)	-	-	2	(5)	-	(5)	5	-
Balance at 30 June 2018	104,555	(35,285)	5,829	(12,885)	607	-	1,634	(4,815)	266,080	330,535	137,347	467,882
Profit for the period	-	-	-	-	-	-	-	-	6,885	6,885	4,300	11,185
Other comprehensive loss for the period	-	-	(278)	-	-	-	(855)	(1,133)	-	(1,133)	(565)	(1,698)
Total other comprehensive (loss)/income for the period	-	-	(278)	-	-	-	(855)	(1,133)	6,885	5,752	3,735	9,487
Employee share-based compensation												
- Value of employee services	-	-	-	-	69	-	-	69	-	69	62	131
- Treasury shares re-issued by a subsidiary	-	-	-	179	(179)	-	-	-	-	-	-	-
Dividends												
- In cash	-	-	-	-	-	-	-	-	(9,859)	(9,859)	(2,182)	(12,041)
Cancellation of treasury shares	(22,310)	22,310	-	-	-	-	-	-	-	-	-	-
Balance at 30 September 2018	82,245	(12,975)	5,551	(12,706)	497	-	779	5,879	263,106	326,497	138,962	465,459

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

	(-----Other reserves-----)						Total equity \$'000
	Share capital \$'000	Treasury shares \$'000	Fair value reserve \$'000	Capital reserve \$'000	Subtotal \$'000	Retained profits \$'000	
COMPANY							
Balance at 1 April 2019	70,758	(1,488)	7	2,135	2,142	55,223	126,635
Loss for the period	-	-	-	-	-	(726)	(726)
Other comprehensive loss for the period	-	-	(3)	-	(3)	-	(3)
Total other comprehensive loss for the period	-	-	(3)	-	(3)	(726)	(729)
Purchase of treasury shares	-	(2,545)	-	-	-	-	(2,545)
Balance at 30 June 2019	70,758	(4,033)	4	2,135	2,139	54,497	123,361
Profit for the period	-	-	-	-	-	785	785
Other comprehensive income for the period	-	-	75	-	75	-	75
Total other comprehensive income for the period	-	-	75	-	75	785	860
Dividends							
- In cash	-	-	-	-	-	(6,075)	(6,075)
- In scrip	-	-	-	-	-	(3,948)	(3,948)
Issue of new shares pursuant to scrip dividend scheme	3,685	-	-	263	263	-	3,948
Purchase of treasury shares	-	(2,685)	-	-	-	-	(2,685)
Balance at 30 September 2019	74,443	(6,718)	79	2,398	2,477	45,259	115,461

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

	(-----Other reserves-----)						Total equity \$'000
	Share capital \$'000	Treasury shares \$'000	Fair value reserve \$'000	Capital reserve \$'000	Subtotal \$'000	Retained profits \$'000	
COMPANY							
Balance at 1 April 2018	104,555	(35,285)	38	2,135	2,173	68,067	139,510
Profit for the period	-	-	-	-	-	162	162
Other comprehensive income for the period	-	-	142	-	142	-	142
Total other comprehensive income for the period	-	-	142	-	142	162	304
Balance at 30 June 2018	104,555	(35,285)	180	2,135	2,315	68,229	139,814
Profit for the period	-	-	-	-	-	1,860	1,860
Other comprehensive loss for the period	-	-	(278)	-	(278)	-	(278)
Total other comprehensive (loss)/income for the period	-	-	(278)	-	(278)	1,860	1,582
Dividends - In cash	-	-	-	-	-	(9,859)	(9,859)
Cancellation of treasury shares	(22,310)	22,310	-	-	-	-	-
Balance at 30 September 2018	82,245	(12,975)	(98)	2,135	2,037	60,230	131,537

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 for the Company (excluding treasury shares) increased from 489,686,539 ordinary shares to 491,201,529 ordinary shares. This resulted from the repurchase of a total of 3,567,400 ordinary shares pursuant to the Share Buy-Back Mandate approved at the Extraordinary General Meeting of the Company held on 26 July 2019, and the allotment of 5,082,390 ordinary shares pursuant to the Boustead Scrip Dividend Scheme. As at 30 September 2019, there were a total of 8,865,700 (30.9.18: 17,446,214) 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.

	As at 30.9.19	As at 31.3.19
Total number of issued shares (excluding treasury shares)	491,201,529	492,984,839

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.

Except as disclosed in Note 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period compared with those of the audited financial statements as at 31 March 2019.

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.

a. Accounting for elimination of unrealised gains and losses on transactions between the Group and its associated companies and joint ventures

With effect from the financial year ended 31 March 2019, the Group’s separately listed subsidiary, Boustead Projects Limited (“BP”) changed its accounting policy with respect to the elimination of unrealised gains and losses on transactions between the BP Group and its associated companies and joint ventures. The elimination of unrealised gains and losses are made through a proportionate reduction in “revenue” and “cost of sales” on the income statement, with no impact

to total profit. This change provides a straightforward approach to comprehending the BP Group's actual share of profit/loss of associated companies and joint ventures, and is also aligned with general industry practice.

b. Presentation for payroll-related cost directly attributable to construction projects

With effect from 1 April 2019, the BP Group changed its presentation for payroll-related cost directly attributable to construction projects. Such payroll-related costs, which were previously classified under "administrative expenses" and "selling and distribution expenses", are now classified under "cost of sales" on the income statement. This change is intended to provide a more accurate reflection of the BP Group's projects' gross margin and is not expected to impact the total profit.

c. Presentation for land rent expense from leasehold properties

The BP Group changed its presentation for land rent expenses for the prior year's comparative period. Such land rent expenses, which were previously classified under "administrative expenses" are now classified under "cost of sales" on the income statement. This change is intended to provide a better comparison against 1H FY2020 where such land rent expenses are represented as depreciation on the rights-of-use assets as part of "cost of sales" and interest expense on lease liabilities as part of "finance expense", in line with the adoption of SFRS(I) 16 *Leases* as explained below and is not expected to impact the total profit.

For purpose of comparison, the above changes were applied retrospectively to the financial period ended 30 September 2018, with their effects on the Group's financial statements set out as follows:

Income Statement

	GROUP		Net impact of restatement
	Second quarter ended 30.9.18 (Restated) \$'000	30.9.18 \$'000	
Revenue	112,859	118,360	(5,501)
Cost of sales	(75,575)	(75,885)	310
Expenses			
- Selling and distribution	(8,454)	(9,067)	613
- Administrative	(14,853)	(17,093)	2,240
Share of profit/(loss) of associated companies and joint ventures	219	(2,119)	2,338
Total profit	11,185	11,185	No impact

	GROUP		Net impact of restatement
	Half-year ended 30.9.18 (Restated) \$'000	30.9.18 \$'000	
Revenue	201,664	216,750	(15,086)
Cost of sales	(131,449)	(137,936)	6,487
Expenses			
- Selling and distribution	(16,633)	(17,457)	824
- Administrative	(30,014)	(33,697)	3,683
Share of profit/(loss) of associated companies and joint ventures	376	(3,716)	4,092
Total profit	25,745	25,745	No impact

The Group has adopted new/revised SFRS(I) that are effective for the financial periods beginning on or after 1 April 2019.

SFRS(I) 16 Leases

SFRS(I) 16 *Leases* introduced a single, on-balance sheet lease accounting model for lessees. A lessee recognises a rights-of-use ("ROU") asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The only exceptions are short-term leases and leases of low value assets. The accounting for lessors has not changed significantly.

The Group has applied the simplified transition approach and will not restate comparative amounts for the year ended 31 March 2019.

On the date of initial adoption, ROU assets are measured at the amount equal to the lease liabilities, adjusted by the amount of any prepaid or accrued lease payments relating to leases recognised in the balance sheet as at 31 March 2019.

Lease liabilities are measured at the present value of future lease payments. The lease payments are discounted using the incremental borrowing rate.

ROU assets relating to investment properties are presented in the balance sheet as investment properties and ROU assets relating to properties held for sale and other operating leases are presented in the balance sheet as rights-of-use assets.

Subsequent to initial recognition, ROU assets are measured using the cost model and are carried at cost less accumulated depreciation and accumulated impairment loss, if any. The carrying amount for lease liabilities subsequent to initial recognition would be reduced by lease payments.

Prior to adoption for SFRS(I) 16 *Leases*, lease payments relating to land rent expense were presented as administrative expenses. However, with the adoption of SFRS(1) 16 *Leases*, such lease payments are represented on the income statement as interest expense on lease liabilities as part of "finance expense" and depreciation on the ROU assets as part of "cost of sales".

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 Second quarter ended		GROUP Half-year ended	
	30.9.19	30.9.18	30.9.19	30.9.18
Earnings per ordinary share for the period after deducting any provision for preference dividends:-				
(i) Based on weighted average number of ordinary shares in issue (¢)	1.2	1.4	2.5	3.2
(ii) On a fully diluted basis (¢)	1.2	1.4	2.5	3.2
Weighted average number of ordinary shares in issue:				
Basic (*)	488,440,036	492,984,839	490,162,721	492,984,839
Fully diluted basis (**)	488,440,036	492,984,839	490,162,721	492,984,839

* The basic earnings per share is computed based on the weighted average number of ordinary shares in issue.

** The fully diluted earnings per share is computed based on the weighted average number of ordinary shares in issue adjusted for the effects of all potential dilutive ordinary shares.

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	
	30.9.19	31.3.19	30.9.19	31.3.19
Net asset value per ordinary share based on issued shares (excluding treasury shares) as at the end of the period reported on (¢)	67.5	68.2	23.5	25.7
Number of issued shares (excluding treasury shares) as at the end of the period reported on	491,201,529	492,984,839	491,201,529	492,984,839

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 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.

For 2Q FY2020, revenue increased 44% year-on-year to \$162.9 million. However, total profit and profit attributable to equity holders of the Company ("net profit") decreased 21% and 17% year-on-year to \$8.9 million and \$5.7 million respectively, mainly due to gross margin pressure, higher administrative and finance expenses, share of loss of associated companies and joint ventures, impairment loss on financial assets and foreseeable losses from the water and wastewater engineering business and legacy mini-power plant projects.

For 1H FY2020, revenue increased 45% year-on-year to \$292.1 million. However, total profit and net profit decreased 29% and 22% year-on-year to \$18.3 million and \$12.4 million respectively, mainly due to the same reasons mentioned for 2Q FY2020, in addition to the absence of the gain on sale of 25 Changi North Rise registered in the previous comparative 1Q FY2019.

For a comparative review after adjusting for other gains/losses net of non-controlling interests and excluding the impairment loss on financial assets, net profit for 1H FY2020 would have been comparable year-on-year.

2Q FY2020 Division Revenue

Division	Revenue			Favourable/ (Unfavourable) Change %	Revenue			Favourable/ (Unfavourable) Change %
	2Q FY2020	2Q FY2019			1H FY2020	1H FY2019		
	\$'m	\$'m			\$'m	\$'m		
Energy-Related Engineering	32.8	23.4	+40	65.8	42.8	+54		
Real Estate Solutions*	94.3	55.1	+71	156.7	94.2	+66		
Geospatial Technology	30.7	30.5	+1	60.8	60.6	+0		
Healthcare Technology	5.1	3.7	+38	8.6	**3.7	+132		
	162.8	112.7	+44	291.9	201.4	+45		
HQ Activities	0.1	0.1	-0	0.2	0.2	-0		
Group Total	162.9	112.9	+44	292.1	201.7	+45		

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

* Includes change in accounting policy with respect to the elimination of unrealised gains and losses on transactions between Boustead Projects and its associated companies and joint ventures.

** Healthcare Technology Division's results consolidated from 2Q FY2019 onwards following acquisition.

Each division's revenue performance for 2Q FY2020 is summarised below.

Continuing to ride on the better business outlook for the downstream oil & gas industries, the Energy-Related Engineering Division's revenue grew 40% year-on-year to \$32.8 million.

Sustained by a healthy order book backlog, the Real Estate Solutions Division (Boustead Projects)'s revenue climbed 71% year-on-year to \$94.3 million on significantly higher design-and-build revenue.

Firm demand for geospatial technology across Australia and South East Asia allowed the Geospatial Technology Division to deliver comparable revenue year-on-year of \$30.7 million, despite facing strong currency headwinds.

The Healthcare Technology Division's revenue improved 38% year-on-year to \$5.1 million.

2Q FY2020 Group Profitability

The Group's overall gross profit for 2Q FY2020 was comparable year-on-year at \$37.6 million, with the overall gross margin softening to 23% compared to 33% in 2Q FY2019. This was mainly due to gross margin pressure felt across the Group including Boustead Projects' lower margins from ongoing projects and lower quantum of cost savings from previously completed projects. It should also be noted that Boustead Projects has changed its presentation of payroll-related costs directly attributable to construction projects resulting in the classification of portions of 'selling and distribution expenses' and 'administrative expenses' to 'cost of sales'. As mentioned in Note 5, with the adoption of SFRS(I) 16 *Leases*, depreciation charge of the rights-of-use assets on land lease is classified as cost of sales. Prior to adoption of SFRS(I) 16 *Leases*, the land rent expense was presented in 'administrative expenses'.

Other income for 2Q FY2020 decreased 27% year-on-year to \$1.7 million due to lower interest income. Other gains of \$1.5 million in 2Q FY2020 were a reversal from other losses of \$0.2 million in 2Q FY2019.

Overhead expenses for 2Q FY2020 increased 9% year-on-year to \$25.4 million (selling and distribution expenses of \$8.8 million and administrative expenses of \$16.6 million), with higher administrative expenses in line with team expansions at the Geospatial Technology and Healthcare Technology Divisions.

Finance expenses for 2Q FY2020 rose 130% year-on-year to \$1.3 million as a result of the adoption of SFRS(I) 16 *Leases* which resulted in interest accrued on lease liabilities amounting to \$0.7 million.

Share of loss of associated companies and joint ventures for 2Q FY2020 was \$0.3 million versus share of profit of \$0.2 million in the previous comparative period. This was largely due to Boustead Projects' depreciation and interest expenses incurred on ALICE@Mediapolis where leasing income is in the process of stabilisation.

Profit before income tax ("PBT") for 2Q FY2020 decreased 22% year-on-year to \$12.2 million, mainly due to gross margin pressure, higher administrative and finance expenses, share of loss of associated companies and joint ventures, an impairment loss on financial assets and foreseeable losses from the water and wastewater treatment business and legacy mini-power plant projects. A breakdown of PBT by divisions is provided.

Division	PBT			PBT		
	2Q FY2020	2Q FY2019	Favourable/ (Unfavourable) Change	1H FY2020	1H FY2019	Favourable/ (Unfavourable) Change
	\$'m	\$'m	%	\$'m	\$'m	%
		(Restated)		(Restated)		
Energy-Related Engineering	*0.7	*(0.3)	NM	**3.3	**0.1	NM
Real Estate Solutions	6.5	10.0	-35	12.3	***22.4	-45
Geospatial Technology	5.9	6.5	-9	11.7	13.0	-10
Healthcare Technology	*****1.0	***** (0.1)	NM	****(0.5)	****(0.1)	-400
	14.1	16.0	-12	26.9	35.4	-24
HQ Activities	(1.8)	(0.3)	NM	(2.1)	(0.9)	-133
Group Total	12.2	15.7	-22	24.8	34.5	-28

NM – not meaningful

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

* Includes currency exchange gains of \$0.6m in 2Q FY2020 and currency exchange losses of \$0.4m in 2Q FY2019.

** Includes currency exchange gains of \$1.5m and \$1.0m in 1H FY2020 and 1H FY2019 respectively.

*** Includes gain on sale of 25 Changi North Rise amounting to \$5.9m, net of fees.

**** Healthcare Technology Division's results consolidated from 2Q FY2019 onwards following acquisition and includes share of results of its associated company in China of \$0.2m.

***** Healthcare Technology Division's results for 2Q FY2020 and 1H FY2020 includes share of results of its associated company in China of \$0.8m and \$0.4m respectively.

2Q FY2020 saw continued PBT growth in the Energy-Related Engineering Division driven by the better performance of the downstream oil & gas business and currency exchange gains, although this was partially offset by the weaker performance of the water and wastewater treatment business and the mini-power plant business.

The Real Estate Solutions Division's PBT (under Boustead Projects) was mainly affected by lower gross margins from ongoing projects and a lower quantum of cost savings from previously completed projects.

Total profit for 2Q FY2020 decreased 21% year-on-year to \$8.9 million due to reasons mentioned earlier.

Net profit for 2Q FY2020 decreased 17% year-on-year to \$5.7 million.

2Q FY2020 Statement of Cash Flows

During 2Q FY2020, cash and cash equivalents (after taking into account the effects of currency translation) rose by \$10.2 million to \$258.6 million, driven by net cash inflows from operating and investing activities, partially offset by net cash outflows to financing activities.

Net cash inflows from operating activities amounted to \$21.9 million, after accounting for a positive change in working capital of \$5.9 million.

Net cash inflows from investing activities amounted to \$4.0 million, mainly due to proceeds from the disposal of a subsidiary and investment securities, and dividends received from joint ventures, partially offset by the purchase of property, plant and equipment, loans to joint ventures and additions to investment properties.

Net cash outflows to financing activities amounted to \$15.1 million, primarily due to \$6.1 million and \$2.9 million in dividends paid to shareholders and non-controlling interests respectively, \$2.1 million payment on lease liabilities, \$2.7 million purchase of treasury shares and \$1.7 million repayment of borrowings.

Dividends

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

Statement of Financial Position

At the end of 1H FY2020, the Group's financial position remained healthy.

Under assets, the improvement in cash and cash equivalents was explained earlier under the explanation for 2Q FY2020 Statement of Cash Flows. Trade receivables (both current and non-current) significantly rose to \$131.5 million due to greater client progress billings in line with increased revenue. The swing from net contract assets (both current and non-current) at the end of FY2019 to net contract liabilities at the end of 1H FY2020 was largely due to Boustead Projects' billing and completion of a sizeable project under a deferred payment arrangement.

Under non-current assets, property, plant and equipment significantly climbed due to Boustead Projects' purchase of heavy-duty construction cranes. Rights-of-use assets were placed on the balance sheet after the Group adopted SFRS(I) 16 *Leases* as explained earlier in Note 5. In addition, \$50.1 million of rights-of-use assets have also been accounted for directly under investment properties, although this has been mostly offset by the decrease in investment properties following Boustead Projects' sale of a 49% economic interest in its Braddell Road development.

Under liabilities, lease liabilities (both current and non-current) were placed on the balance sheet after the Group adopted SFRS(I) 16 *Leases* as explained earlier in Note 5. Total borrowings (both current and non-current) significantly fell with Boustead Projects' repayment of borrowings in relation to the sizeable project under a deferred payment arrangement.

Under equity, share capital rose with the allotment of new shares pursuant to the Scrip Dividend Scheme, while treasury shares exponentially increased after the Company conducted share buybacks during 1H FY2020.

The Group's net asset value per share decreased to 67.5 cents at the end of 1H FY2020 from 68.2 cents at the end of FY2019, following dividends paid to shareholders and non-controlling interests, the allotment of new shares pursuant to the Scrip Dividend Scheme and the purchase of treasury shares as mentioned earlier. The net cash position (i.e. net of all bank borrowings) was significantly boosted to \$195.8 million at the end of 1H FY2020, translating to a net cash per share position of 39.9 cents. In addition, the Group held \$53.9 million in investment securities at the end of 1H FY2020, of which almost half of the amount is highly liquid.

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.

Since the start of FY2020, the Group has been awarded approximately \$245 million in new contracts, adding to the current healthy order book backlog of \$789 million (unrecognised project revenue remaining at the end of 2Q FY2020 plus the total value of new orders secured since then), of which \$209 million is under the Energy-Related Engineering Division and \$580 million is under the Real Estate Solutions Division.

The Group remains cautiously optimistic on prospects in light of continued pressure on margins and the prevailing uncertainty posed by strong global geo-economic and geo-political headwinds including the trade war and multiple threats to globalisation.

Strengthened by a healthy balance sheet, net cash position, strong order book backlog and wide range of available financing options, the Group maintains an excellent position to weather the highly challenging global business environment. The Group continues to actively working on capital deployment for the Real Estate Solutions, Geospatial Technology and Healthcare Technology Divisions' various proposed programmes for strategic growth.

Barring unforeseen circumstances, the Group believes that it can continue to deliver steady results in FY2020.

11. Dividend

(a) Current financial period reported on

Any dividend declared for the current financial period reported on?

Yes.

Name of Dividend	Interim
Dividend Type	Cash
Dividend Amount (per ordinary share)	1 cent
Tax Rate	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?

Yes.

Name of Dividend	Interim
Dividend Type	Cash
Dividend Amount (per ordinary share)	1.0 cent
Tax Rate	Tax exempt (1-tier)

(c) Date payable

6 December 2019

(d) Books closure date

Notice is hereby given that the Transfer Books and Register of Members of the Company will be closed from 5.00pm on 22 November 2019 for the purpose of determining shareholders' entitlements to the interim dividend to be paid on 6 December 2019.

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 5.00pm on 22 November 2019 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.

14. Confirmation of undertakings from Directors and Executive Officers

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

15. Negative confirmation by the Board pursuant to Rule 705(5)

We, Wong Fong Fui and Wong Yu Loon, being two of the directors of Boustead Singapore 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 2Q FY2020 financial results to be false or misleading.

On behalf of the Board of Directors

Wong Fong Fui
Chairman

Wong Yu Loon
Director

Singapore
13 November 2019