

**BOUSTEAD PROJECTS LIMITED**  
**AND ITS SUBSIDIARIES**

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

**SGXNET ANNOUNCEMENT**  
**UNAUDITED RESULTS FOR FY2016**  
**ENDED 31 MARCH 2016**



## 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, Boustead Projects has constructed and developed more than 3,000,000 square metres of industrial real estate regionally in Singapore, China, Malaysia and Vietnam. Boustead Projects is approved by the Building & Construction Authority of Singapore for Grade CW01-A1 and General Builder Class One License to execute building construction contracts of unlimited value.

Boustead Projects' in-depth experience in designing and constructing custom-built facilities covers the aviation, commercial, electronics, food processing, high-tech manufacturing, lifestyle, logistics, petrochemical, pharmaceutical, precision engineering and technology industries. It is also the market leader in pioneering advanced environmentally-sustainable facilities under the Building & Construction Authority's Green Mark Programme and the U.S. Green Building Council's Leadership in Energy & Environmental Design Programme. In Singapore, Boustead Projects 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.

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.

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.

Visit the 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 2016**

**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		
		31.3.16 \$'000	31.3.15 \$'000	Inc/(Dcr) %	31.3.16 \$'000	31.3.15 \$'000	Inc/(Dcr) %
<b>Revenue</b>		59,429	48,825	22%	255,475	255,389	0%
<b>Cost of sales</b>		(45,237)	(31,428)	44%	(196,508)	(198,090)	-1%
<b>Gross profit</b>		14,192	17,397	-18%	58,967	57,299	3%
Other income	1	1,813	1,967	-8%	4,581	4,112	11%
Other losses - net	2	(35)	(272)	-87%	(128)	(465)	-72%
Expenses							
- Selling and distribution		(1,131)	(1,185)	-5%	(4,017)	(4,140)	-3%
- Administrative		(6,897)	(6,856)	1%	(23,034)	(20,257)	14%
- Finance		(668)	(908)	-26%	(3,985)	(1,909)	109%
Share of loss of an associated company and joint ventures		(857)	(287)	199%	(2,675)	(1,218)	120%
<b>Profit before income tax</b>	3	6,417	9,856	-35%	29,709	33,422	-11%
Income tax expense	4	(1,034)	(2,083)	-50%	(6,844)	(8,860)	-23%
<b>Total profit</b>		5,383	7,773	-31%	22,865	24,562	-7%
Profit attributable to:							
Equity holders of the Company		5,380	7,774	-31%	22,865	24,668	-7%
Non-controlling interests		3	(1)	NM	-	(106)	-100%
		5,383	7,773	-31%	22,865	24,562	-7%

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		
	31.3.16 \$'000	31.3.15 \$'000	Inc/(Dcr) %	31.3.16 \$'000	31.3.15 \$'000	Inc/(Dcr) %
<b>Total profit</b>	5,383	7,773	-31%	22,865	24,562	-7%
<b>Other comprehensive income/(loss):</b>						
<u>Items that may be reclassified subsequently to profit or loss</u>						
- Currency translation differences arising from consolidation	153	24	538%	(1,650)	199	NM
<b>Other comprehensive income/(loss), net of tax</b>	153	24	538%	(1,650)	199	NM
<b>Total comprehensive income</b>	5,536	7,797	-29%	21,215	24,761	-14%
Total comprehensive income attributable to:						
Equity holders of the Company	5,533	7,798	-29%	21,215	24,867	-15%
Non-controlling interests	3	(1)	NM	-	(106)	-100%
	5,536	7,797	-29%	21,215	24,761	-14%

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		
	31.3.16 \$'000	31.3.15 \$'000	Inc/(Dcr) %	31.3.16 \$'000	31.3.15 \$'000	Inc/(Dcr) %
<u>Note 1: Other income</u>						
Interest income	1,496	1,668	-10%	3,365	2,960	14%
Sublease income	317	299	6%	1,216	1,152	6%
	1,813	1,967	-8%	4,581	4,112	11%
<u>Note 2: Other losses - net</u>						
Currency exchange losses – net	(35)	(272)	-87%	(128)	(465)	-72%
<u>Note 3: Profit before income tax is arrived at after charging:</u>						
Depreciation expense	(1,599)	478	NM	(6,593)	(4,246)	55%
Share-based payment expense	(514)	(358)	44%	(514)	(482)	7%
<u>Note 4: Income tax</u>						
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.						
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.						

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	
		31.3.16 \$'000	31.3.15 \$'000	31.3.16 \$'000	31.3.15 \$'000
<b>ASSETS</b>					
<b>Current assets</b>					
Cash and cash equivalents		90,876	114,279	71,700	92,419
Properties held for sale		30,413	30,437	-	-
Trade receivables		69,737	63,227	60,872	50,122
Other receivables and prepayments		17,398	195,027	133,778	224,278
Foreign exchange contracts		13	-	13	-
Contracts work-in-progress		6,133	7,810	3,453	7,552
		<b>214,570</b>	<b>410,780</b>	<b>269,816</b>	<b>374,371</b>
<b>Non-current assets</b>					
Trade receivables		-	7,438	-	7,438
Other receivables and prepayments		3,395	-	-	-
Investments in an associated company		200	1,094	-	-
Investments in joint ventures		13,755	10,728	17,203	12,298
Investments in subsidiaries		-	-	29,135	2,438
Available-for-sale financial assets		38,391	17,872	38,391	17,872
Investment properties		146,182	159,857	-	-
Property, plant and equipment		743	815	714	791
Deferred income tax assets		-	32	-	-
		<b>202,666</b>	<b>197,836</b>	<b>85,443</b>	<b>40,837</b>
<b>Total assets</b>		<b>417,236</b>	<b>608,616</b>	<b>355,259</b>	<b>415,208</b>
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Borrowings	1(b)(ii)	5,095	12,105	-	-
Trade and other payables		102,877	153,626	158,554	190,301
Income tax payable		8,231	11,307	4,497	7,400
Foreign exchange contracts		306	-	306	-
Contracts work-in-progress		10,375	387	10,375	387
		<b>126,884</b>	<b>177,425</b>	<b>173,732</b>	<b>198,088</b>
<b>Non-current liabilities</b>					
Borrowings	1(b)(ii)	88,354	174,374	-	-
Trade payables		5,401	2,324	5,401	2,324
Deferred income tax liabilities		2,737	1,848	1	1
		<b>96,492</b>	<b>178,546</b>	<b>5,402</b>	<b>2,325</b>
<b>Total liabilities</b>		<b>223,376</b>	<b>355,971</b>	<b>179,134</b>	<b>200,413</b>
<b>NET ASSETS</b>		<b>193,860</b>	<b>252,645</b>	<b>176,125</b>	<b>214,795</b>
<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
Retained profits		182,081	239,216	161,125	199,795
Other reserves		(3,115)	(1,465)	-	-
		<b>193,966</b>	<b>252,751</b>	<b>176,125</b>	<b>214,795</b>
Non-controlling interests		(106)	(106)	-	-
<b>Total equity</b>	1(d)(i)	<b>193,860</b>	<b>252,645</b>	<b>176,125</b>	<b>214,795</b>

**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 31.3.16 \$'000</b>		<b>As at 31.3.15 \$'000</b>	
Secured	Unsecured	Secured	Unsecured
5,095	-	12,105	-

Amount repayable after one year

<b>As at 31.3.16 \$'000</b>		<b>As at 31.3.15 \$'000</b>	
Secured	Unsecured	Secured	Unsecured
88,354	-	174,374	-

Total borrowings of \$93,449,000 (31.3.15: \$186,479,000) 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	31.3.15	Full-year ended	31.3.15
	31.3.16	31.3.15	31.3.16	31.3.15
	\$'000	\$'000	\$'000	\$'000
<b>Cash flows from operating activities</b>				
Profit before income tax	6,417	9,856	29,709	33,422
Adjustments for:				
Depreciation expense	1,599	(478)	6,593	4,246
Share of loss of an associated company and joint ventures	857	287	2,675	1,218
Employee share-based compensation expense	514	358	514	482
Fair value losses on foreign exchange contracts	30	-	104	-
Interest income	(1,496)	(1,668)	(3,365)	(2,960)
Finance expenses	668	908	3,985	1,909
Currency exchange losses/(gains) – net	35	(360)	128	(167)
	8,624	8,903	40,343	38,150
Change in working capital:				
- Trade and other receivables	13,584	(14,393)	(6,636)	(12,809)
- Contracts work-in-progress	5,641	19,360	11,665	(9,511)
- Trade and other payables	(9,463)	(28,450)	(4,765)	9,812
Cash generated from/(provided by) operations	18,386	(14,580)	40,607	25,642
Interest received	1,496	1,668	3,365	2,960
Interest paid	(668)	(908)	(3,985)	(1,909)
Income tax paid	(209)	(269)	(8,999)	(6,106)
<b>Net cash provided by/(used in) operating activities</b>	<b>19,005</b>	<b>(14,089)</b>	<b>30,988</b>	<b>20,587</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)**

	<b>GROUP</b>		<b>GROUP</b>	
	<b>Fourth quarter ended</b>		<b>Full-year ended</b>	
	<b>31.3.16</b>	<b>31.3.15</b>	<b>31.3.16</b>	<b>31.3.15</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Cash flows from investing activities</b>				
Purchase of property, plant and equipment	(46)	-	(224)	(324)
Additions to investment properties	-	-	-	(54,880)
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	12,934
Proceeds from repayment of loan by an associated company	-	7,487	-	7,487
Proceeds from repayment of loans by joint ventures	-	-	51,981	221
Loans to joint ventures	(1,520)	(57,829)	(11,399)	(58,596)
Loan to a related party	(96)	-	(2,710)	-
<b>Net cash (used in)/provided by investing activities</b>	<b>(1,662)</b>	<b>(50,342)</b>	<b>140,381</b>	<b>(93,158)</b>
<b>Cash flows from financing activities</b>				
Proceeds from borrowings	-	29,801	-	141,084
Repayment of borrowings	(10,773)	(2,458)	(93,030)	(6,760)
Loan from ultimate holding company	-	-	-	282
Repayment of loan to ultimate holding company	-	(2,241)	(20,750)	(2,246)
Dividends paid	-	-	(80,000)	-
<b>Net cash (used in)/provided by financing activities</b>	<b>(10,773)</b>	<b>25,102</b>	<b>(193,780)</b>	<b>132,360</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>6,570</b>	<b>(39,329)</b>	<b>(22,411)</b>	<b>59,789</b>
<b>Cash and cash equivalents</b>				
Beginning of financial period/year	83,964	153,784	114,279	54,598
Effects of currency translation on cash and cash equivalents	342	(176)	(992)	(108)
<b>End of financial period/year</b>	<b>90,876</b>	<b>114,279</b>	<b>90,876</b>	<b>114,279</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-----)					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	Subtotal \$'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)

	(-----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 2014	15,000	214,548	-	1,190	1,190	230,738	-	230,738
Profit/(loss) for the period	-	16,894	-	-	-	16,894	(105)	16,789
Other comprehensive income for the period	-	-	-	175	175	175	-	175
Total comprehensive income/(loss) for the period	-	16,894	-	175	175	17,069	(105)	16,964
Balance at 31 December 2014	15,000	231,442	-	1,365	1,365	247,807	(105)	247,702
Profit/(loss) for the period	-	7,774	-	-	-	7,774	(1)	7,773
Other comprehensive income for the period	-	-	-	24	24	24	-	24
Total comprehensive income/(loss) for the period	-	7,774	-	24	24	7,798	(1)	7,797
Effect of corporate restructuring	-	-	(2,854)	-	(2,854)	(2,854)	-	(2,854)
Balance at 31 March 2015	15,000	239,216	(2,854)	1,389	(1,465)	252,751	(106)	252,645

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

	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

	Share capital \$'000	Retained profits \$'000	Total \$'000
<b>COMPANY</b>			
Balance at 1 April 2014	15,000	134,197	149,197
Profit for the period, representing total comprehensive income for the period	-	59,391	59,391
Balance at 31 December 2014	15,000	193,588	208,588
Profit for the period, representing total comprehensive income for the period	-	6,207	6,207
Balance at 31 March 2015	15,000	199,795	214,795

**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 current financial period, the issued and paid-up capital of the Company remained unchanged at 320,000,000 ordinary shares.

The Company did not hold any treasury shares in the current financial period reported on, same as the previous year's corresponding period.

**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 31.3.16</b>	<b>As at 31.3.15</b>
Total number of issued shares	320,000,000	15,000,000

**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 2015, the Group adopted the amended FRS that are mandatory for application for the financial year ended 31 March 2016. 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 31.3.16	31.3.15	Full-year ended 31.3.16	31.3.15
Earnings per ordinary share for the period/year after deducting any provision for preference dividends:-				
(i) Based on weighted average number of ordinary shares pre-sub-division (¢) (*)	35.9	51.8	152.4	164.5
(ii) Based on weighted average number of ordinary shares post-sub-division (¢) (**)	1.7	2.4	7.1	7.7
Weighted average number of ordinary shares in issue:				
Basic pre-sub-division (*)	15,000,000	15,000,000	15,000,000	15,000,000
Basic post-sub-division (**)	320,000,000	320,000,000	320,000,000	320,000,000

\* For comparability, the basic earnings per share is computed based on the weighted average number of ordinary shares in issue pre-sub-division of ordinary shares on 23 April 2015.

\*\* For comparability, the basic earnings per share is computed based on the weighted average number of ordinary shares in issue post-sub-division of ordinary shares on 23 April 2015.

The Company has no 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	
	31.3.16	31.3.15	31.3.16	31.3.15
Net asset value per ordinary share:				
(i) Based on the number of ordinary shares in issue as at the end of the period reported on, pre-sub-division (\$) (*)	12.931	16.850	11.742	14.320
(ii) Based on the number of ordinary shares in issue as at the end of the period reported on, post-sub-division (\$) (**)	0.606	0.790	0.550	0.671
Number of ordinary shares in issue as at the end of the period reported on:				
Basic pre-sub-division (*)	15,000,000	15,000,000	15,000,000	15,000,000
Basic post-sub-division (**)	320,000,000	320,000,000	320,000,000	320,000,000

\* For comparability, the net asset value per ordinary share has been computed based on the number of ordinary shares in issue at the end of the period reported on, pre-sub-division of ordinary shares on 23 April 2015.

\*\* For comparability, the net asset value per ordinary share has been computed based on the number of ordinary shares in issue at the end of the period reported on, post-sub-division of ordinary shares on 23 April 2015.

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 FY2016, the BP Group registered revenue of \$59.4 million, which is 22% higher than 4Q FY2015, given that a higher volume of construction work was completed in 4Q FY2016. However, total profit for 4Q FY2016 decreased 31% year-on-year to \$5.4 million, largely due to the total profit for 4Q FY2015 benefitting from a higher release of provisions for completed projects.

For FY2016, the BP Group registered revenue of \$255.5 million, which remained comparable to FY2015. However, total profit for FY2016 decreased 7% year-on-year to \$22.9 million, primarily due to the challenging and competitive industrial real estate business landscape, higher overhead and finance expenses, and greater share of loss of an associated company and joint ventures (mainly elimination of construction profits attributable to projects which the BP Group has entered into with an associated company and joint ventures).

**Segment Revenue**

Segment	Revenue			Revenue		
	4Q FY2016 \$'m	4Q FY2015 \$'m	Favourable/ (Unfavourable) Change %	FY2016 \$'m	FY2015 \$'m	Favourable/ (Unfavourable) Change %
Design-and-Build	49.7	41.2	+21	221.1	228.9	-3
Leasing	9.7	7.6	+28	34.4	26.5	+30
BP Group Total	59.4	48.8	+22	255.5	255.4	+0

Segment Revenue for 4Q FY2016

Contributing 84% of the BP Group's total revenue for 4Q FY2016, design-and-build revenue was \$49.7 million, which is 21% higher than 4Q FY2015.

Contributing 16% of the BP Group's total revenue for 4Q FY2016, leasing revenue was \$9.7 million, which is 28% higher than 4Q FY2015. This is attributable to the full quarterly contribution of a design-build-and-lease project completed during FY2015 and the normalisation of leasing revenue from three other properties.

Segment Revenue for FY2016

Contributing 87% of the BP Group's total revenue for FY2016, design-and-build revenue was \$221.1 million, which is 3% lower than FY2015. A major project with significant contract value was completed during FY2015, resulting in higher revenue registered for the design-and-build business during that period.

Contributing 13% of the BP Group's total revenue for FY2016, leasing revenue was \$34.4 million, which is 30% higher than FY2015. This is attributable to greater contribution from three design-build-and-lease projects completed during FY2015 coupled with the normalisation of leasing revenue from three other properties.



## Group Profitability

A breakdown of PBT by business segment is provided as follows.

Segment	PBT			PBT		
	4Q FY2016	4Q FY2015	Favourable/ (Unfavourable) Change	FY2016	FY2015	Favourable/ (Unfavourable) Change
	\$'m	\$'m	%	\$'m	\$'m	%
Design-and-Build	1.8	3.8	-53	13.9	19.5	-29
Leasing	4.6	6.1	-25	15.8	13.9	+14
BP Group Total	6.4	9.9	-35	29.7	33.4	-11

### Group Profitability for 4Q FY2016

For 4Q FY2016, the BP Group's gross profit decreased 18% year-on-year to \$14.2 million, mainly affected by softer design-and-build gross margins arising from the more challenging and competitive business environment.

Other income for 4Q FY2016 decreased 8% year-on-year to \$1.8 million, as a result of lower interest income from shareholders' loans extended to an associated company and joint ventures, and the absence of interest earned from Boustead Singapore Limited.

Overhead expenses (selling and distribution expenses, and administrative expenses) for 4Q FY2016 were \$8.0 million, comparable to 4Q FY2015.

Finance expenses for 4Q FY2016 decreased to \$0.7 million, following the BP Group's repayment of borrowings to fully deleverage six properties within the industrial leasehold portfolio during FY2016.

Profit before income tax ("PBT") for 4Q FY2016 decreased 35% year-on-year to \$6.4 million, mainly on the back of softer design-and-build gross margins and a higher share of loss of an associated company and joint ventures, partially offset by lower finance expenses.

Income tax expense for 4Q FY2016 fell 50% year-on-year to \$1.0 million, largely due to lower profitability.

Total profit for 4Q FY2016 declined 31% year-on-year to \$5.4 million due to reasons mentioned earlier.

### Group Profitability for FY2016

For FY2016, the BP Group's gross profit increased 3% year-on-year to \$59.0 million, mainly boosted by higher gross profit from the leasing business on the back of an enlarged industrial leasehold portfolio, partially offset by lower gross profit from the design-and-build business which continued to be affected by the more challenging and competitive business environment.

Other income for FY2016 increased 11% year-on-year to \$4.6 million, as a result of higher interest income derived from higher monthly average cash balances placed in fixed deposits, better fixed deposit rates and additional shareholders' loans extended to joint ventures.

Overhead expenses (selling and distribution expenses and administrative expenses) for FY2016 increased by 11% year-on-year to \$27.1 million. This is largely due to the increase in administrative expenses by 14% year-on-year to \$23.0 million as a result of additional operating expenses incurred in managing the enlarged industrial leasehold portfolio, and higher legal and professional fees. Selling and distribution expenses of \$4.0 million decreased slightly compared to FY2015.

Finance expenses for FY2016 were \$4.0 million, which is considerably higher than FY2015 due to the BP Group's drawdown of borrowings during FY2015 for activities related to the industrial leasehold portfolio. In FY2016, repayment of borrowings was undertaken to fully deleverage six properties within the industrial leasehold portfolio.

Share of loss of an associated company and joint ventures (mainly elimination of construction profits attributable to projects which the BP Group has entered into with an associated company and joint ventures) for FY2016 increased to \$2.7 million mainly as a result of the elimination of unrealised intercompany profits.

Despite the increase in gross profit, PBT for FY2016 decreased 11% year-on-year to \$29.7 million, mainly as a result of higher overhead and finance expenses, and greater share of loss of an associated company and joint ventures.

PBT from the design-and-build business declined 29% year-on-year to \$13.9 million on the back of lower gross profit and greater share of loss of an associated company and joint ventures. In contrast, PBT from the leasing business improved 14% year-on-year to \$15.8 million, mainly attributable to higher gross profit, partially offset by higher finance expenses, additional operating expenses incurred in managing the enlarged industrial leasehold portfolio, and higher professional and legal fees.

Income tax expense for FY2016 fell 23% year-on-year to \$6.8 million, largely due to lower profitability and lower unrealised intercompany profits earned as compared to FY2015.

Total profit for FY2016 declined 7% year-on-year to \$22.9 million due to reasons mentioned earlier.

### **Statement of Cash Flows**

#### Cash Flows for 4Q FY2016

During 4Q FY2016, cash and cash equivalents (after taking into account the effects of currency translation) increased by \$6.9 million to \$90.9 million, mainly driven by cash provided by operating activities, partially offset by the repayment of borrowings.

Net cash provided by operating activities for 4Q FY2016 amounted to \$19.0 million, which was mainly due to operating cash flows before changes in working capital of \$8.6 million, and adjusted by the change in working capital inflow of \$9.8 million, net interest receipt of \$0.8 million and income tax payments of \$0.2 million. The change in working capital inflow of \$9.8 million is attributable to a decrease in trade and other receivables arising from collections from clients, an increase in contracts work-in-progress under current liabilities arising from increased progress billings to clients, and partially offset by a decrease in trade and other payables arising from payments made to subcontractors.

Net cash used in investing activities for 4Q FY2016 amounted to \$1.7 million, mainly due to an additional shareholders' loan provided to a joint venture.

Net cash used in financing activities for 4Q FY2016 amounted to \$10.8 million, due to the repayments of borrowings to fully deleverage a property and to reduce borrowings for the remaining properties.

### Cash Flows for FY2016

During FY2016, cash and cash equivalents (after taking into account the effects of currency translation) decreased by \$23.4 million to \$90.9 million, mainly driven by financing activities.

Driven by better working capital management, net cash provided by operating activities for FY2016 amounted to \$31.0 million, which was mainly due to operating cash flows before changes in working capital of \$40.3 million, adjusted by the change in working capital inflow of \$0.3 million, net interest payment of \$0.6 million and income tax payments of \$9.0 million. The change in working capital inflow of \$0.3 million was attributable to an increase in trade and other receivables arising from progress billings to clients near the end of FY2016, an increase in contracts work-in-progress under current liabilities arising from increased progress billings to clients, and a decrease in trade and other payables arising from payments made to subcontractors.

Net cash provided by investing activities for FY2016 amounted to \$140.4 million, mainly due to the repayment of loans by joint ventures and Boustead Singapore Limited, and partially offset by payments made to Boustead Singapore Limited for the acquisitions of subsidiaries and an available-for-sale financial asset and additional shareholders' loans provided to a related party (a subsidiary of an associated company) and joint ventures.

Net cash used in financing activities for FY2016 amounted to \$193.8 million as a result of repayment of borrowings, repayment of a shareholder's loan and dividend payment to Boustead Singapore Limited. The repayment of borrowings was undertaken to fully deleverage six properties within the industrial leasehold portfolio and to reduce borrowings for the remaining properties.

### **Balance Sheets**

At the end of FY2016, the BP Group's financial position remained healthy with cash and cash equivalents of \$90.9 million and total equity of \$193.9 million.

Under current assets, the BP Group's cash and cash equivalents decreased to \$90.9 million for reasons mentioned under the earlier section on Statement of Cash Flows.

Current trade receivables increased to \$70.0 million due to increased progress billings made as at the end of FY2016. Other receivables and prepayments dropped substantially as a result of a \$130.4 million loan repayment by Boustead Singapore Limited and \$45.5 million of net loan repayments by joint ventures.

Under non-current assets, trade receivables decreased by \$7.4 million, due to settlement against trade and other payables in the current year. Available-for-sale financial assets more than doubled to \$38.4 million due to the BP Group's acquisition of an investment in China from Boustead Singapore Limited. Investments in joint ventures increased to \$13.8 million mainly as a result of providing shareholders' loans to two joint ventures for the development of industrial properties for lease. Investment in an associated company declined to \$0.2 million arising from adjustments of unrealised profits.

Under liabilities (both current and non-current), trade and other payables fell significantly to \$108.3 million, mainly due to lower volume of work on intercompany projects at the end of FY2016 as well as \$27.9 million in payments made to Boustead Singapore Limited for loan repayment and acquisition of subsidiaries. Net contracts work-in-progress under liabilities increased to \$4.2 million due to increased progress billings to clients.

Borrowings (both current and non-current) halved to \$93.4 million, mainly due to the repayment of borrowings to fully deleverage six properties within the industrial leasehold portfolio and to reduce borrowings for the remaining properties.

Retained profits were reduced by 24% to \$182.1 million, primarily due to the \$80.0 million dividend paid to Boustead Singapore Limited subsequent to the demerger, partially offset by total profit of \$22.9 million. Consequently, the BP Group's net asset value per share declined to 60.6 cents at the end of FY2016, from 79.0 cents a year earlier.

Following the \$52.0 million repayment of loans by joint ventures and \$93.0 million repayment of borrowings, net borrowings (total borrowings less cash and cash equivalents) stood at \$2.6 million at the end of FY2016.

**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.**

Despite the highly challenging and competitive industrial real estate market, the BP Group's order book backlog stands at a healthy \$208 million (at the end of FY2016 plus new orders since). Many of the projects secured during FY2016 attest to the BP Group's continued leadership in the industrial design-and-build sector, and also reflect the progressive implementation of the BP Group's growth strategies to diversify its revenue outside of Singapore and to gain a foothold in new industry clusters.

Given the continued difficult operating environment facing the industrial real estate market in Singapore, the BP Group will continue to implement its strategy of growing its overseas markets and focusing more efforts on design-and-build projects in higher value industries. The BP Group believes that its healthy balance sheet and various business platforms and partnerships will allow it to continue seeking out strategic investment opportunities for growth and form a firm foundation for it to realise its vision to become a regional integrated real estate solutions leader with a full suite of capabilities.

**11. Dividend**

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

Any dividend declared for the current financial period reported on?

No.

**(b) Corresponding Period of the Immediately Preceding Financial Year**

Any dividend declared for the corresponding period of the immediately preceding financial year?

Yes. This dividend was paid to Boustead Singapore Limited on 29 April 2015 as part of the demerger.

Name of Dividend	Interim declared and paid
Dividend Type	Cash
Dividend Amount (per ordinary share)	25 cents
Tax Rate	Tax exempt (1-tier)

**(c) Date payable**

Not applicable.

**(d) Books closure**

Not applicable.

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

No dividend has been declared/recommendeded for this period.

**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>FY2016</b>	<b>Design-and-Build \$'000</b>	<b>Leasing \$'000</b>	<b>Elimination \$'000</b>	<b>Group \$'000</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
<b>FY2015</b>				
<b>Primary segments</b>				
<b>Revenue</b>				
External sales	228,883	26,506	-	255,389
Inter-segment sales	74,141	-	(74,141)	-
Total revenue	303,024	26,506	(74,141)	255,389
<b>Result</b>				
Segment result before interest	32,874	15,188	(15,691)	32,371
Interest income	2,311	649	-	2,960
Finance costs				(1,909)
Profit before income tax				33,422
Income tax expense				(8,860)
Total profit				24,562
Attributable to:				
Equity holders of the Company				24,668
Non-controlling interests				(106)
				24,562

## BY GEOGRAPHICAL SEGMENTS

Revenue	Singapore \$'000	Other Countries \$'000	Group \$'000
External sales for the full-year ended			
31.3.16	229,415	26,060	255,475
31.3.15	227,996	27,393	255,389

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		
	31.3.16 \$'000	31.3.15 \$'000	Inc/(Dcr) %
Sales reported for first half-year	110,436	107,290	3%
Operating profit after income tax for first half-year	10,333	14,143	-27%
Sales reported for second half-year	145,039	148,099	-2%
Operating profit after income tax reported for second half-year	12,532	10,419	20%

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

	Latest Full-Year \$'000	Previous Full-Year \$'000
Ordinary	-	80,000
Preference	-	-
<b>Total</b>	-	80,000

**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)	
	31.3.16 S\$'000	31.3.15 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	480
ii) Lease of office premises from the BSL Group <sup>(1)</sup> (includes shared expenses such as IT, utilities and common area usage)	194	435
iii) Provision of loans to the BSL Group <sup>(1)</sup>	-	122,930
iv) Interest income from the BSL Group <sup>(1)</sup>	51	656
v) 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>	514	482
vi) BSL’s sale of shares in its entire holding in the Entities <sup>(1)</sup>	20,478 <sup>(3)</sup>	7,178 <sup>(2)</sup>
vii) Assignment of the BREF Shareholder’s Loan from BSL to the Company <sup>(1)</sup>	-	13,250
viii) 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.

(2) Boustead Trustee Pte. Ltd. of 2 ordinary shares; Boustead Real Estate Fund of 10,000 units, Boustead Property Services Pte. Ltd. of 2 ordinary shares; Boustead Funds Management Pte. Ltd. of 2 ordinary shares and registered capital of USD1.55 million (approximately RMB12.8 million) of Wuxi Boustead Industrial Development Co., Ltd (collectively known as the “Entities”).

(3) Perennial Tongzhou Development Pte. Ltd. of 367,142 ordinary shares.



**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)	39	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  
20 May 2016

*Boustead Projects Limited's admission to and listing on the Singapore Exchange Securities Trading Limited was sponsored by CIMB Bank Berhad, Singapore Branch. CIMB Bank Berhad, Singapore Branch assumes no responsibility for the contents of this announcement.*