

Boustead Singapore Limited / Boustead Projects Limited

Joint FY2016 Financial Results Presentation

24 MAY 2016



ENGINEERING THE WORLD OF THE FUTURE

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Presentation Agenda

- Overview
- Boustead Group Financial Review
- Boustead Projects Financial Review
- Division Performance Review
- Questions & Answers





Overview

Introducing Boustead

Engineering the world of the future

OVERVIEW

- Established in 1828, Boustead Singapore is a progressive global infrastructure-related engineering services and geo-spatial technology group

Geo-Spatial
Technology



Energy-Related
Engineering



Real Estate
Solutions
(Boustead
Projects)



Our Global Network

OVERVIEW



Our Global Footprint

OVERVIEW



Forbes
Asia

Best Under A Billion

SINGAPORE
INTERNATIONAL
100



Our Global Footprint

ASIA & OCEANIA

East Asia

China*
Japan
Macau
South Korea*
Taiwan

South East Asia

Brunei
Indonesia*
Malaysia*
Philippines
Singapore*
Thailand*
Timor-Leste
Vietnam*

South Asia

Bangladesh
India*
Maldives
Pakistan
Sri Lanka

South West Asia

Bahrain
Cyprus
Jordan
Kuwait
Oman
Qatar
Saudi Arabia*
Turkey*
UAE*

Central Asia

Azerbaijan
Kazakhstan
Turkmenistan

Australia & Oceania

Australia*
New Caledonia
New Zealand
Papua New Guinea

EUROPE

Eastern Europe

Hungary
Poland
Russia
Slovakia
Ukraine

Northern Europe

England*
Finland
Ireland
Isle of Man
Lithuania
Norway
Scotland
Wales

Southern Europe

Greece
Italy*
Spain*

Western Europe

Austria
Belgium
Germany
Netherlands
Switzerland

AFRICA

East Africa

Tanzania

North Africa

Algeria
Egypt
Libya
Tunisia

Middle Africa

Angola
Equatorial Guinea

West Africa

Ghana
Nigeria

THE AMERICAS

North America

Canada*
USA*

Latin America & Caribbean

Argentina*
Bolivia
Brazil*
Chile
Dominican Republic
Mexico
Netherlands Antilles
Peru
Venezuela*



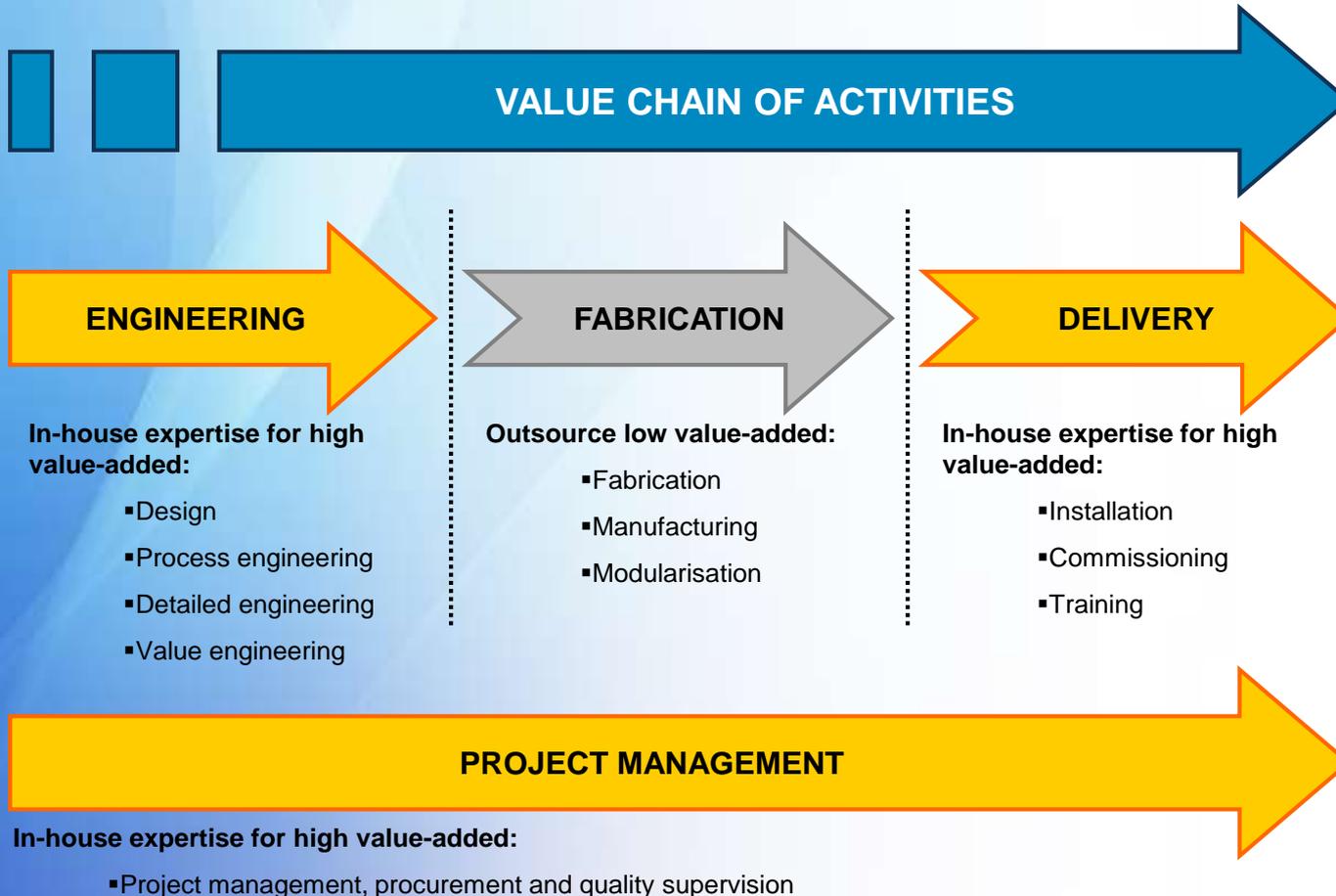
*Regional/local offices



Group Business Model

OVERVIEW

- Undertaking only high value-added activities across value chain





Group Financial Review

Group Financial Results

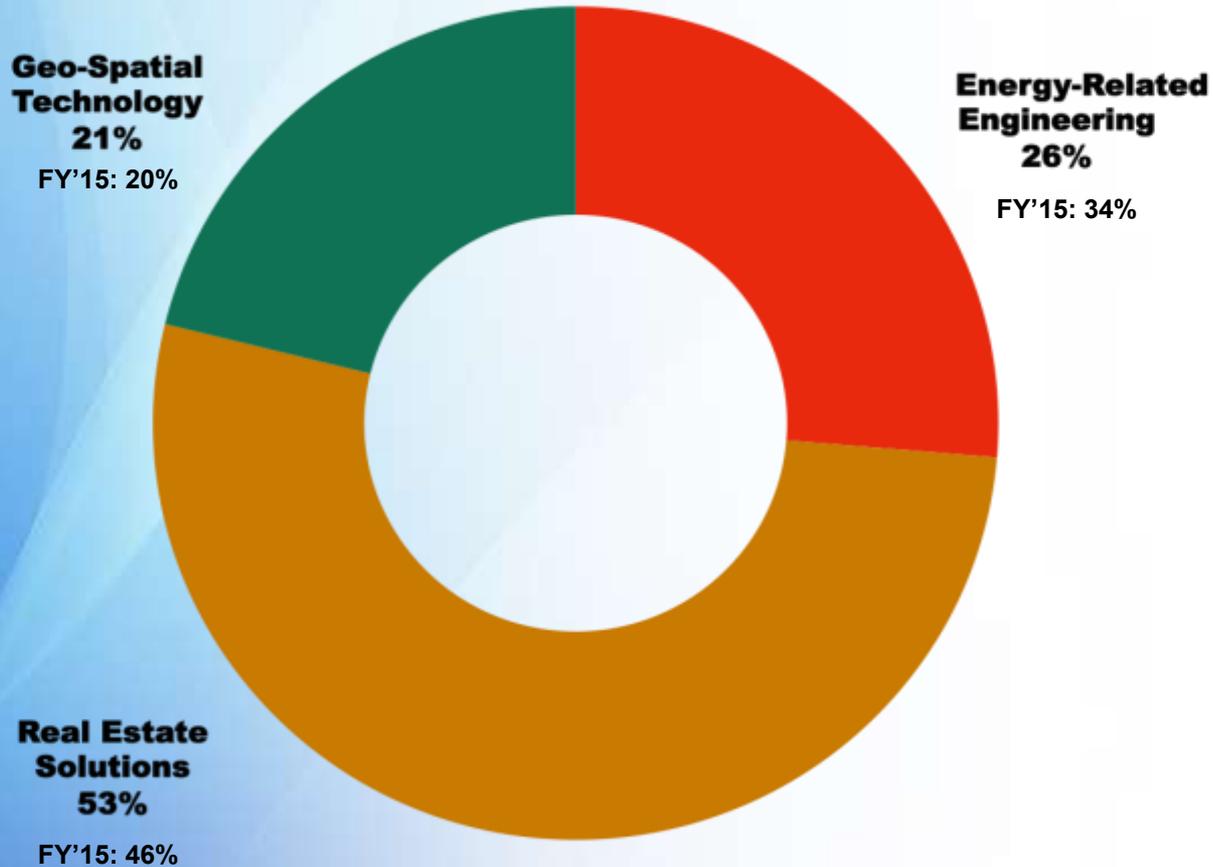
	FY2016	FY2015	Chg (%)
Revenue	S\$486.7m	S\$556.4m	-13
Gross profit	S\$150.6m	S\$186.2m	-19
<i>Gross margin</i>	31%	33%	
Profit before income tax ("PBT")	S\$56.5m	S\$89.0m	-36
<i>PBT margin</i>	12%	16%	
Profit attributable to equity holders of the Company ("net profit")	S\$28.2m	S\$63.3m	-55
Adjusted net profit*	S\$28.0m	S\$44.8m	-38
Earnings per share	5.4cts	12.3cts	-56
Net asset value per share	**58.3cts	73.0cts	-20



*Adjusted to reflect 48.8% demerger of Boustead Projects and other gains and losses for comparative review

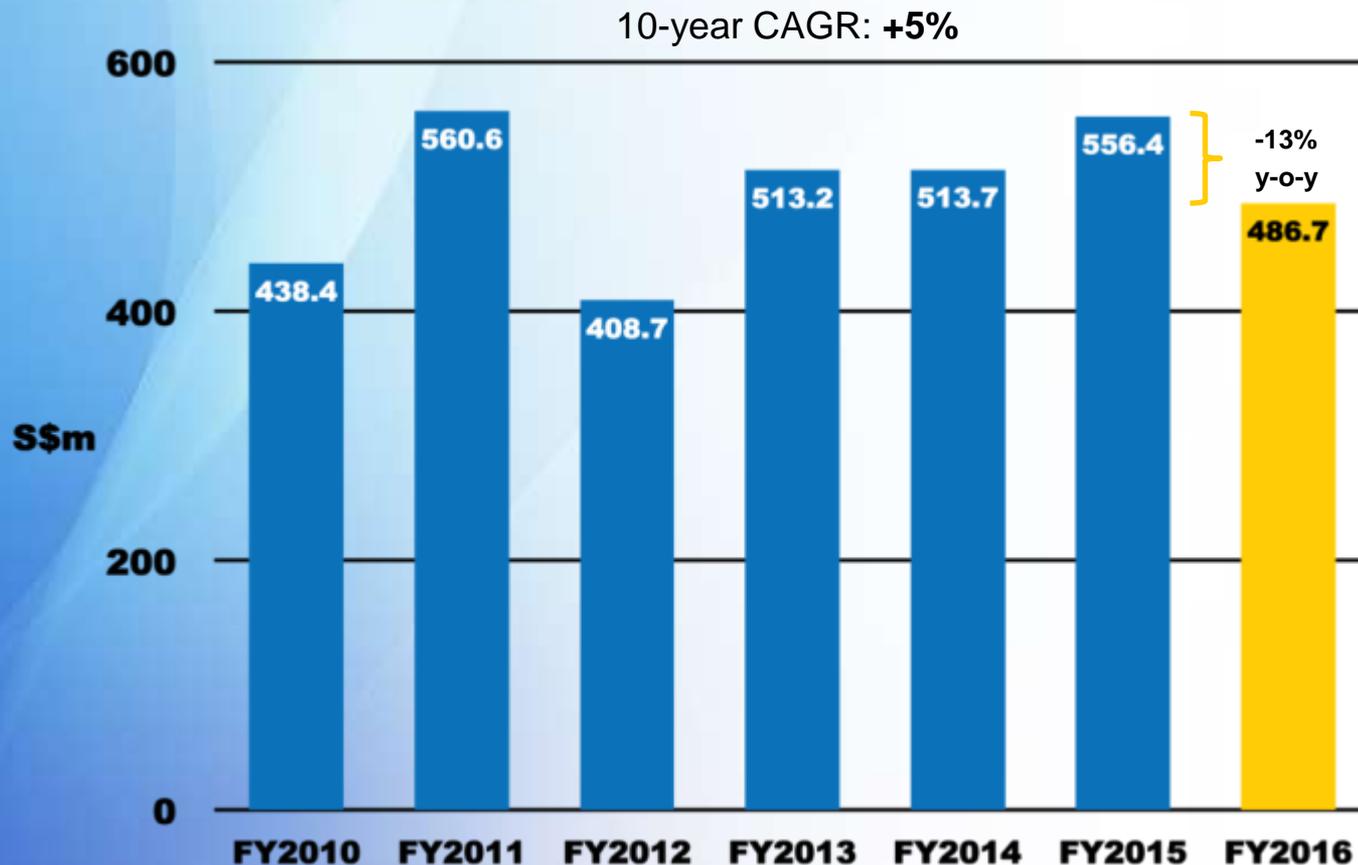
**Lower net asset value per share due to dividend *in specie* of Boustead Projects Limited's shares and dividends paid to shareholders

Group Revenue Mix by Division



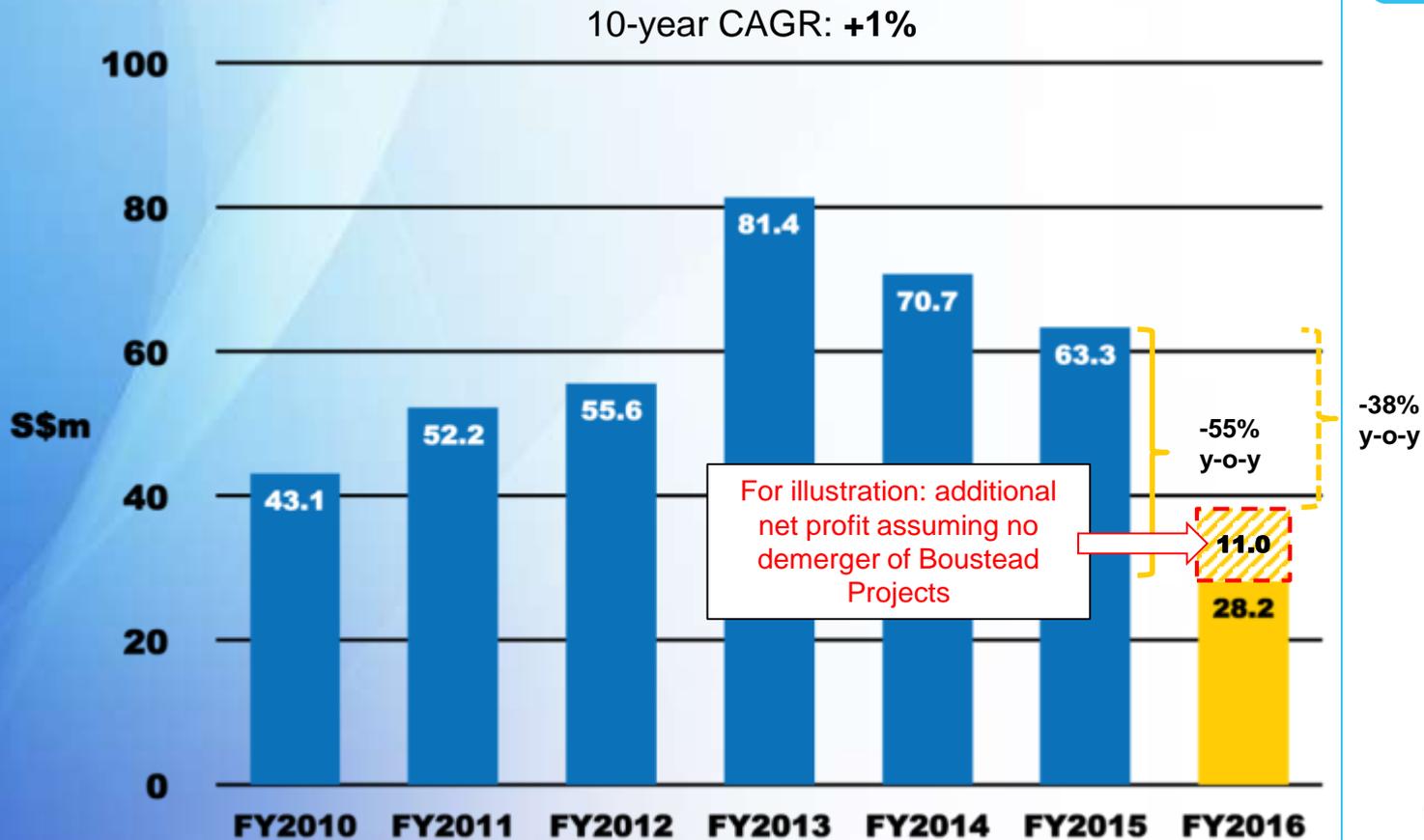
Group Revenue

- Impacted by state of global economy and heavily depressed state of global oil & gas industries



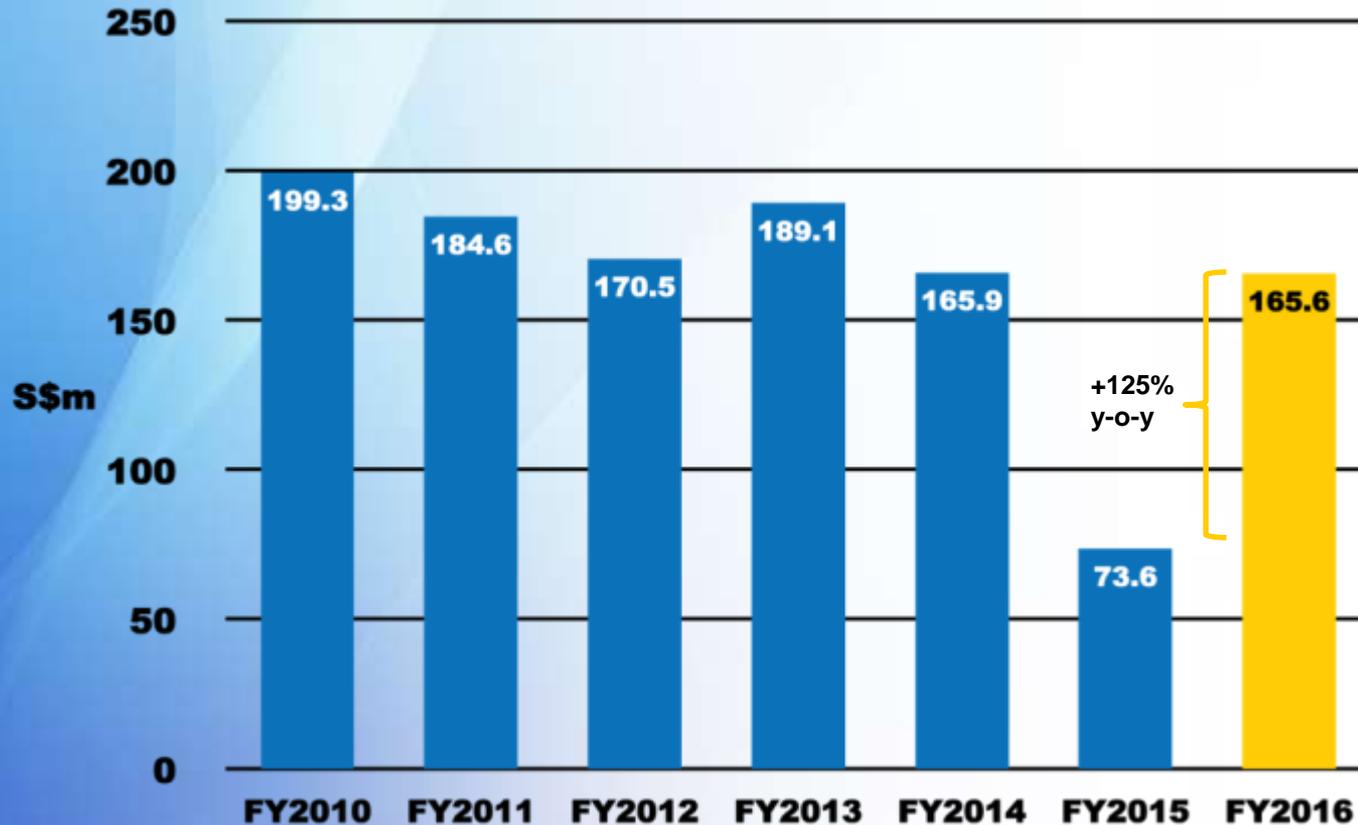
Group Net Profit

- Despite challenges, all three divisions remained profitable



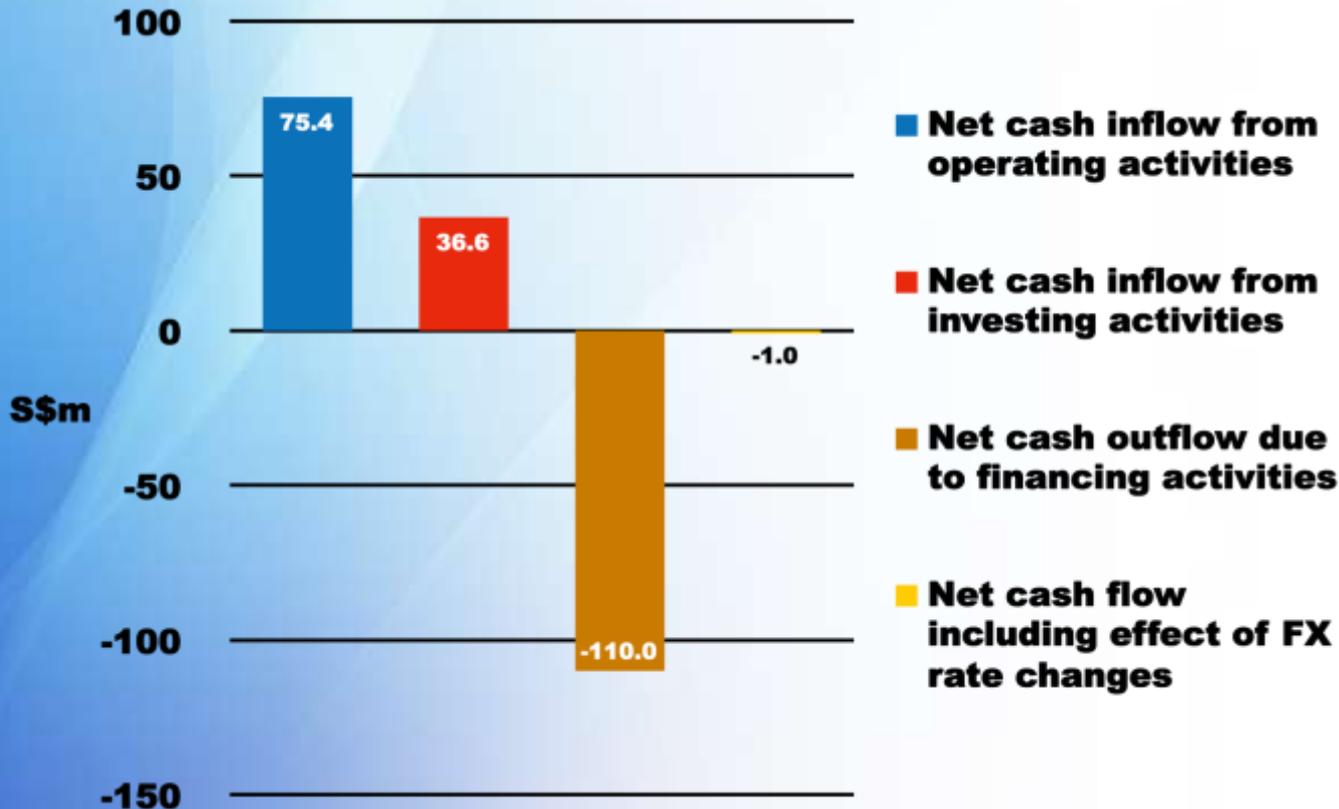
Group Net Cash Position

- Group net cash position significantly improved to S\$165.6m



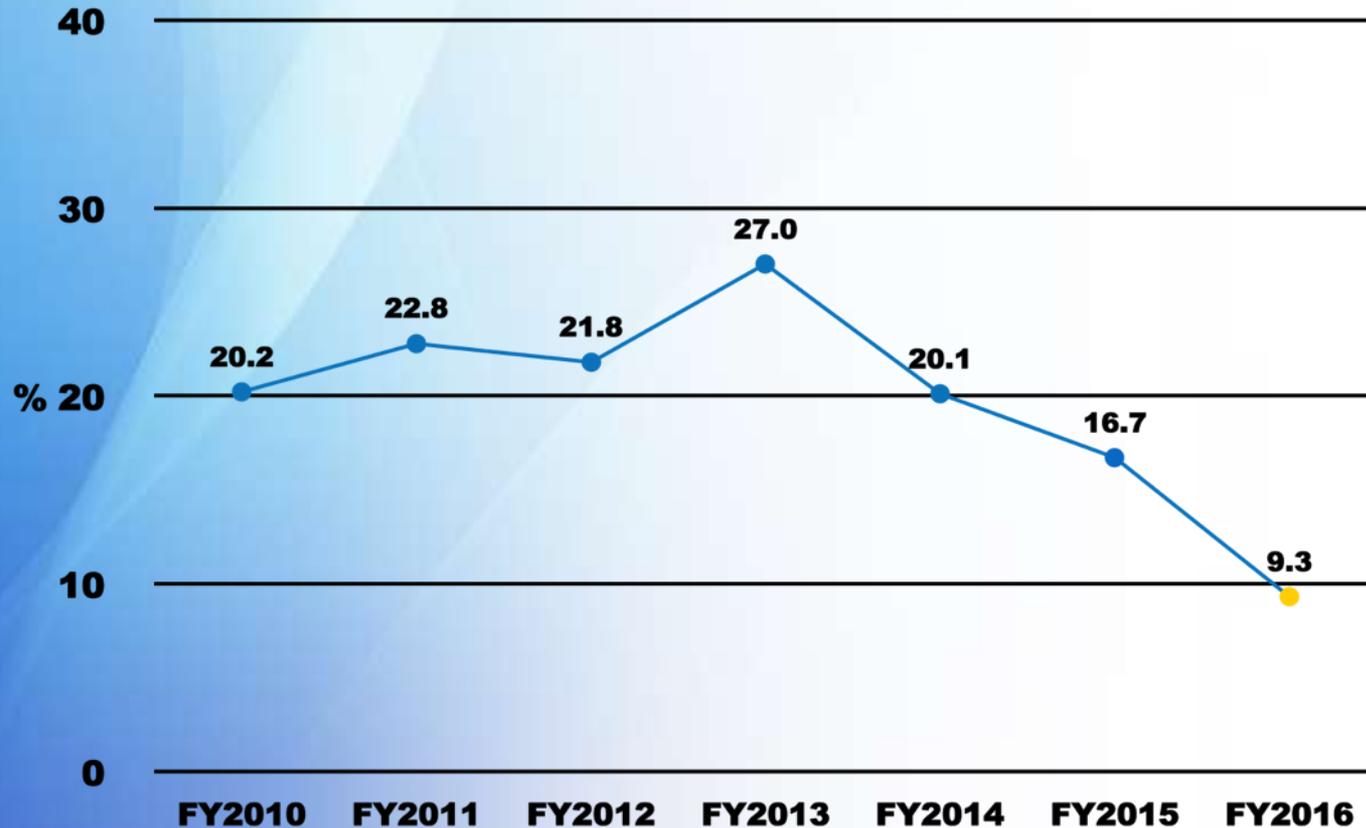
Group Cash Flow

- Net cash flow almost neutral due to positive cash inflow from operating and investing activities counterbalancing negative financing cash outflow



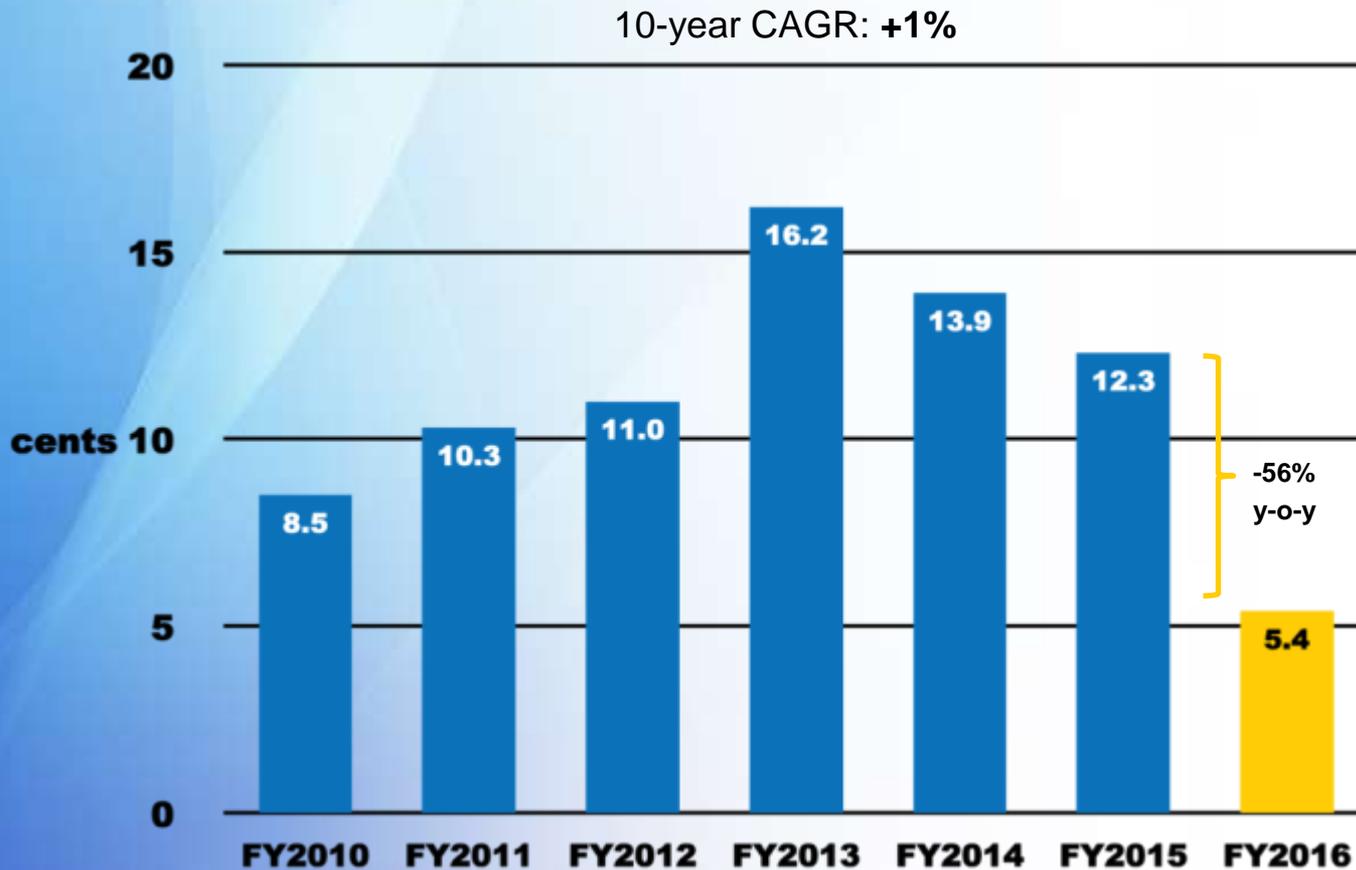
Return on Shareholders' Equity

- ROE dropped due to lower net profit



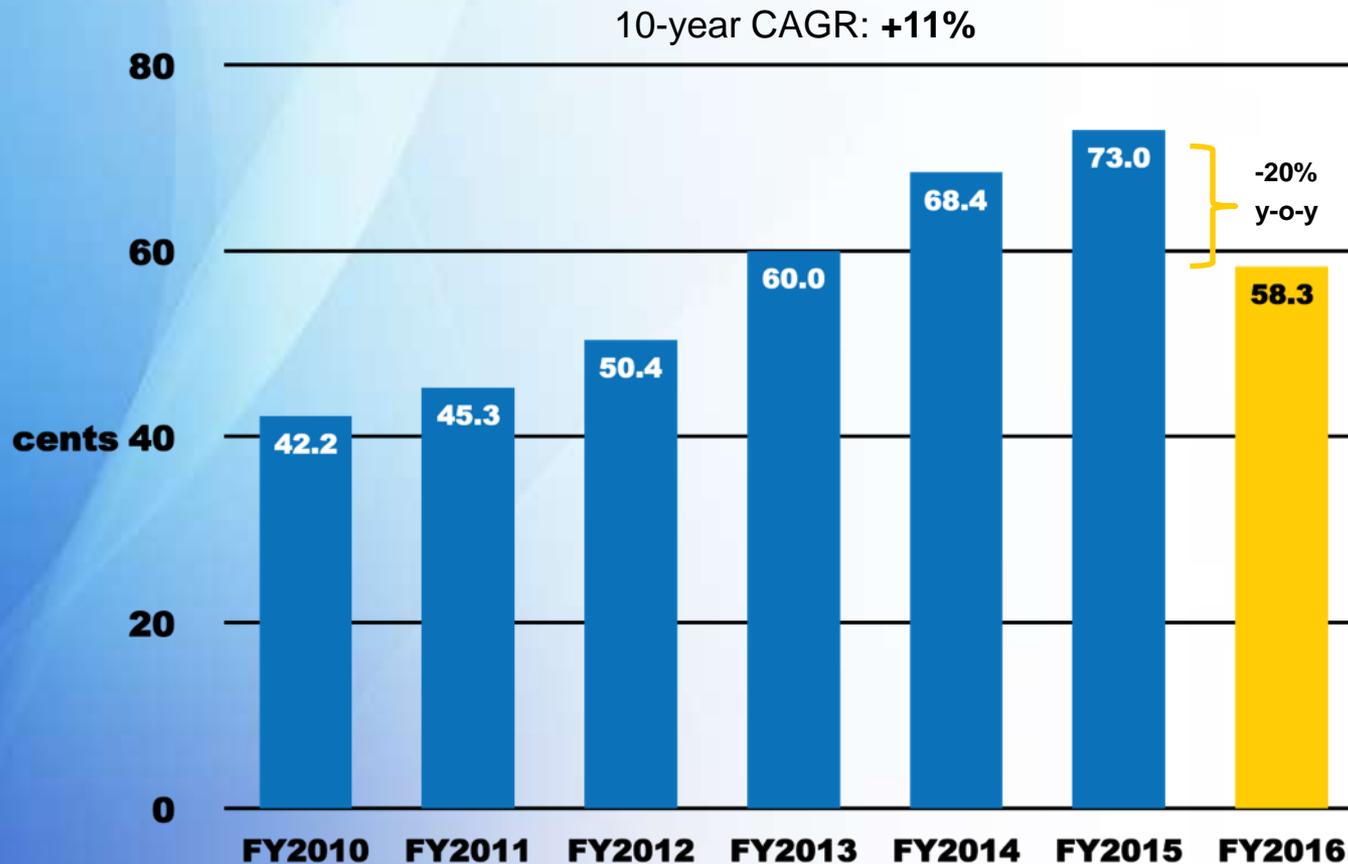
Earnings per Share

- Tracking net profit



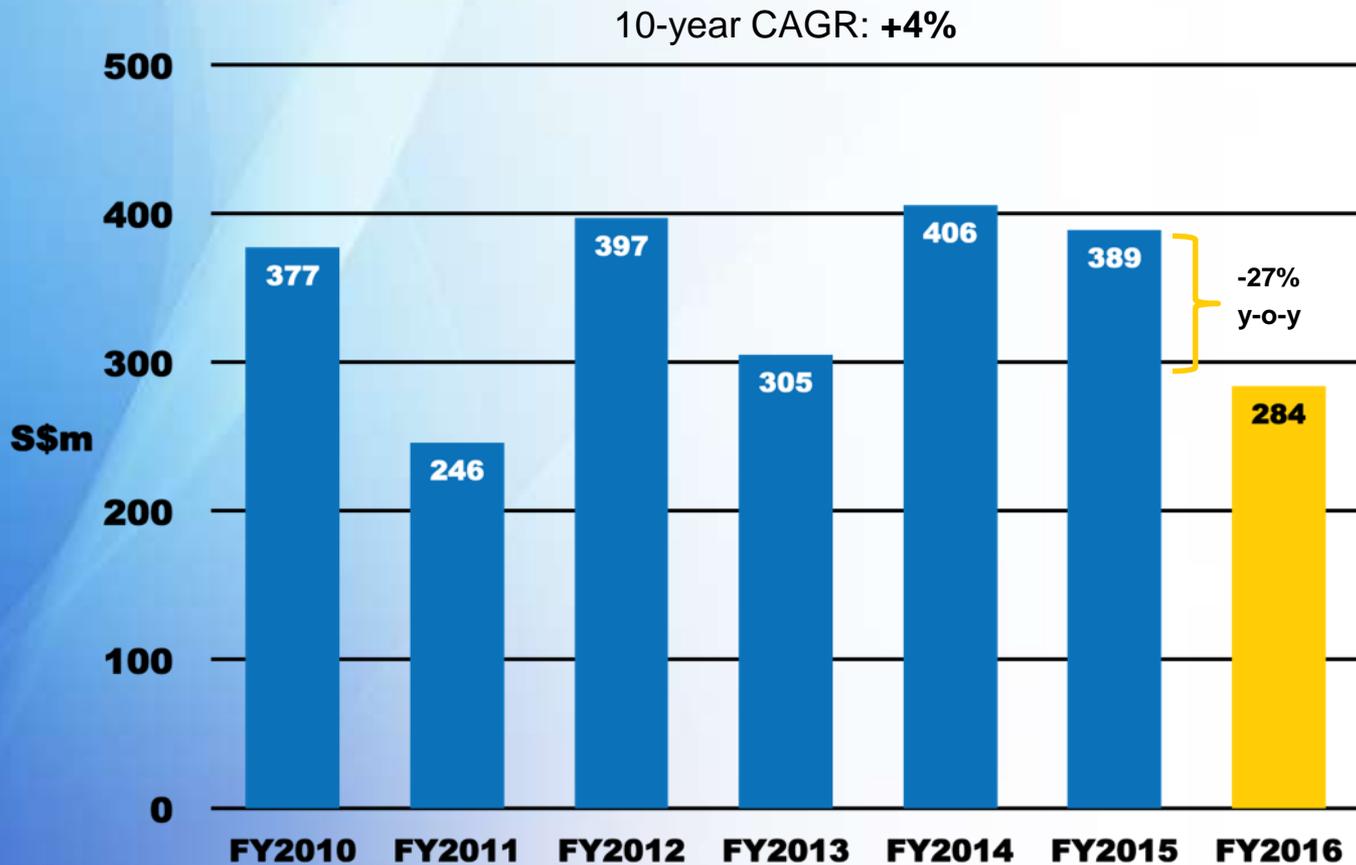
Net Asset Value per Share

- Dividend *in specie* of Boustead Projects' shares as part of demerger



Group Orders Secured

- Lower orders secured in challenging macro economic environment



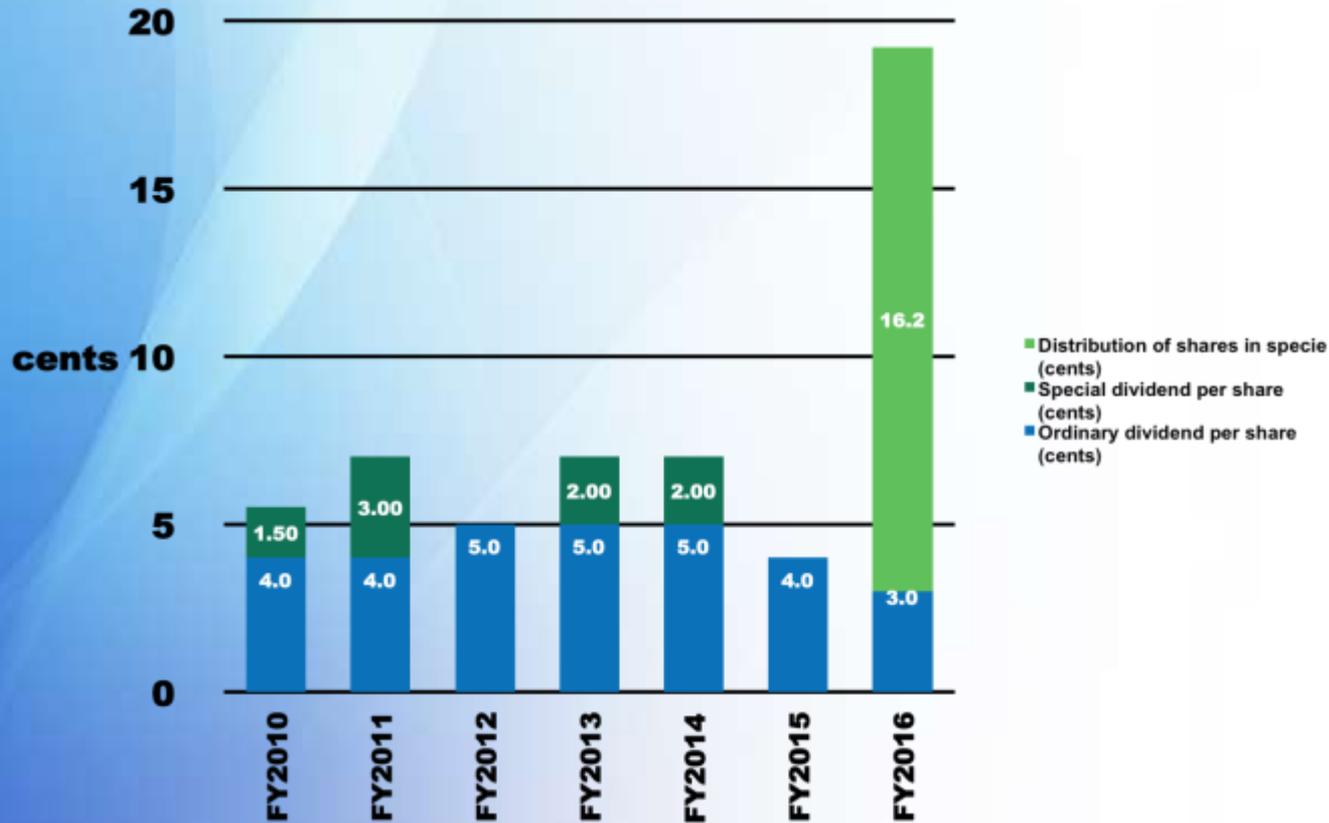
Group Dividend

	FY2016	FY2015
Interim dividend (paid)	1.0ct	2.0cts
Final dividend (proposed)	2.0cts	2.0cts
Total ordinary dividend	3.0cts	4.0cts
Dividend <i>in specie</i> of Boustead Projects' shares (distributed)	16.2cts	-
Total dividend	19.2cts	4.0cts



Group Dividend

- Cash/scrip dividend payout ratio of 56%, maintained within historical payout ratio band





BP Group Financial Review

Boustead Projects Limited (BP)

BP Group Financial Results

	FY2016	FY2015	Chg (%)
Revenue	S\$255.5m	S\$255.4m	+0
Gross profit	S\$59.0m	S\$57.3m	+3
<i>Gross margin</i>	23%	22%	
PBT	S\$29.7m	S\$33.4m	-11
<i>PBT margin</i>	12%	13%	
Net profit	S\$22.9m	S\$24.7m	-7
Earnings per share*	7.1cts	7.7cts	-8
Net asset value per share*	**60.6cts	79.0cts	-23

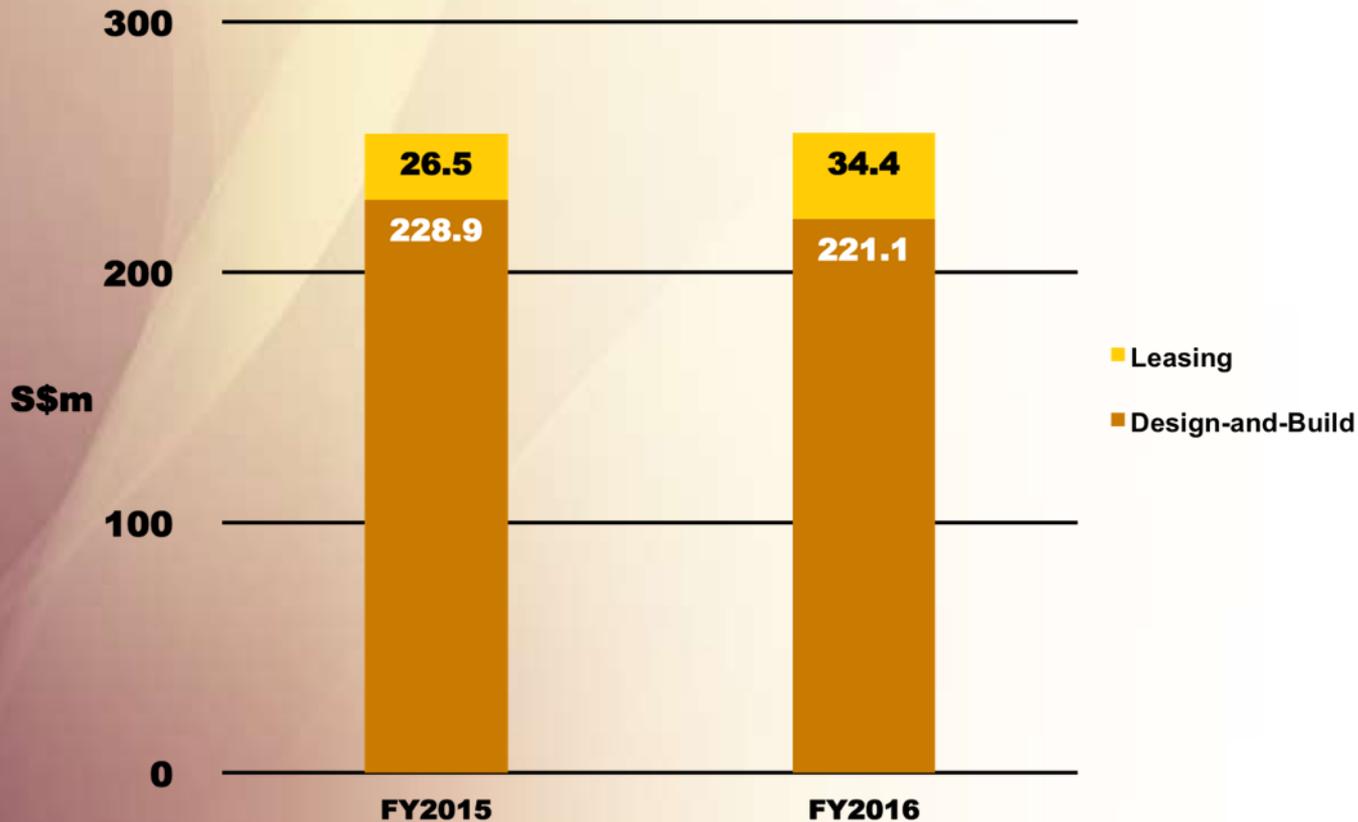
* Computed based on 320,000,000 shares post-sub-division

** Lower net asset value per share due to S\$80.0m dividend paid to Boustead Singapore Limited



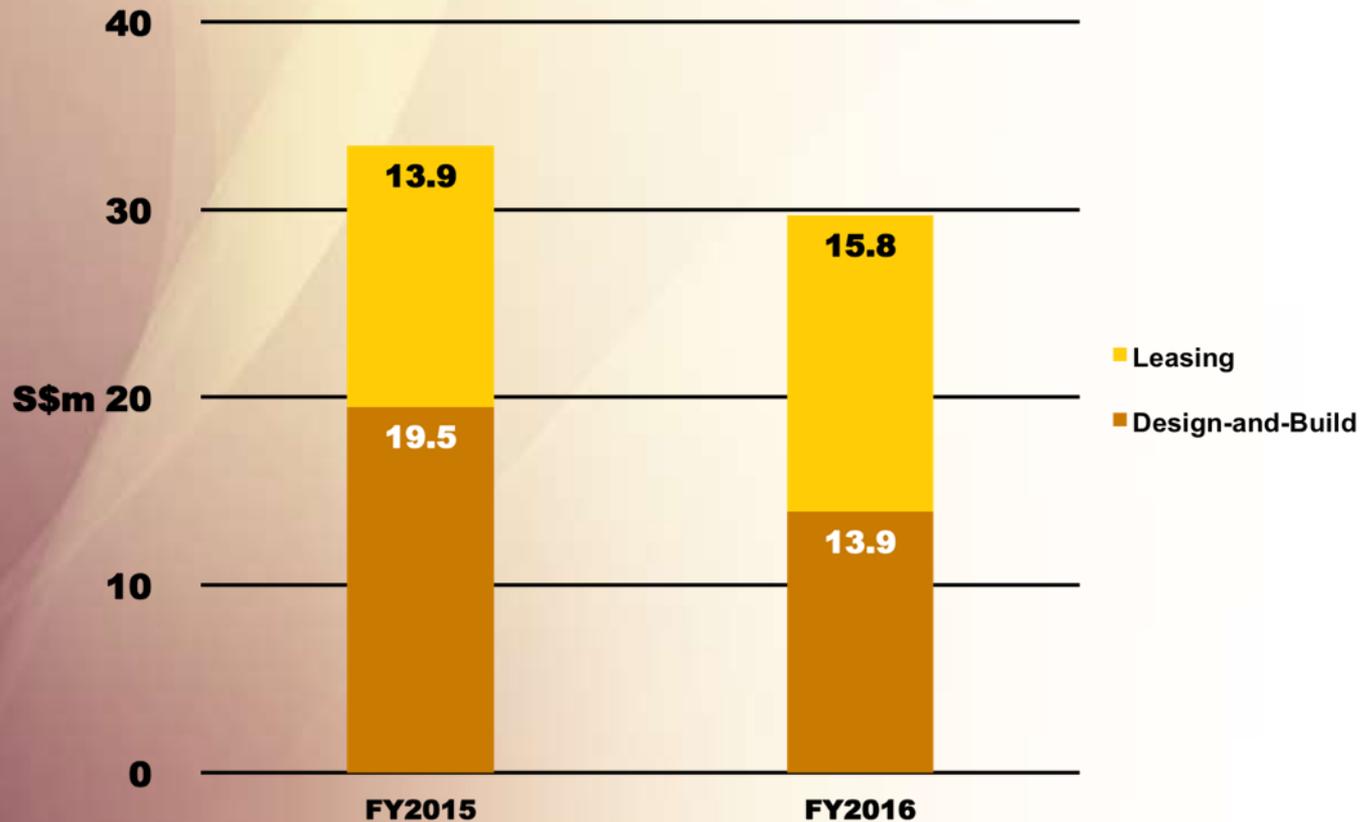
BP Group Revenue

- Lower design-and-build revenue compensated for by higher leasing revenue



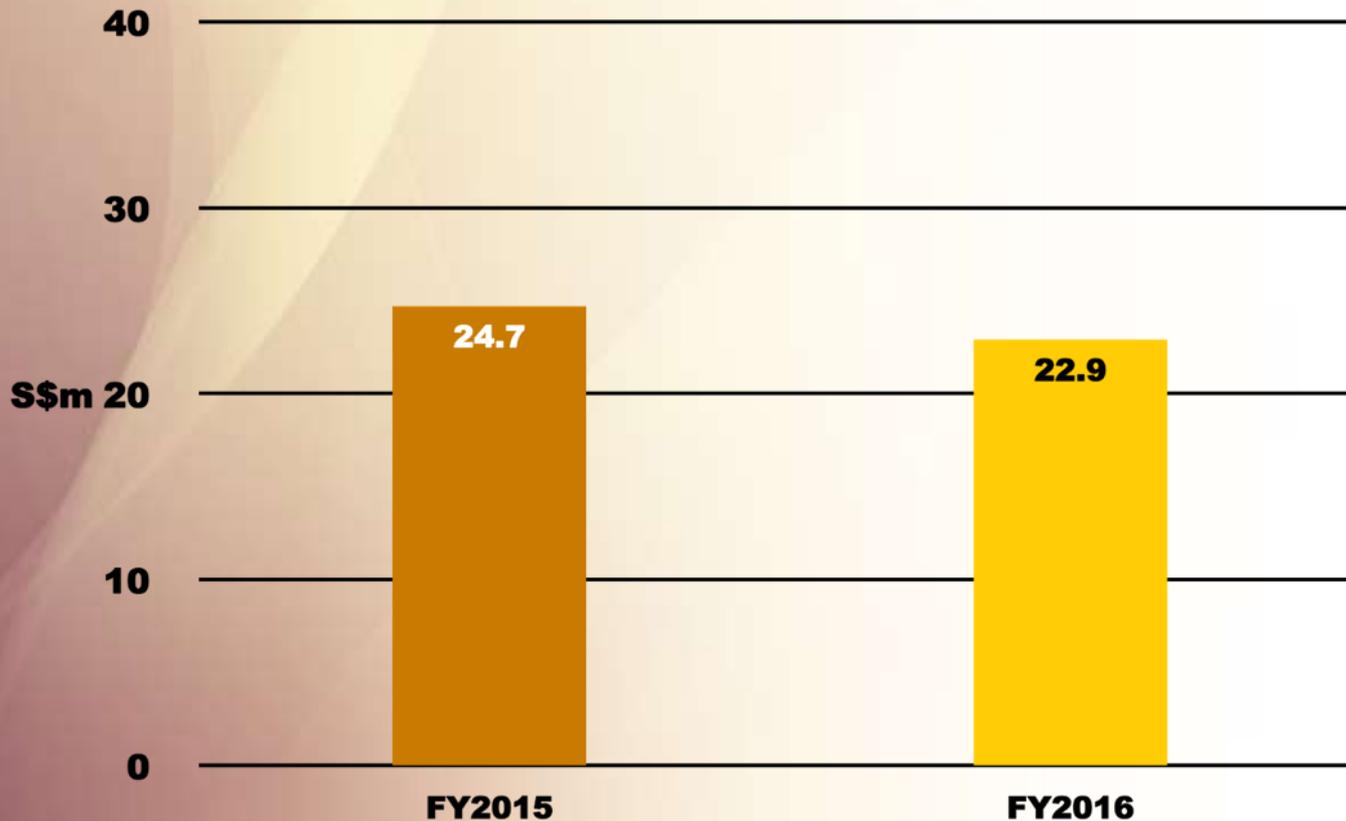
BP Group PBT

- Lower design-and-build PBT partially offset by higher leasing PBT



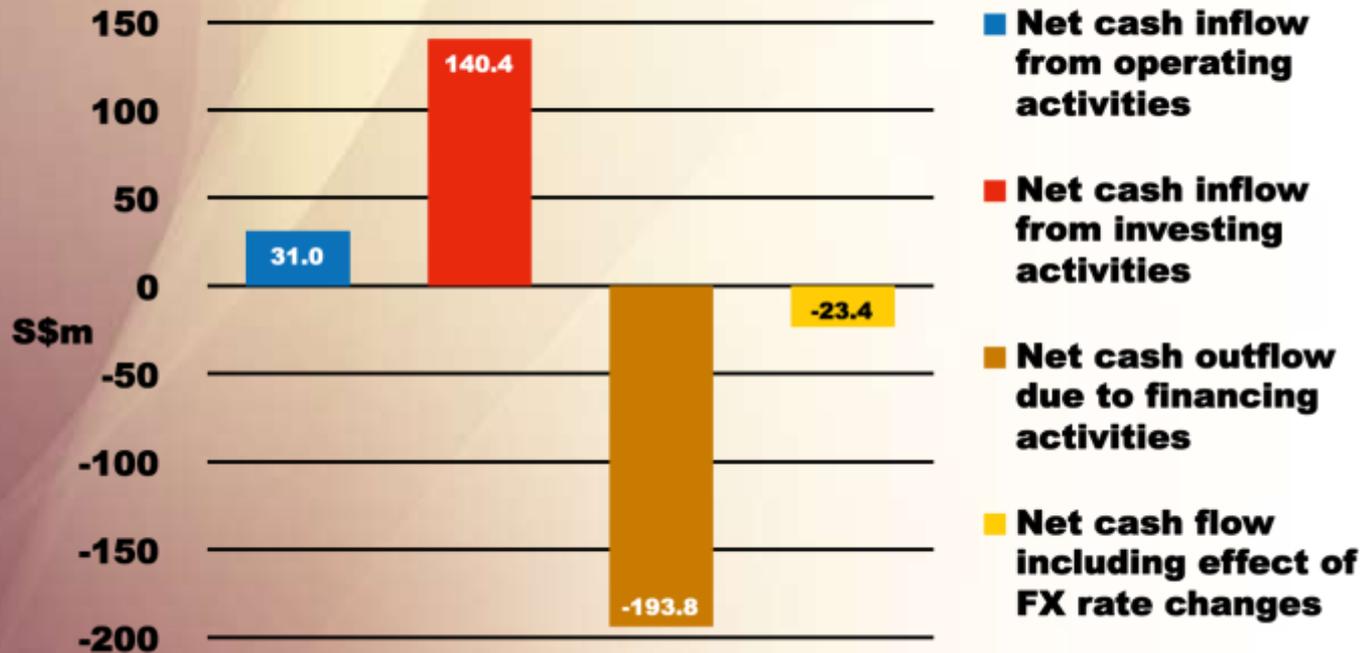
BP Group Net Profit

- Lower net profit due to challenging market conditions, higher overhead and finance expenses, and greater share of loss of associate and joint ventures



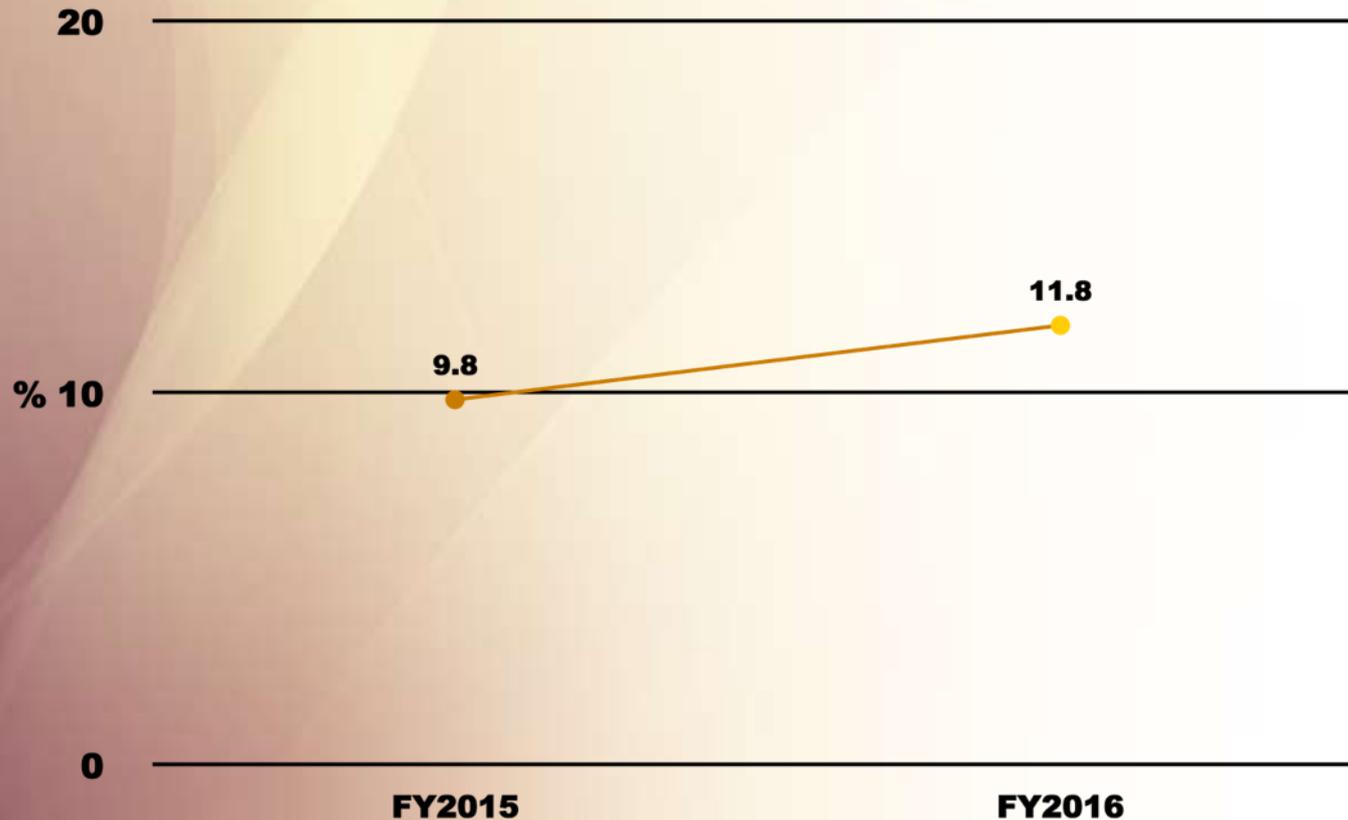
BP Group Cash Flow

- Negative net cash flow due mainly to S\$93.0m repayment of borrowings and S\$80.0m dividend payment to Boustead Singapore under demerger



BP Group Return on Shareholders' Equity

- ROE rose due to lower retained profits after S\$80.0m dividend payment to Boustead Singapore





Division Financial Review

Energy-Related Engineering

Energy-Related Engineering

Division Revenue, PBT & Orders Secured

	FY2016 (S\$)	FY2015 (S\$)	Chg (%)
Revenue	128.0m	190.3m	-33
PBT	9.1m	33.4m	-73
Orders secured	95m	105m	-10

- Sharp fall in revenue and profit
 - CAPEX and investment cuts across all parts of value chain
 - Cost overruns for implementation of two remaining mini-power plant projects in Indonesia



Energy-Related Engineering Prospects

- Focusing on cost management
 - Current order book backlog: S\$115m
 - Oil & gas outlook
 - Weak global crude and natural gas prices
 - Historically high global crude inventories
 - Potential M&A opportunities





Division Financial Review

Real Estate Solutions



Real Estate Solutions

Division Revenue, PBT & Orders Secured

DIVISION FINANCIAL REVIEW

	FY2016 (S\$)	FY2015 (S\$)	Chg (%)
Revenue	255.5m	255.4m	+0
PBT	29.7m	33.4m	-11
Orders secured	189m	284m	-33

- Comparable revenue
 - Challenging industrial real estate landscape
 - Expanding industrial leasehold portfolio
- PBT decrease
 - Higher overhead and finance expenses, and greater share of loss of associate and joint ventures



Real Estate Solutions

Prospects

- Focusing on overseas expansion and higher value industries
 - Current order book backlog: S\$208m
 - Industrial real estate outlook:
 - Challenging operating environment
 - Design-and-build contracts in niche growth higher value industries
 - Expanding business in overseas markets of Malaysia, Vietnam, China and Indonesia through strategic partnerships with reputable partners, investments and M&A





Division Financial Review

Geo-Spatial Technology

Geo-Spatial Technology

Division Revenue & PBT

DIVISION FINANCIAL REVIEW

	FY2016 (S\$)	FY2015 (S\$)	Chg (%)
Revenue	103.0m	110.6m	-7
PBT	19.9m	22.7m	-12

- Decline in revenue and profit
 - Currency headwinds
 - Firm demand across Australia and South East Asia



Geo-Spatial Technology

Prospects

- Steady prospects
 - Sustained demand from government agencies
 - Continued expansion of workforce
 - Currency headwinds may affect margins





Thank You



Questions & Answers
