

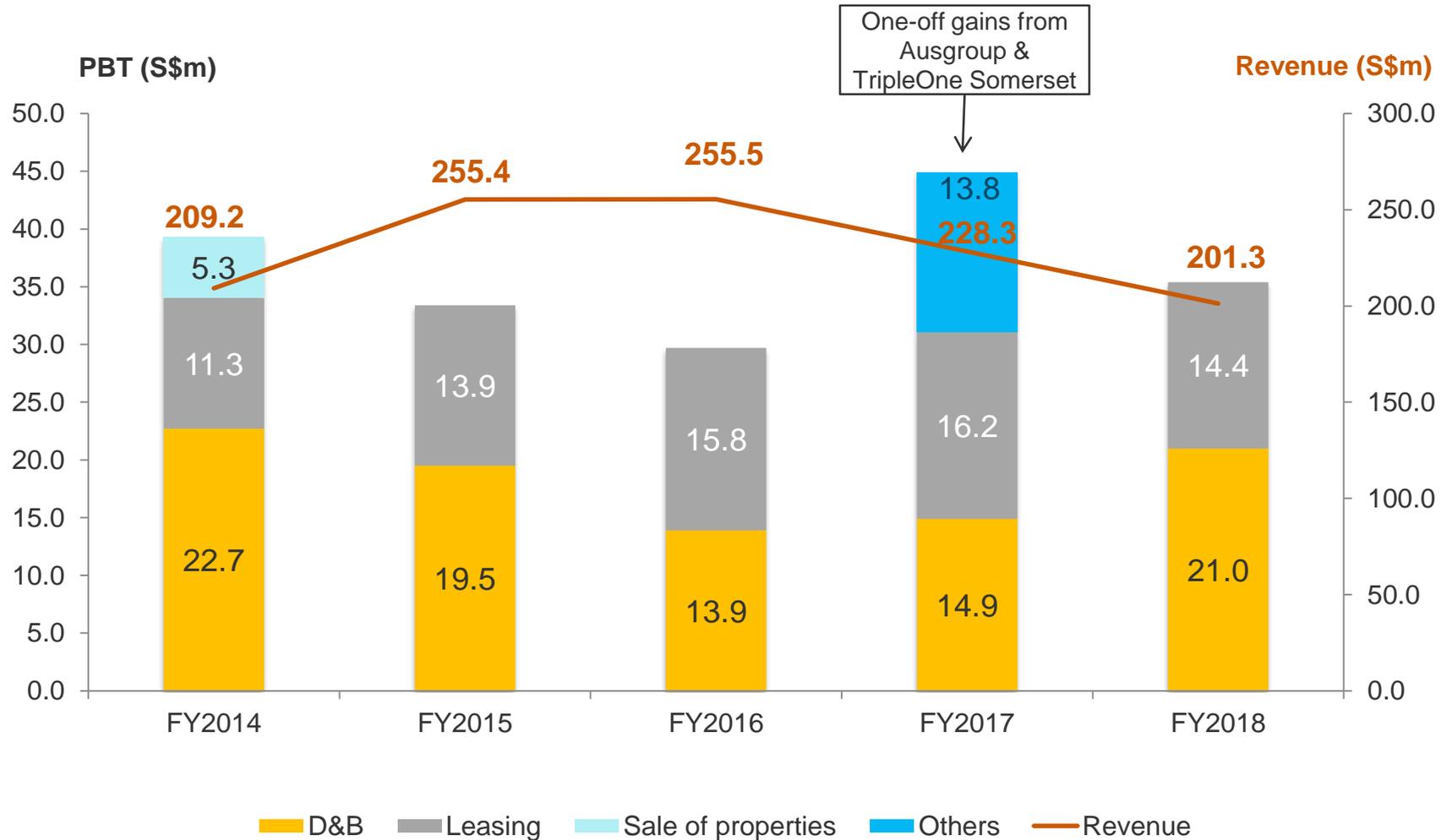
# Boustead Projects Limited

## FY2018 Annual General Meeting

26 July 2018



# Group Financial Performance



# Design-and-build Review (1)

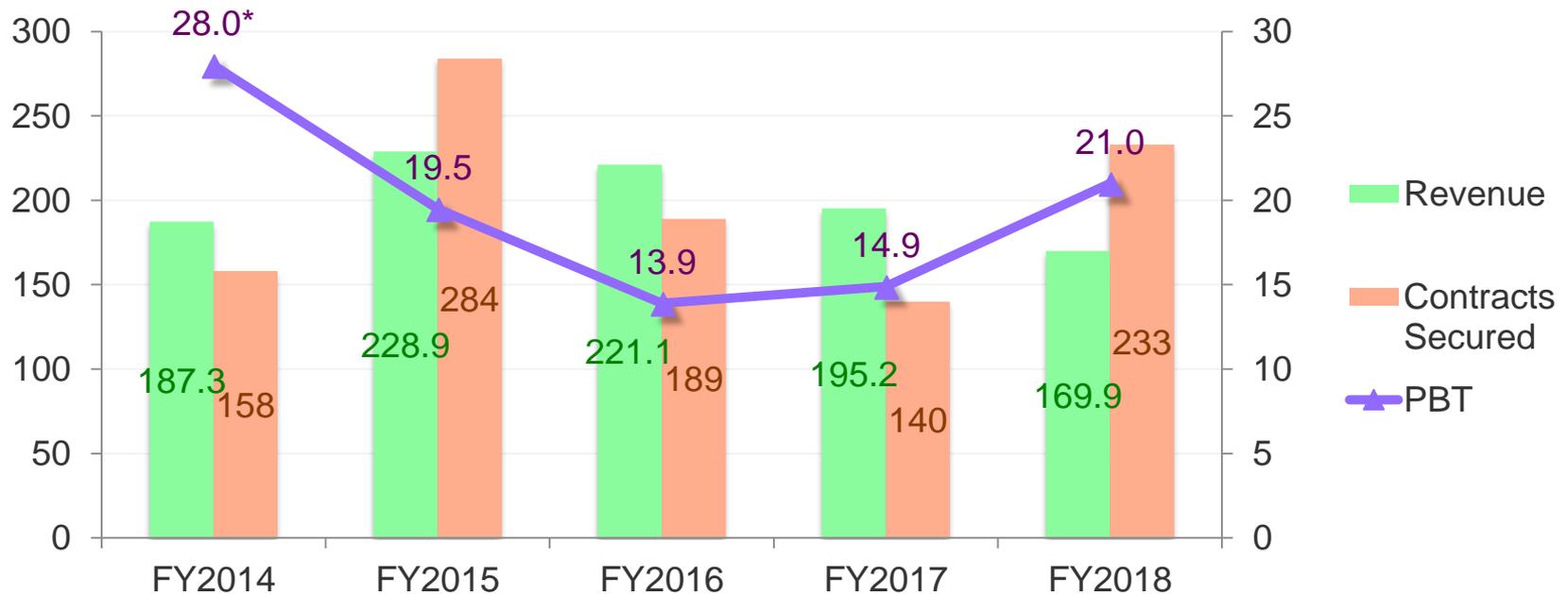
- Public sector continued to dominate total construction demand.  
(~64% in CY2017)
- During CY2017, the Singapore Government awarded ~\$1.67bil<sup>(1)</sup> worth of industrial building construction contracts.



Source:  
(1) Building & Construction Authority

# Design-and-build Review (2)

- Revenue fell 13% year-on-year on usually low value of contracts secured during FY2017 for revenue conversion in FY2018, and completion of a project with significant revenue contribution in FY2017
- Profit before income tax (PBT) growth **on productivity improvements, unlocking of cost savings and conversion of projects with higher margins**
- Healthy level of new contracts secured amid challenging market

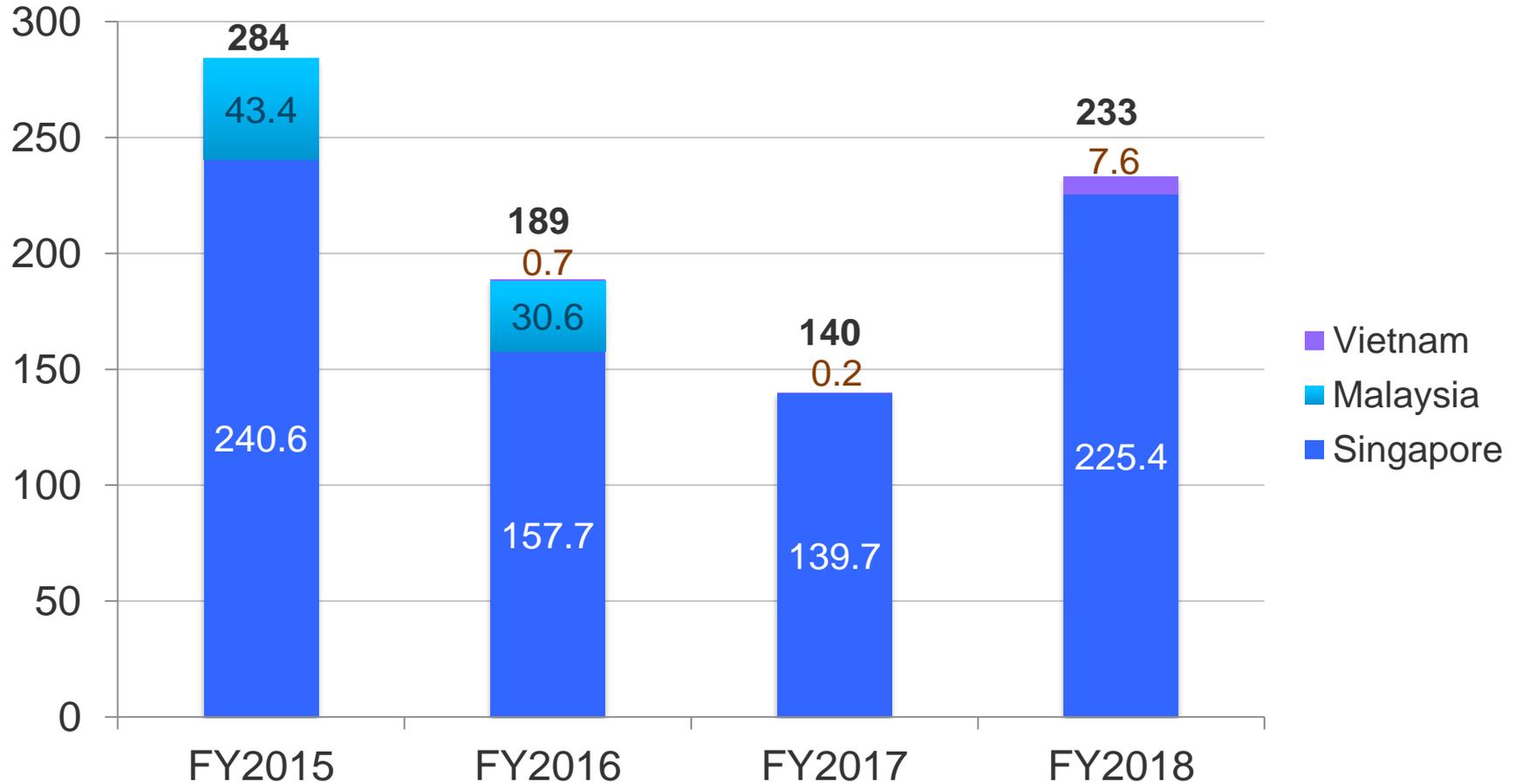


\*Includes \$5.3m contribution from sale of properties

# Construction Contracts Secured by Country



S\$'million



# Leasing Review (1)

- Overall market demand for industrial spaces remain soft.  
*(Overall rental index fell 2.0% year-on-year whilst occupancy rates slipped 0.4%.)*
- Business park space remains a bright spot with rental index increasing 6.9% year-on-year.
- Limited government land tender and industrial land allocation opportunities for developers.

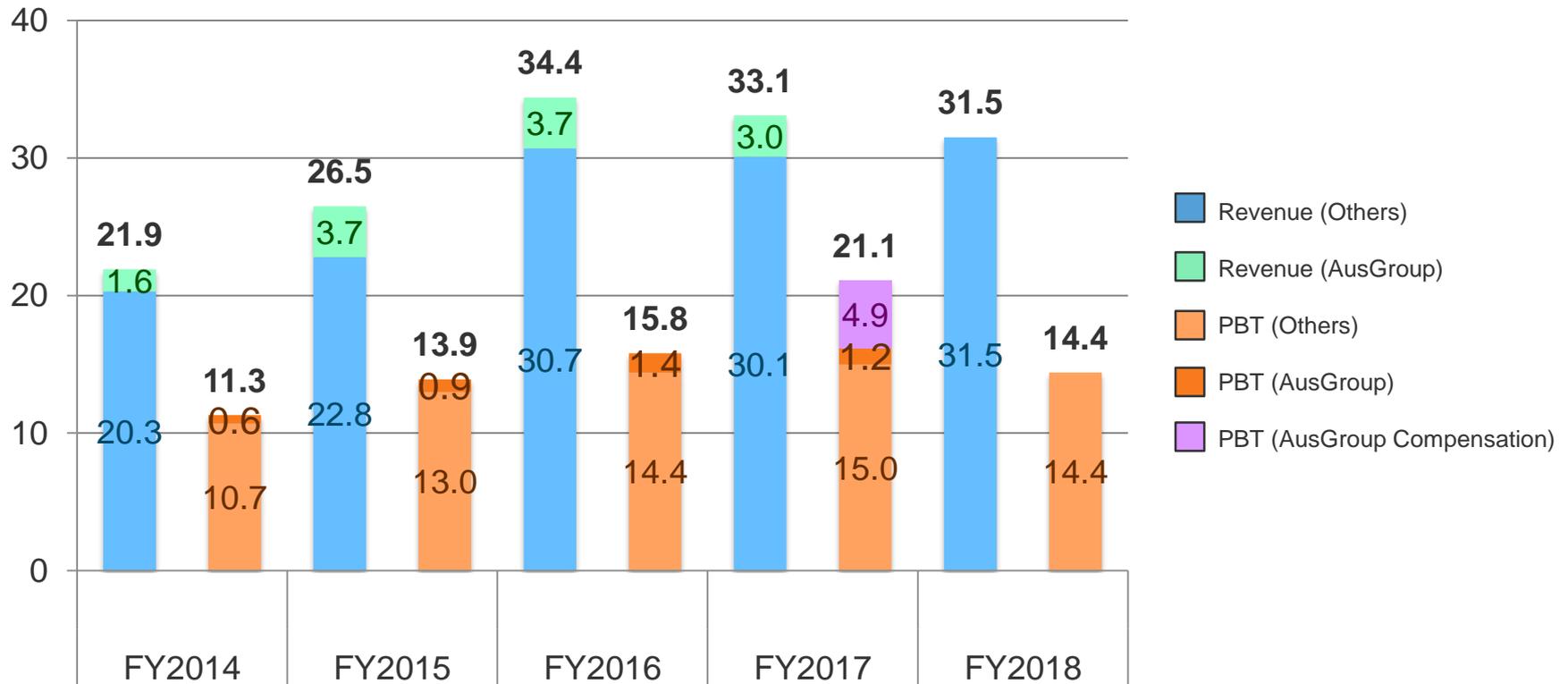
	Property Type	1Q 2018	Y-o-y Change
<b>Rental Index<sup>(1)</sup></b>	All	91.1	-2.0%
	Multi-user factory	89.1	-1.8%
	Single-user factory	97.5	-2.4%
	<b>Business park</b>	<b>111.5</b>	<b>+6.9%</b>
	Warehouse	85.5	-5.5%

Source:  
(1) JTC 2018 1Q Quarterly Report

# Leasing Review (2)

- Lower leasing revenue mainly due to AusGroup’s early lease termination (for 36 Tuas Road property) and lease expiry for 85 Tuas South Ave 1
- Lower profit before income tax (PBT) mainly due to AusGroup early lease termination, lease expiry at 85 Tuas South Ave 1 and absence of one-off other gains

S\$'mil



# Development Highlights

## SINGAPORE

Under Boustead Development Partnership:

- Completed Continental Building Phase 3
- Launched marketing of ALICE @ Mediapolis

## MALAYSIA

Under THAB:

- Completed iBP @ Nusajaya
- Completed logistics hub at Port of Tanjung Pelepas

## VIETNAM

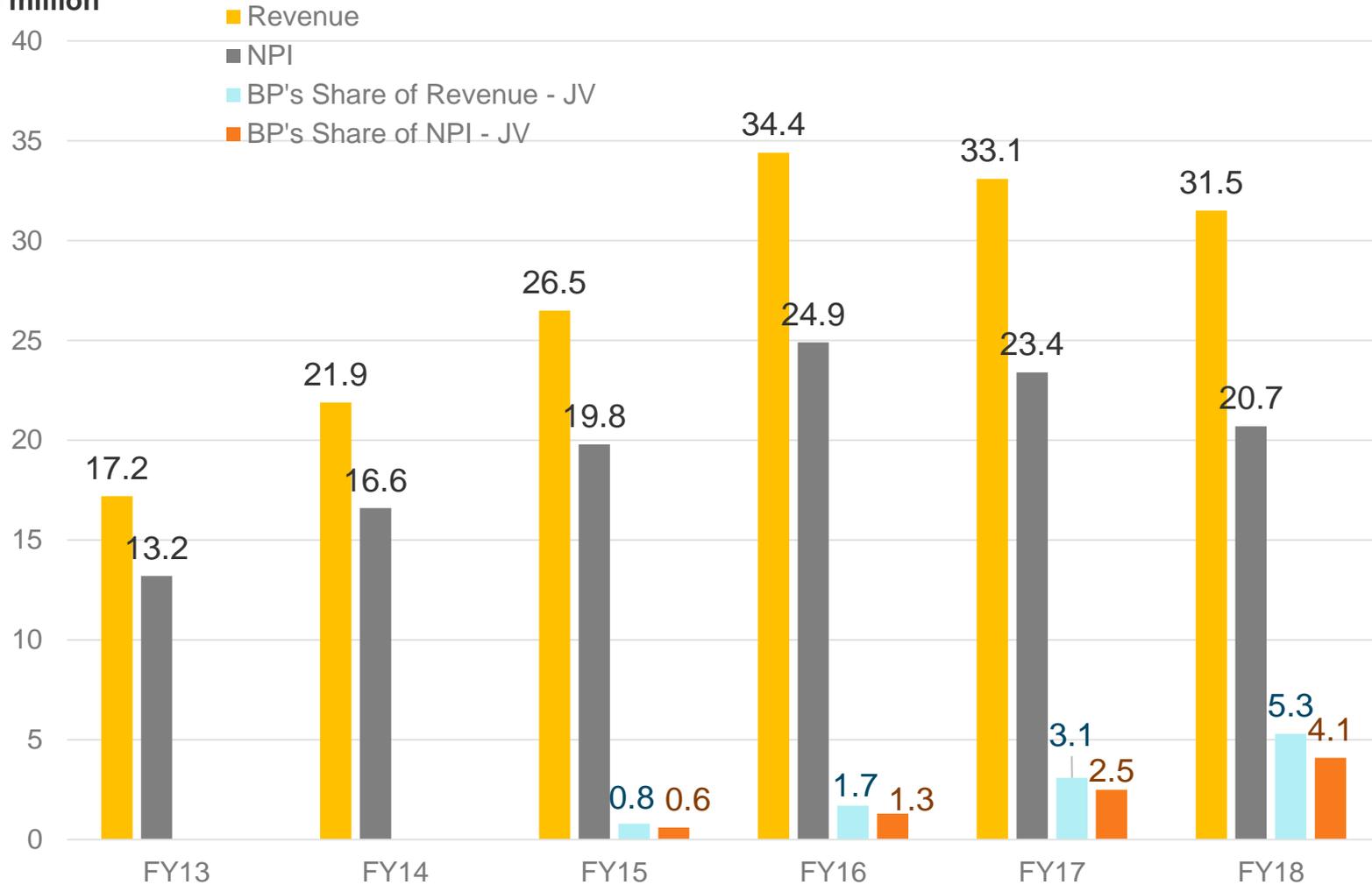
- Subleased land for development of Boustead Industrial Park
- Commenced construction and marketing of Phase 1 (ready-built factories)



# Growth in Leasing Revenue & NPI



S\$'million

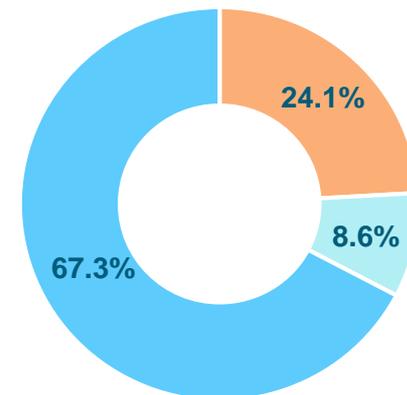
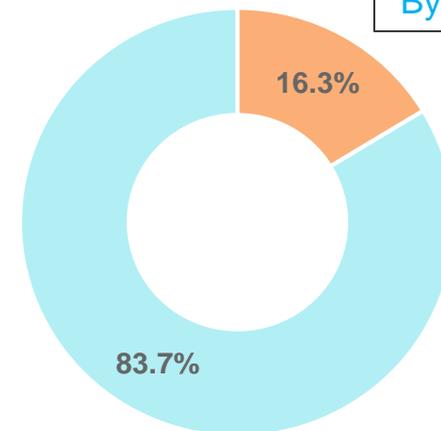


# Portfolio Statistics (FY2018)

Wholly-Owned	FY17	FY18
No. of Properties	14	<b>14</b>
Property Value (\$'million)	351.8	<b>345.9</b>
Total Portfolio GFA (Million sqf)	1.8	<b>1.8</b>
Portfolio Occupancy (by NLA)	87%	<b>83%</b>
Weighted Average Lease Expiry (by NLA)	4.3	<b>3.8</b>
Weighted Average Land Tenure Expiry (by area)	36.2	<b>35.1</b>

Jointly-Owned	FY17	FY18
No. of Properties	3	<b>5</b>
Property Value (\$'million)	196.0	<b>236.7</b>
Total Portfolio GFA (Million sqf)	0.3	<b>0.7</b>
Portfolio Occupancy (by NLA)	100%	<b>77%</b>
Weighted Average Lease Expiry (by NLA)	10.2	<b>6.9</b>
Weighted Average Land Tenure Expiry (by area)	27.8	<b>31.9</b>

By Revenue



- Light Industrial
- General Industrial
- Business Park

# Joint Venture Projects (FY2018)

## Completed



## Under Development



# Financial Position



(in S\$m)	FY2017	FY2018	
Total borrowings	88.4	<b>70.5</b>	} <b>93%</b> non-current debt, on floating interest rates with well-staggered maturity profile (over next 5 years)
Cash & cash equivalents	113.4	<b>111.4</b>	
Net cash/(borrowings)	25.0	<b>40.9</b>	} Improved net cash position
Total equity	229.4	<b>244.1</b>	} Increased on higher retained profits
Debt-to-equity ratio	39%	<b>29%</b>	} Ample gearing headroom
Loan to valuation ratio*	25%	<b>20%</b>	

\*For wholly-owned properties

# Highlights (FY2018)



## Financial Position

**\$111.4mil**

Cash position

**20%**

Loan-to-valuation ratio

## Industrial Portfolio

**-5%**

Y-O-Y revenue change  
for 100%-owned properties

**+71%**

Y-O-Y change in BP's share of  
revenue for JV properties

## Joint Venture Developments

**~120,028 sqf**

New development completed in SG

**~259,463 sqf**

New development completed in MY

## Design & Build

**13 Contracts**

Secured in Singapore and Vietnam

## Accolades

**2 Awards**

Green and Gracious Builder Award  
(Excellent)  
Green Mark Platinum for ALICE @  
Mediapolis

## Engineering & Construction

- Staying ahead in the industrial built environment through areas of quality / productivity / safety / technology.
- Participate in selected GeBIZ industrial construction tender(s).
- Continuing to tap on Singapore network and capabilities to expand into target countries.
- Extend efforts in M&A to increase scalability and competitiveness.
- Further opportunities in joint venture development(s).

## Real Estate

- Proactive asset management – AEI / Redevelopment / Disposal.
- Extend efforts to grow the portfolio via acquisition of brownfield sites or completed properties.
- Participation in selected multi-user development(s).
- Extend relations with capital / development partners – Particularly in target countries and land banking opportunities.
- Establishment of real estate platform to inject portfolio and augment future growth plans