

OFFER DOCUMENT DATED 27 FEBRUARY 2023

THIS OFFER DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.

If you are in any doubt about this Offer (as defined herein) or the action you should take, you should consult your stockbroker, bank manager, solicitor or other professional adviser immediately.

Boustead Singapore Limited (the "**Offeror**") does not purport to advise the shareholders of Boustead Projects Limited (the "**Company**" or "**BPL**") and/or any other person. In preparing its letter to the shareholders of the Company, the Offeror has not taken into account the general or specific investment objectives, tax position, risks profiles, financial situation or particular needs and constraints of any shareholder of the Company.

The contents of this Offer Document (as defined herein) have not been reviewed by any regulatory authority in any jurisdiction. You are advised to exercise caution in relation to the Offer. If you are in any doubt about any of the contents of this Offer Document, you should obtain independent professional advice.

The views of the Independent Directors (as defined herein) on the Offer and the independent financial adviser to the Independent Directors on the Offer will be made available to you in due course and in any event, the Independent Directors (as defined herein) are required under the Code (as defined herein) to despatch their views within 14 days of the electronic dissemination of this Offer Document. You may wish to consider their advice before taking any action in relation to the Offer.

If you have sold or transferred all your issued and paid-up ordinary shares in the share capital of the Company (the "**Shares**") held through The Central Depository (Pte) Limited ("**CDP**"), you need not forward this Offer Document and the accompanying Form of Acceptance and Authorisation for Offer Shares (the "**FAA**") to the purchaser or the transferee as arrangements will be made by CDP for a separate Offer Document and FAA to be sent to the purchaser or the transferee. If you have sold or transferred all your Shares which are not deposited with CDP, you should immediately hand this Offer Document and the accompanying Form of Acceptance and Transfer for Offer Shares (the "**FAT**") to the purchaser or the transferee or to the bank, stockbroker or agent through whom you effected the sale or the transfer, for onward transmission to the purchaser or the transferee.

Singapore Exchange Securities Trading Limited (the "**SGX-ST**") assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Offer Document.

VOLUNTARY UNCONDITIONAL CASH OFFER

by

BOUSTEAD SINGAPORE LIMITED

(Company Registration No. 197501036K)

(Incorporated in Singapore)

to acquire all the issued and paid-up ordinary shares in the capital of

BOUSTEAD PROJECTS LIMITED

(Company Registration No. 199603900E)

(Incorporated in Singapore)

other than those already owned, controlled or agreed to be acquired by the Offeror, its related corporations and their respective nominees and the parties acting in concert with it

ACCEPTANCES SHOULD BE RECEIVED BY THE CLOSE OF THE OFFER AT 5.30 P.M. (SINGAPORE TIME) ON 27 MARCH 2023 (THE "CLOSING DATE"). THERE WILL BE NO EXTENSION OF THE CLOSING DATE BEYOND 27 MARCH 2023.

The procedures for acceptance of the Offer are set out in **Appendix 2** to this Offer Document, and in the accompanying FAA and/or FAT.

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Except where the context otherwise requires, the following definitions apply throughout this Offer Document and the Acceptance Forms (as defined herein):

"Acceptance Forms"	: The FAA and the FAT collectively or any one of them, as the case may be
"Accepting Shareholder"	: A Shareholder who validly accepts the Offer
"ACRA"	: The Accounting and Corporate Regulatory Authority of Singapore
"Authorised Persons"	: Shall have the meaning ascribed to it in paragraph 2.11 (Personal Data Privacy) of Appendix 2 to this Offer Document
"Award Treasury Shares"	: The aggregate of 2,400,000 award treasury shares of the Company which were transferred to John Lim Kok Min, Wong Yu Wei (Huang Youwei), Chu Kok Hong @ Choo Kok Hong, Chong Lit Cheong, Professor Yong Kwet Yew and Tam Chee Chong, directors of the Company, instead of granting share awards under the Boustead Projects Restricted Share Plan 2016, following approval obtained at the extraordinary general meeting of the shareholders of the Company held on 28 July 2021
"Business Day"	: A day (other than Saturday, Sunday or a public holiday) on which commercial banks are open for business in Singapore
"CDP"	: The Central Depository (Pte) Limited
"CEO"	: Chief Executive Officer
"Closing Date"	: 5.30 p.m. (Singapore time) on 27 March 2023, being the last day for the lodgement of acceptances of the Offer
"Code"	: The Singapore Code on Take-overs and Mergers
"Commencement Date"	: 27 February 2023 being the Despatch Date and the date from which the Offer is open for acceptances
"Companies Act"	: The Companies Act 1967 of Singapore
"Company" or "BPL"	: Boustead Projects Limited
"Company Group"	: Boustead Projects Limited and its subsidiaries
"Company Securities"	: (a) Shares; (b) securities which carry voting rights in the Company; or (c) convertible securities, warrants, options (including any options granted under any employee share scheme of the Company) or derivatives in respect of Shares or securities which carry voting rights in the Company
"Concert Parties"	: Parties acting or presumed to be acting in concert with the Offeror in connection with the Offer
"CPF"	: Central Provident Fund
"CPF Agent Banks"	: Agent banks included under the CPFIS
"CPFIS"	: Central Provident Fund Investment Scheme
"CPFIS Investors"	: Investors who have purchased Shares using their CPF contributions pursuant to the CPFIS

"Date of Receipt"	: The date of receipt of the relevant Acceptance Form by CDP or the Registrar (as the case may be) on behalf of the Offeror (provided always that the date of receipt falls on or before the Closing Date)
"DCS"	: Shall have the meaning ascribed to it in paragraph 2 (Settlement for the Offer) of Appendix 1 to this Offer Document
"Despatch Date"	: 27 February 2023, being the date of despatch of the Notification Letter, the Acceptance Forms, and the electronic dissemination of this Offer Document and any related documents
"Directors"	: Directors of the Offeror as at the Latest Practicable Date
"Distributions"	: All dividends, rights, other distributions and/or return on capital (if any) declared, paid or made by the Company in respect of the Offer Shares
"Electronic Acceptance"	: The SGX-SFG service provided by CDP as listed in Schedule 3 of the Terms and Conditions for User Services for Depository Agents
"Encumbrances"	: All claims, charges, equities, mortgages, liens, pledges, encumbrances, rights of pre-emption and other third party rights and interests of any nature whatsoever
"EPS"	: Earnings per Offeror Share
"E&C"	: Shall have the meaning ascribed to it in Section 6.1 (Introduction) of this Offer Document
"FAA"	: Form of Acceptance and Authorisation for Offer Shares, which forms part of this Offer Document and which is issued to Shareholders whose Offer Shares are deposited with CDP
"FAT"	: Form of Acceptance and Transfer for Offer Shares, which forms part of this Offer Document and which is issued to Shareholders whose Offer Shares are not deposited with CDP
"FF Wong"	: Wong Fong Fui, the Chairman & Group CEO of the Offeror
"FY2022"	: Financial year ended 31 March 2022 of the Offeror
"HY2023"	: Shall have the meaning ascribed to it in paragraph 3 (Financial Summary) of Appendix 3 to this Offer Document
"Independent Directors"	: The directors of the Company who are considered independent for the purposes of the Offer
"Last Trading Day"	: 3 February 2023 being the last full trading day immediately prior to the Offer Announcement Date
"Latest Practicable Date"	: 23 February 2023, being the latest practicable date prior to the electronic dissemination of this Offer Document
"Listing Manual"	: The listing manual of the SGX-ST
"Market Day"	: A day on which the SGX-ST is open for trading of securities
"NAV"	: Net asset value

"Notification Letter"	: Notification to Shareholders regarding the electronic dissemination of this Offer Document and its related documents dated 27 February 2023
"NTA"	: Net tangible assets
"Offer"	: The voluntary unconditional cash offer by the Offeror, to acquire the Offer Shares, on the terms and subject to the conditions set out in this Offer Document, the FAA and the FAT, as such offer may be amended, extended and revised from time to time by or on behalf of the Offeror
"Offer Announcement"	: The announcement in connection with the Offer released by the Offeror on the Offer Announcement Date
"Offer Announcement Date"	: 6 February 2023, being the date of the Offer Announcement
"Offer Document"	: This document dated 27 February 2023 and any other document(s) which may be issued by the Offeror to amend, revise, supplement or update this document from time to time
"Offer Period"	: The period commencing from the Offer Announcement Date until the date the Offer is declared to have closed or lapsed
"Offer Price"	: S\$0.95 in cash for each Offer Share
"Offer Shares"	: All the issued Shares to which the Offer relates, as described in Sections 2.1 (Offer) and 2.2 (Offer Shares) of this Offer Document
"Offeror" or "BSL"	: Boustead Singapore Limited
"Offeror Group"	: BSL and its subsidiaries
"Offeror Group HY2023 Results"	: Shall have the meaning ascribed to it in paragraph 3 (Financial Summary) of Appendix 3 to this Offer Document
"Offeror Shares"	: Ordinary shares in the capital of the Offeror
"Options"	: Shall have the meaning ascribed to it in Section 2.8 (No Options Proposal) of this Offer Document
"Overseas Shareholder"	: A Shareholder whose address is outside Singapore as shown in the Register or in the Depository Register (as the case may be)
"Price Revision Announcement"	: Shall have the meaning ascribed to it in Section 1.2 (Revision of Offer Consideration) of this Offer Document
"Proposed Acquisition"	: Shall have the meaning ascribed to it in Section 7.1 (Simplification and Optimisation of the Group's Organisational Structure) of this Offer Document
"Record Date"	: In relation to any Distributions, the date on which Shareholders must be registered with the Company or with CDP, as the case may be, in order to participate in such Distributions
"Register"	: The register of holders of the Shares, as maintained by the Registrar
"Registrar"	: Boardroom Corporate & Advisory Services Pte. Ltd. in its capacity as the share registrar of the Company

"Relevant Day"	: Shall have the meaning ascribed to it in paragraph 3.1 (Timing and Contents) of Appendix 1 to this Offer Document
"Relevant Persons"	: Shall have the meaning ascribed to it in Section 12.1 (Shareholdings in Relevant Securities) of this Offer Document
"Relevant Securities"	: Shall have the meaning ascribed to it in Section 12.1 (Shareholdings in Relevant Securities) of this Offer Document
"Restricted Jurisdiction"	: Shall have the meaning ascribed to it in Section 13.1 (Overseas Jurisdictions) of this Offer Document
"Securities Account"	: A securities account maintained by a Depositor with CDP but does not include a securities sub-account
"Settled Shares"	: Shall have the meaning ascribed to it in paragraph 1.1.1 (Depositors whose Securities Accounts are credited with Offer Shares) of Appendix 2 to this Offer Document
"SFA"	: Securities and Futures Act 2001 of Singapore
"SGX-ST"	: Singapore Exchange Securities Trading Limited
"Shareholders"	: Holders of the Offer Shares, including persons whose Offer Shares are deposited with CDP or who have purchased Offer Shares on the SGX-ST
"Shares"	: Ordinary shares in the capital of the Company
"SIC"	: Securities Industry Council of Singapore
"SRS"	: The Supplementary Retirement Scheme
"SRS Agent Banks"	: Agent banks included under SRS
"SRS Investors"	: Investors who purchase Shares pursuant to SRS
"Unsettled Buy Position"	: Shall have the meaning ascribed to it in paragraph 1.1.1 (Depositors whose Securities Accounts are credited with Offer Shares) of Appendix 2 to this Offer Document
"VWAP"	: Volume weighted average price
"\$" or "\$\$" or Singapore Dollars and "cents"	: Singapore dollars and cents, respectively
"%" or "per cent."	: Per centum or percentage

Acting in concert. The term **"acting in concert"** shall have the meaning ascribed to it in the Code.

Announcements and Notices. References to the making of an announcement or the giving of notice by the Offeror shall include the release of an announcement by advertising agents, for and on behalf of the Offeror, to the press or the delivery of or transmission by telephone, facsimile, SGXNET or otherwise of an announcement to the SGX-ST. An announcement made otherwise than to the SGX-ST shall be notified simultaneously to the SGX-ST.

Depositors, etc. The terms **"Depositor"**, **"Depository Agent"** and **"Depository Register"** shall have the meaning ascribed to them respectively in Section 81SF of the SFA.

Genders. Words importing the singular shall, where applicable, include the plural and vice versa. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall, where applicable, include corporations.

Headings. The headings in this Offer Document are inserted for convenience only and shall be ignored in construing this Offer Document.

Issued Shares. In this Offer Document, the total number of:

- (i) issued Shares (excluding Shares held in treasury) as at the Latest Practicable Date is 313,260,631; and
- (ii) issued Offeror Shares (excluding Offeror Shares held in treasury) as at the Latest Practicable Date is 477,473,329.

Offer Document. References to "**Offer Document**" shall include the Acceptance Forms, unless the context otherwise requires.

Rounding. Any discrepancies in figures included in this Offer Document between amounts shown and the totals thereof are due to rounding. Accordingly, figures shown as totals in this Offer Document may not be an arithmetic aggregation of the figures that precede them.

Shareholders. References to "you", "your" and "yours" in this Offer Document are, as the context so determines, to Shareholders.

Statutes. Any reference in this Offer Document to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act, the Code or the Listing Manual or any modification thereof and used in this Offer Document shall, where applicable, have the meaning assigned to it under the Companies Act, the Code, the SFA or the Listing Manual or any modification thereof, as the case may be, unless the context otherwise requires.

Subsidiary and Related Corporation. References to "**subsidiary**" and "**related corporation**" shall have the meanings ascribed to them respectively in Sections 5 and 6 of the Companies Act.

Time and Date. Any reference to a time of the day and date in this Offer Document shall be a reference to Singapore time and date, respectively, unless otherwise stated.

CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS

Forward-Looking Statements. All statements other than statements of historical facts included in this Offer Document are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as "seek", "expect", "anticipate", "estimate", "believe", "intend", "project", "plan", "strategy", "forecast", "targets" and similar expressions or future and conditional verbs such as "will", "would", "should", "could", "may" and "might". These statements reflect the Offeror's current expectations, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of information available as at the Latest Practicable Date. Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results may differ materially from those described in such forward-looking statements. Shareholders and other investors should not place undue reliance on such forward-looking statements, and the Offeror does not undertake any obligation to update publicly or revise any forward-looking statements.

LETTER TO SHAREHOLDERS

BOUSTEAD SINGAPORE LIMITED
(Company Registration No. 197501036K)
(Incorporated in Singapore)

27 February 2023

To: The shareholders of Boustead Project Limited

Dear Sir / Madam,

VOLUNTARY UNCONDITIONAL CASH OFFER BY BOUSTEAD SINGAPORE LIMITED FOR OFFER SHARES

1. INTRODUCTION

- 1.1 Offer Announcement.** On 6 February 2023, the Offeror announced that it intends to make a voluntary unconditional general offer for all the issued and paid-up ordinary shares (excluding treasury shares) in the capital of the Company other than those Shares already owned, controlled or agreed to be acquired by the Offeror, its related corporations and their respective nominees and the parties acting in concert with it as at the date of the Offer in accordance with Rule 15 of the Code. Based on the latest information available to the Offeror as at the Latest Practicable Date, the Offeror and parties acting in concert with it hold in aggregate 252,779,117 Shares, representing approximately 80.69% of the total number of issued Shares (excluding any Shares held in treasury), details of which are set out in **Appendix 3** to this Offer Document.

A copy of the Offer Announcement is available on the website of the SGX-ST at www.sgx.com.

- 1.2 Revision of Offer Consideration.** On 22 February 2023, the Offeror announced that the Offeror is revising the consideration for the Offer Shares ("**Price Revision Announcement**"). Further details of the Offer Price are set out in Section 2.3 (Offer Price) of this Offer Document.

A copy of the Price Revision Announcement is available on the website of the SGX-ST at www.sgx.com.

- 1.3 Offer Document.** This Offer Document contains the formal offer by the Offeror to acquire all the Shares other than those Shares already owned, controlled or agreed to be acquired by the Offeror, its related corporations and their respective nominees and the parties acting in concert with it as at the date of the Offer. **PLEASE READ THIS OFFER DOCUMENT CAREFULLY.**

2. THE OFFER

- 2.1 Offer.** The Offeror hereby makes the Offer in accordance with Rule 15 of the Code and on the terms and subject to the conditions set out in this Offer Document, the FAA and the FAT.

- 2.2 Offer Shares.** The Offer will be extended to all Shares other than those Shares already owned, controlled or agreed to be acquired by the Offeror, its related corporations and their respective nominees and the parties acting in concert with it as at the date of the Offer (the "**Offer Shares**").

For avoidance of doubt, the Offer will be extended to Award Treasury Shares held by the Company's directors, provided that (1) the Offer does not extend to Award Treasury Shares held by parties acting in concert with the Offeror, and (2) any acceptance of the Offer will be subject to the terms of the Boustead Projects Restricted Share Plan 2016.

2.3 Offer Price. The consideration for the Offer Shares shall be as follows ("**Offer Price**"):

For each Offer Share: S\$0.95 in cash

For the purposes of the Offer, the expression "**Shareholder**" shall mean each holder of Offer Shares.

The Offer Price is final. The Offeror does not intend to revise the Offer Price, save that the Offeror reserves the right to revise the terms of the Offer in accordance with the Code if a competitive situation arises.

2.4 No Encumbrances. The Offer Shares are to be acquired (i) fully paid, (ii) free from any Encumbrances and (iii) together with all rights, benefits, entitlements and advantages attached thereto as at the Offer Announcement Date and thereafter attaching thereto, including but not limited to the right to receive and retain all Distributions declared, paid or made by the Company in respect of the Offer Shares on or after the Offer Announcement Date.

2.5 Adjustment for Distributions. Without prejudice to the foregoing, the Offer Price has been determined on the basis that the Offer Shares will be acquired with the right to receive any Distribution that may be declared, paid or made by the Company on or after the Offer Announcement Date.

Accordingly, in the event any Distribution is or has been declared, paid or made by the Company in respect of the Offer Shares on or after the Offer Announcement Date, the Offer Price payable to the Accepting Shareholder shall be reduced by an amount which is equal to the amount of such Distribution, depending on when the settlement date in respect of the Offer Shares tendered in acceptance of the Offer by such Accepting Shareholder falls, as follows:

2.5.1 if such settlement date falls on or before the record date for the determination of entitlements to the Distribution (the "**Record Date**"), the Offer Price shall remain unadjusted for each such Offer Share, as the Offeror will receive the Distribution in respect of such Offer Share from the Company; and

2.5.2 if such settlement date falls after the Record Date, the Offer Price for each Offer Share shall be reduced by an amount which is equal to the amount of the Distribution in respect of each Offer Share, as the Offeror will not receive the Distribution in respect of such Offer Share from the Company.

2.6 Unconditional Offer. The Offer is unconditional in all respects.

2.7 Warranty. A Shareholder who tenders his Offer Shares in acceptance of the Offer will be deemed to unconditionally and irrevocably warrant that he sells such Offer Shares as or on behalf of the beneficial owner(s) thereof (i) fully paid, (ii) free from all Encumbrances and (iii) together with all rights, benefits and entitlements attached thereto as at the Offer Announcement Date and thereafter attaching thereto, including but not limited to the right to receive and retain all Distributions declared, paid or made by the Company in respect of the Offer Shares on or after the Offer Announcement Date.

2.8 No Options Proposal. Based on the latest information available to the Offeror, there are no outstanding options to subscribe for new Shares granted under any employee share scheme of the Company ("**Options**") as at the Latest Practicable Date. Accordingly, the Offeror will not make an offer to acquire any Options.

2.9 Choices. Shareholders can, in relation to all or part of their Offer Shares, either:

2.9.1 accept the Offer in respect of such Offer Shares in accordance with the procedures set out in **Appendix 2** to this Offer Document; or

2.9.2 take no action and let the Offer lapse in respect of their Offer Shares.

3. DETAILS OF THE OFFER

Appendix 1 to this Offer Document sets out further details on (i) the duration of the Offer, (ii) the settlement of the consideration for the Offer, (iii) the requirements relating to the announcement of the level of acceptances of the Offer and (iv) the right of withdrawal of acceptances of the Offer.

4. PROCEDURES FOR ACCEPTANCE

Appendix 2 to this Offer Document sets out the procedures for acceptance of the Offer by a Shareholder.

5. INFORMATION ON THE OFFEROR

5.1 Introduction. The Offeror is a company incorporated in Singapore on 18 June 1975 and listed on the Mainboard of the SGX-ST on 17 October 1975. The Offeror is a progressive global infrastructure-related engineering and technology group with four (4) core business segments: (i) Energy Engineering; (ii) Real Estate; (iii) Geospatial; and (iv) Healthcare. FF Wong, Chairman & Group CEO is a controlling shareholder and is deemed interested in approximately 43.10% of the total shareholding of the Offeror.

5.2 Share Capital. As at the Latest Practicable Date, the Offeror has an issued and paid-up share capital of S\$56,973,000 (excluding any Offeror Shares held in treasury) comprising 477,473,329 ordinary shares.

5.3 Shareholding in the Company. As at the Latest Practicable Date, the Offeror directly holds 190,147,509 Shares representing approximately 60.70% of the total number of issued Shares of the Company. FF Wong has an aggregate deemed interest in 79.98% of the Shares of the Company (including Shares held by the Offeror), of which he is deemed interested in 19.28% of the Shares of the Company held through nominees. For the avoidance of doubt, as FF Wong is a party acting in concert with the Offeror, the Offer does not extend to the Shares that he controls held through nominees (i.e. 19.28% of the Shares in the Company). In addition, FF Wong and his son, Wong Yu Loon, in their capacities as directors of the Offeror, have abstained from all decisions and deliberations in connection with the making of the Offer, including the terms thereof.

5.4 Directors. As at the Latest Practicable Date, the directors of the Offeror are:

5.4.1 FF Wong (Chairman & Group CEO);

5.4.2 Wong Yu Loon¹ (Executive Director & Deputy Group CEO);

5.4.3 Mak Lye Mun (Lead Independent Director);

5.4.4 Dr. Tan Khee Giap (Independent Non-Executive Director); and

5.4.5 Liak Teng Lit (Independent Non-Executive Director).

Appendix 3 to this Offer Document sets out additional information on the Offeror. Information on the Offeror is also available from its website at www.boustead.sg.

¹ Wong Yu Loon is the son of FF Wong.

6. INFORMATION ON THE COMPANY

- 6.1 Introduction.** The Company is a company incorporated in Singapore on 29 May 1996 and listed on the Mainboard of the SGX-ST on 30 April 2015. The Company is a leading provider of innovative eco-sustainable real estate solutions with a regional presence and two (2) core business segments: (i) Engineering & Construction ("**E&C**"), comprising turnkey engineering, full-fledged integrated digital delivery, and project and construction management encompassing design-and-build; and (ii) Real Estate, comprising real estate development, asset and leasing management, and fund management.
- 6.2 Share Capital.** As at the Latest Practicable Date, the Company has an issued and paid-up share capital of S\$9,505,000 (excluding any Shares held in treasury) comprising 313,260,631 ordinary shares.
- 6.3 Directors.** As at the Latest Practicable Date, the directors of the Company are:
- 6.3.1** John Lim Kok Min (Chairman & Independent Non-Executive Director);
 - 6.3.2** Wong Yu Wei² (Executive Deputy Chairman);
 - 6.3.3** Thomas Chu Kok Hong (Managing Director);
 - 6.3.4** Tam Chee Chong (Independent Non-Executive Director);
 - 6.3.5** Chong Lit Cheong (Independent Non-Executive Director); and
 - 6.3.6** Professor Yong Kwet Yew (Independent Non-Executive Director).

Appendix 4 to this Offer Document sets out additional information on the Company. Information on the Company is also available from its website at www.bousteadprojects.com.

7. RATIONALE FOR THE OFFER

The Offeror believes that the Offer will be beneficial to all stakeholders of both BSL and BPL for the following reasons:

- 7.1 Simplification and Optimisation of the Group's Organisational Structure.** The proposed acquisition by the Offeror of all the Offer Shares in the Company (the "**Proposed Acquisition**") is in line with the Offeror's overarching intentions and its ongoing strategic reviews and objective to streamline its investments, businesses, operations and the corporate structure of the group (including the Company).

The ongoing COVID-19 pandemic has had an unprecedented impact on the global economy and on the Company's E&C business operations and financial performance. The Company's E&C business profits have been significantly lower in light of the COVID-19 pandemic as compared to the historical profit of the E&C business during the pre-COVID-19 pandemic period.

The Offeror believes that the Proposed Acquisition will allow the Company's management team to focus on rebuilding its business, including the Company's E&C business, as a private limited company without the additional obligations that come with being a listed company on the Mainboard of the SGX-ST, including but not limited to the compliance costs and time dedicated to regulatory and reporting obligations.

The Proposed Acquisition will allow the Offeror to simplify the group structure and reduce organisational complexity, providing the Offeror with greater control and flexibility to mobilise and optimise its resources across its businesses. The simplified group structure will allow for a sharper focus in operations and increase competitiveness, enhancing shareholder value.

² Wong Yu Wei is the son of FF Wong.

7.2 Opportunity for Shareholders to Fully Realise their Investment at a Premium without incurring Brokerage Costs. The Offer provides an opportunity for Shareholders who wish to realise their investment to do so in cash, at a premium to prevailing market prices prior to the Offer Announcement Date and without incurring brokerage fees. The Offer Price represents a premium of approximately:

7.2.1 13.8% over the last traded price per Share as quoted on the SGX-ST on 3 February 2023 being the last full trading day immediately prior to the Offer Announcement (the "**Last Trading Day**");

7.2.2 21.6% over the VWAP of the Shares for the 1-month period prior to and including the Last Trading Day;

7.2.3 21.0% over the VWAP of the Shares for the 3-month period prior to and including the Last Trading Day;

7.2.4 17.7% over the VWAP of the Shares for the 6-month period prior to and including the Last Trading Day; and

7.2.5 6.9% over the VWAP of the Shares for the 12-month period prior to and including the Last Trading Day.

7.3 Low Trading Liquidity. Shareholders can quickly and totally exit their investment in the Company in a low liquidity environment without incurring brokerage fees, moreover in an Offer that is unconditional in all respects. The trading volume of the Shares has been generally low, with an average daily trading volume of approximately 10,414 Shares, 39,571 Shares, 26,063 Shares and 39,925 Shares during the 1-month period, 3-month period, 6-month period and 12-month period up to and including the Last Trading Day. These represent 0.003%, 0.013%, 0.008% and 0.013% of the total number of issued Shares for the aforementioned relevant periods, respectively.

Furthermore, there have been 7 days, 19 days, 37 days and 53 days of zero daily trading volume during the 1-month period, 3-month period, 6-month period and 12-month period up to and including the Last Trading Day. These represent 33.3%, 30.6%, 29.4% and 21.2% of the total trading days for the aforementioned relevant periods, respectively.

7.4 Compliance Costs relating to Listing Status. The Offeror is of the view that in maintaining the Company's listing status, the Company incurs additional compliance and associated costs. If the Company is delisted, the Company will be able to (i) dispense with costs associated with complying with listing and other regulatory requirements; and (ii) streamline human resources required for such compliance.

8. THE OFFEROR'S INTENTIONS FOR THE COMPANY

8.1 The Offeror's Future Plans for the Company. The Company is a principal subsidiary of the Offeror. The Offeror intends for the Company to continue to develop and grow the existing businesses of the Company and its subsidiaries. The Offeror and the Company will continue to review, from time to time, the operations of the Company and its subsidiaries as well as the Company's strategic options. The Offeror retains the flexibility at any time to further consider any options or opportunities in relation to the Company which may present themselves and which the Offeror may regard to be in the interests of the Offeror and/or the Company.

8.2 Save as disclosed above, the Offeror has no current intentions to (i) introduce any major changes to the existing business of the Company, (ii) re-deploy the fixed assets of the Company, or (iii) discontinue the employment of the existing employees of the Company or its subsidiaries, in each case, other than in the ordinary and usual course of business.

- 8.3 Listing Status of the Company.** Under Rule 723 of the Listing Manual, the Company must ensure that at least 10% of the total number of Shares (excluding any Shares held in treasury) is at all times held in public hands. Pursuant to Rule 1105 of the Listing Manual, upon an announcement by the Offeror that acceptances have been received pursuant to the Offer that bring the holdings owned by the Offeror and its concert parties to above 90% of the total number of issued Shares (excluding Shares held in treasury), the SGX-ST may suspend the trading of the Shares on the SGX-ST until such time it is satisfied that at least 10% of the total number of issued Shares (excluding Shares held in treasury) are held by at least 500 shareholders of the Company who are members of the public. Rule 1303(1) of the Listing Manual provides that if the Offeror succeeds in garnering acceptances exceeding 90% of the total number of issued Shares (excluding Shares held in treasury), thus causing the percentage of the total number of issued Shares (excluding Shares held in treasury) held in public hands to fall below 10%, the SGX-ST will suspend trading of the Shares only at the close of the Offer.

In addition, under Rule 724(1) of the Listing Manual, if the percentage of the total number of issued Shares (excluding Shares held in treasury) held in public hands falls below 10%, the Company must, as soon as practicable, announce that fact and the SGX-ST may suspend the trading of all the Shares. Rule 724(2) of the Listing Manual states that the SGX-ST may allow the Company a period of three (3) months, or such longer period as the SGX-ST may agree, to raise the percentage of Shares (excluding Shares held in treasury) in public hands to at least 10%, failing which the Company may be delisted from the SGX-ST.

- 8.4 The Offeror's Intentions.** It is the intention of the Offeror to privatise the Company and delist the Company from the SGX-ST, should the option be available to the Offeror. In the event that the trading of Shares on the SGX-ST is suspended pursuant to Rule 724, Rule 1105 or Rule 1303(1) of the Listing Manual, the Offeror has no intention to undertake or support any action for any such trading suspension by the SGX-ST to be lifted. In addition, the Offeror reserves the right to seek a voluntary delisting of the Company from the SGX-ST, pursuant to Rules 1307 and 1309 of the Listing Manual.

- 8.5 Compulsory Acquisition.** The Offeror will not be able to avail itself of the powers of compulsory acquisition under Section 215(1) of the Companies Act following the completion of the Offer.

9. FINANCIAL ASPECTS OF THE OFFER

- 9.1 Offer Price.** The Offer Price represents the following premia over certain historical market prices of the Shares as set out below:

	Description	Benchmark Price (S\$) ⁽¹⁾	Premium of Offer Price over Benchmark Price (%) ⁽²⁾
(a)	Last traded price of the Shares on the SGX-ST on the Last Trading Day (being 3 February 2023) ³	0.835	13.8
(b)	VWAP of the Shares on the SGX-ST for the 1-month period up to and including the Last Trading Day	0.781	21.6

³ There were no trades on the Shares for each of 2 February 2023 and 3 February 2023. Accordingly, the last traded price per Share as quoted on the SGX-ST on 3 February 2023 reflects the last traded price as at the close of 1 February 2023, being S\$0.835.

	Description	Benchmark Price (S\$) ⁽¹⁾	Premium of Offer Price over Benchmark Price (%) ⁽²⁾
(c)	VWAP for the 3-month period up to and including the Last Trading Day	0.785	21.0
(d)	VWAP for the 6-month period up to and including the Last Trading Day	0.807	17.7
(e)	VWAP for the 12-month period up to and including the Last Trading Day	0.889	6.9

Notes:

(1) Based on data extracted from Bloomberg Finance L.P. on 3 February 2023, being the Last Trading Day figures rounded to the nearest three (3) decimal places.

(2) Premia rounded to the nearest per cent.

10. CONFIRMATION OF FINANCIAL RESOURCES

United Overseas Bank Limited confirms that sufficient financial resources are available to the Offeror to satisfy in full all acceptances of the Offer Shares by the Shareholders on the basis of the Offer Price. For the avoidance of doubt, United Overseas Bank Limited is not acting as financial adviser to the Offeror for the Offer.

11. PRO FORMA FINANCIAL EFFECTS OF THE OFFER

11.1 Bases and Assumptions. The pro forma financial effects of the Offer set out below are for illustrative purposes only, and are neither indicative of the actual financial effects of the Offer on the consolidated net tangible assets ("**NTA**") per Offeror share in the issued share capital of the Offeror ("**Offeror Share**"), the earnings per Offeror Share ("**EPS**"), the net asset value ("**NAV**") per Offeror Share and the net gearing of the Offeror, nor represent the actual or future financial position and/or results of the Offeror immediately after the close of the Offer or upon completion of the Offer. The pro forma financial effects of the Offer set out below have been prepared based on the last audited consolidated financial statements of the Offeror for the financial year ended 31 March 2022 ("**FY2022**") and on the following bases and assumptions:

11.1.1 all the holders of the Offer Shares validly accept the Offer; and

11.1.2 the Offeror and the parties acting or presumed to be acting in concert with the Offeror hold 100.0% of the Shares in the Company, of which the Offeror holds 80.01% of the Shares in the Company, as a result of the Offer.

11.2 Effect on NTA per Offeror Share. For illustrative purposes only and assuming that the Offer had been completed on 31 March 2022, being the end of FY2022, the pro forma financial effects of the Offer on the consolidated NTA per Offeror Share are set out below:

	Before the Offer	After the completion of the Offer
NTA attributable to equity holders of the Offeror (S\$'000)	433,413	460,773
Number of Offeror Shares (excluding treasury shares) (as at 31 March 2022)	482,247,329	482,247,329
NTA per Offeror Share (S\$)	0.899	0.955

11.3 Effect on EPS. For illustrative purposes only and assuming that the Offer had been completed on 1 April 2021, being the beginning of FY2022, the pro forma financial effects of the Offer on the EPS are set out below:

	Before the Offer	After the completion of the Offer
Profit attributable to the equity holders of the Offeror (S\$'000)	30,578	33,529
EPS ⁴ (S\$)	0.063	0.069

11.4 Effect on NAV per Offeror Share. For illustrative purposes only and assuming that the Offer had been completed on 31 March 2022, being the end of FY2022, the pro forma financial effects of the Offer on the NAV per Offeror Share are set out below:

	Before the Offer	After the completion of the Offer
NAV attributable to equity holders of the Offeror (S\$'000)	433,566	460,926
Number of Offeror Shares (excluding treasury shares) (as at 31 March 2022)	482,247,329	482,247,329
NAV per Offeror Share (S\$)	0.899	0.956

⁴ Earnings refer to profit attributable to equity holders of the Offeror.

- 11.5 Effect on Net Gearing.** For illustrative purposes only and assuming that the Offer had been completed on 31 March 2022, being the end of FY2022, the pro forma financial effects of the Offer on the net gearing of the Offeror are set out below:

	Before the Offer	After the completion of the Offer
Total borrowings (S\$'000)	15,980	15,980
Gearing ratio (Borrowings/NAV attributable to equity holders of the Offeror) (%)	3.7%	3.5%

12. DISCLOSURE OF HOLDINGS, DEALINGS AND OTHER ARRANGEMENTS

- 12.1 Shareholdings in Relevant Securities.** As at the Latest Practicable Date, save as disclosed in **Appendix 5** to this Offer Document and in this Offer Document, none of the following persons:

12.1.1 the Offeror;

12.1.2 the Offeror's directors; and

12.1.3 any party acting or presumed to be acting in concert with the Offeror.

(collectively, the "**Relevant Persons**")

owns, controls or has agreed to acquire any (i) Shares; (ii) securities which carry voting rights in the Company; or (iii) convertible securities, warrants, options or derivatives in respect of such Shares or securities which are being offered for or which carry voting rights in the Company (collectively, the "**Relevant Securities**").

- 12.2 Other Arrangements in respect of the Relevant Securities.** As at the Latest Practicable Date, save as disclosed in **Appendix 5** to this Offer Document and in this Offer Document, none of the Relevant Persons have:

12.2.1 received any irrevocable commitment from any person to accept or reject the Offer;

12.2.2 entered into any arrangement of the kind referred to in Note 7 on Rule 12 of the Code;

12.2.3 granted any security interest relating to any Relevant Securities to another person, whether through a charge, pledge or otherwise;

12.2.4 borrowed any Relevant Securities from another person (excluding borrowed Relevant Securities which have been on-lent or sold); or

12.2.5 lent any Relevant Securities to another person.

13. OVERSEAS SHAREHOLDERS

- 13.1 Overseas Jurisdictions.** This Offer Document does not constitute an offer to sell or the solicitation of an offer to subscribe for or buy any security, nor is it a solicitation of any vote or approval in any jurisdiction, nor shall there be any sale, issuance or transfer of the securities referred to in this Offer Document in any jurisdiction in contravention of applicable law.

The release, publication or distribution of this Offer Document in certain jurisdictions may be restricted by law and therefore persons in any such jurisdictions into which this Offer Document is released, published or distributed should inform themselves about and observe such restrictions.

Copies of this Offer Document are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any jurisdiction where the making of or the acceptance of the Offer will violate the laws of that jurisdiction ("**Restricted Jurisdiction**") and will not be capable of acceptance by any such use, instrumentality or facility within any Restricted Jurisdiction and persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send them in or into or from any Restricted Jurisdiction.

The Offer (unless otherwise determined by the Offeror and permitted by applicable law and regulation) will not be made, directly or indirectly, in or into, or by the use of mails of, or by any means or instrumentality (including, without limitation, telephonically or electronically) of interstate or foreign commerce of, or any facility of a national, state or other securities exchange of, any Restricted Jurisdiction and the Offer will not be capable of acceptance by any such use, means, instrumentality or facilities.

- 13.2 Overseas Shareholders.** The availability of the Offer to Shareholders whose addresses are outside Singapore as shown in the Register or in the Depository Register (as the case may be) (each, an "**Overseas Shareholder**") may be affected by the laws of the relevant overseas jurisdictions in which they are located. Accordingly, Overseas Shareholders should inform themselves of, and observe, any applicable requirements in the relevant overseas jurisdictions. **For the avoidance of doubt, the Offer is open to all Shareholders, including those to whom this Offer Document and the relevant Acceptance Forms may not be sent.**

It is the responsibility of Overseas Shareholders who wish to (a) request for this Offer Document, the relevant Acceptance Forms and/or any related documents, and/or (b) accept the Offer to satisfy themselves as to the full observance of the laws of the relevant overseas jurisdiction in that connection, including the obtaining of any governmental or other consent which may be required, or compliance with other necessary formalities or legal requirements and the payment of any taxes, imposts, duties or other requisite payments due in such jurisdiction. Such Overseas Shareholders shall be liable for any such taxes, imposts, duties or other requisite payments payable and the Offeror, its related corporations, CDP, the Registrar and any person acting on their behalf shall be fully indemnified and held harmless by such Overseas Shareholders for any such taxes, imposts, duties or other requisite payments as the Offeror, its related corporations, CDP, the Registrar and/or any person acting on their behalf may be required to pay. In (a) requesting for this Offer Document, the relevant Acceptance Forms and/or any related documents, and/or (b) accepting the Offer, each Overseas Shareholder represents and warrants to the Offeror that he is in full observance of the laws of the relevant jurisdiction in that connection and that he is in full compliance with all necessary formalities or legal requirements.

Any Overseas Shareholder who is in doubt about his position should consult his professional adviser in the relevant jurisdiction.

- 13.3 Copies of the Offer Document and the relevant Acceptance Forms.** Where there are potential restrictions on sending this Offer Document, and/or the relevant Acceptance Forms to any overseas jurisdiction, the Offeror, CDP and the Registrar each reserves the right not to send these documents to Overseas Shareholders in such overseas jurisdictions. Shareholders (including Overseas Shareholders) may (subject to compliance with applicable laws) obtain electronic copies of this Offer Document, the Acceptance Forms and/or any related documents from the website of the SGX-ST at www.sgx.com. To obtain an electronic copy of this Offer Document, please select the section "Securities", select "Company Information" and then "Company Announcements" from the drop-down menu list and type the name of the Company: "Boustead Projects Limited" in the box titled "Filter by Company/Security Name". "Boustead Projects Limited" will appear as a drop-down item below the filter box.

Thereafter, please select the announcement dated 27 February 2023 titled "Voluntary Unconditional Cash Offer – Electronic Dissemination of Offer Document". This Offer Document, the Acceptance Forms and its related documents can be accessed by clicking on the link under the section titled "Attachments" at the bottom of the announcement.

- 13.4 Notice.** The Offeror reserves the right to notify any matter, including the fact that the Offer has been made, to any or all Shareholders (including Overseas Shareholders) by announcement to the SGX-ST or paid advertisement in a daily newspaper published or circulated in Singapore, in which case, such notice shall be deemed to have been sufficiently given notwithstanding any failure by any Shareholder to receive or see such announcement or advertisement.

14. GENERAL

- 14.1 Valid Acceptances.** The Offeror reserves the right to treat acceptances of the Offer as valid if received by or on behalf of any of them at any place or places determined by them otherwise than as stated herein or in the relevant Acceptance Forms, as the case may be, or if made otherwise than in accordance with the provisions herein and instructions printed in the relevant Acceptance Forms.

- 14.2 Information Pertaining to CPFIS Investors and SRS Investors.** CPFIS Investors and SRS Investors should receive further information on how to accept the Offer from their respective CPF Agent Banks and SRS Agent Banks. CPFIS Investors and SRS Investors are advised to consult their respective CPF Agent Banks and SRS Agent Banks should they require further information, and if they are in any doubt as to the action they should take, CPFIS Investors and SRS Investors should seek independent professional advice. CPFIS Investors and SRS Investors who wish to accept the Offer are to reply to their respective CPF Agent Banks and SRS Agent Banks by the deadline stated in the letter from their respective CPF Agent Banks and SRS Agent Banks, which may be earlier than the Closing Date.

CPFIS Investors and SRS Investors will receive the Offer Price payable in respect of the Offer Shares validly tendered in acceptance of the Offer through appropriate intermediaries in their respective CPF investment accounts and SRS investment accounts.

- 14.3 Governing Law and Jurisdiction.** The Offer, this Offer Document, the Acceptance Forms and any related documents, all acceptances of the Offer, and all contracts made pursuant thereto and actions taken or made or deemed to be taken or made thereunder shall be governed by, and construed in accordance with, the laws of the Republic of Singapore. Each of the Offeror and the Accepting Shareholders submits to the non-exclusive jurisdiction of the Singapore courts.

- 14.4 No Third Party Rights.** Unless expressly provided to the contrary in this Offer Document, the Acceptance Forms, and/or any related documents, a person who is not a party to any contracts made pursuant to the Offer, this Offer Document, the Acceptance Forms, and/or any related documents has no rights under the Contracts (Rights of Third Parties) Act 2001 of Singapore to enforce any term of such contracts. Notwithstanding any term herein, the consent of any third party is not required for any subsequent agreement by the parties hereto to amend or vary (including any release or compromise of any liability) or terminate such contracts. Where third parties are conferred rights under such contracts, those rights are not assignable or transferable.

- 14.5 Accidental Omission.** Accidental omission to despatch this Offer Document, the Acceptance Forms, and/or any related documents or any notice or announcement required to be given under the terms of the Offer or any failure to receive the same by any person to whom the Offer is made or should be made, shall not invalidate the Offer in any way.

- 14.6 Independent Advice.** The Offeror does not purport to advise the Shareholders or any other person. In preparing the letter to Shareholders, the Offeror has not taken into account the general or specific investment objectives, tax position, risk profiles, financial situation or particular needs and constraints of any Shareholder. **The views of the Independent Directors on the Offer and the independent financial adviser to the Independent Directors on the Offer will be made available to the shareholders of the Company in due course and in any event, the Independent Directors are required under the Code to despatch their views within 14 days of the electronic dissemination of this Offer Document. Shareholders may wish to consider their advice before taking any action in relation to the Offer.**

14.7 General Information. Appendix 6 to this Offer Document sets out additional general information relating to the Offer.

15. RESPONSIBILITY STATEMENT

The directors of the Offeror (including those who may have delegated detailed supervision of this Offer Document) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Offer Document are fair and accurate and that no material facts have been omitted from this Offer Document, the omission of which would make any statement in this Offer Document misleading.

Where any information has been extracted or reproduced from published or otherwise publicly available sources (including without limitation, in relation to the Company Group), the sole responsibility of the directors of the Offeror has been to ensure, through reasonable enquiries, that such information is accurately and correctly extracted from such sources or, as the case may be, accurately reflected or reproduced in this Offer Document.

The directors of the Offeror jointly and severally accept responsibility accordingly.

Yours faithfully,

BOUSTEAD SINGAPORE LIMITED

27 February 2023

APPENDIX 1 – DETAILS OF THE OFFER

1. DURATION OF THE OFFER

- 1.1 Closing Date.** The Offer is open for acceptance by Shareholders for 28 days from the Despatch Date, unless the Offer is withdrawn with the consent of the SIC and every person is released from any obligation incurred thereunder. **Accordingly, the Offer will close at 5.30 p.m. (Singapore time) on 27 March 2023 (Monday) (the "Closing Date"). There will be no extension of the Closing Date beyond 27 March 2023.**
- 1.2 Revision.** Pursuant to Rule 20.1 of the Code, the Offeror reserves its right to revise the terms of the Offer at such time and in such manner as it may consider appropriate. If the Offer is revised, the Offer will remain open for acceptances for at least 14 days from the date of posting of the written notification of the revision to the Shareholders. In any case, where the terms are revised, the benefit of the Offer (as so revised) will be made available to each of the Shareholders who have previously accepted the Offer.

2. SETTLEMENT FOR THE OFFER

- 2.1** Subject to the receipt by the Offeror from Accepting Shareholders of valid acceptances, complete in all respects and in accordance with the instructions given in this Offer Document, the FAA, the FAT and/or the terms and conditions for Electronic Acceptance (as the case may be) and in the case of a depositor, the receipt by the Offeror of confirmation satisfactory to it that the relevant number of Offer Shares are standing to the credit of the "Free Balance" of such depositor's Securities Account at the relevant time(s), remittances for the appropriate amounts will be despatched, pursuant to Rule 30 of the Code, to the Accepting Shareholder (or, in the case of a Shareholder holding share certificate(s) which is not deposited with CDP, his designated agent (if any)) by means of:
- 2.1.1** in the case of an Accepting Shareholder who has subscribed to CDP's Direct Crediting Services ("DCS"), credited directly into such Accepting Shareholder's designated bank account for S\$ via CDP's DCS (or in such other manner as such Accepting Shareholder may have agreed with CDP for the payment of any cash distribution). In the case of an Accepting Shareholder who has not subscribed to CDP's DCS, any monies to be paid to such Accepting Shareholder shall be credited to his Cash Ledger and be subject to the same terms and conditions as Cash Distributions under the CDP Operation of Securities Account with the Depository Terms and Conditions (Cash Ledger and Cash Distribution are as defined therein); or
- 2.1.2** in the case of an Accepting Shareholder holding share certificate(s) which are not deposited with CDP, a S\$ crossed cheque drawn on a bank operating in Singapore and sent by ordinary post to his address stated in his FAT or if none is stated, to his address as indicated in the register of members of the Company, at the risk of the Accepting Shareholder,

as soon as practicable but in any event within seven (7) business days of the date of such receipt.

3. ANNOUNCEMENTS IN RELATION TO THE OFFER

- 3.1 Timing and Contents.** Pursuant to Rule 28.1 of the Code, by 8.00 a.m. (Singapore time) on the Market Day (the "**Relevant Day**") immediately after the day on which the Offer is due to expire, or the Offer is revised or extended, the Offeror will announce and simultaneously inform the SGX-ST of the total number of Shares (as nearly as practicable):
- 3.1.1** for which valid acceptances of the Offer have been received;
- 3.1.2** held by the Offeror and any persons acting in concert with the Offeror prior to the commencement of the Offer Period (as defined under the Code); and

3.1.3 acquired or agreed to be acquired by the Offeror and any persons acting in concert with the Offeror during the Offer Period (as defined under the Code),

and will specify the respective percentages of the total number of Shares in issue represented by such numbers.

3.2 Suspension. If the Offeror is unable, within the time limit, to comply with any of the requirements of paragraph 3.1 (Timing and Contents) of this **Appendix 1**, the SIC will consider requesting the SGX-ST to suspend dealings in the Shares and, where appropriate, in the Offeror Shares, until the relevant information is given.

3.3 Valid Acceptances for Offer Shares. Subject to Section 13.1 (Valid Acceptances) of this Offer Document, in computing the number of Offer Shares represented by acceptances, the Offeror will, at the time of making an announcement, take into account acceptances which are valid in all respects. Acceptances of the Offer will only be treated as valid if the relevant requirements of Note 2 on Rule 28.1 of the Code are met.

3.4 Announcements. In this Offer Document, references to the making of any announcement or the giving of a notice by the Offeror include the release of an announcement by advertising agents for and on behalf of the Offeror to the press or the delivery of or transmission by telephone, facsimile, SGXNET or otherwise of an announcement to the SGX-ST. An announcement made otherwise than to the SGX-ST shall be notified simultaneously to the SGX-ST.

4. RIGHT OF WITHDRAWAL OF ACCEPTANCES

4.1 Except as expressly provided in this Offer Document and the Code, acceptances of the Offer shall be irrevocable.

4.2 Right of Withdrawal of Shareholders. A Shareholder who has accepted the Offer may withdraw his acceptance immediately if the Offeror fails to comply with any of the requirements set out in paragraph 3.1 (Timing and Contents) of this **Appendix 1** by 3.30 p.m. (Singapore time) on the Relevant Day. Subject to Rule 22.9 of the Code, this right of withdrawal may be terminated not less than eight (8) days after the Relevant Day by the Offeror confirming (if that be the case) that the Offer is still unconditional as to acceptances and complying with Rule 28.1 of the Code.

4.3 Procedures for Withdrawal of Acceptances. To withdraw his acceptance under the Offer:

4.3.1 a Shareholder holding Offer Shares which are not deposited with CDP must give written notice to the Offeror at **Boustead Singapore Limited c/o Boardroom Corporate & Advisory Services Pte. Ltd. at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632**; and

4.3.2 a Shareholder holding Offer Shares which are deposited with CDP must give written notice to the Offeror at **Boustead Singapore Limited c/o The Central Depository (Pte) Limited, Robinson Road Post Office, P.O. Box 1984, Singapore 903934**.

In relation to the Offer, a notice of withdrawal shall be effective only if signed by the Accepting Shareholder, or his agent duly appointed in writing and evidence of whose appointment is produced in a form satisfactory to the Offeror within the said notice and when actually received by the Offeror.

APPENDIX 2 – PROCEDURES FOR ACCEPTANCE OF THE OFFER

1. THE OFFER

1.1 DEPOSITORS

1.1.1 Depositors whose Securities Accounts are credited with Offer Shares. If you have Offer Shares standing to the credit of the "Free Balance" of your Securities Account, you should receive the Notification Letter (containing the address and instructions for the electronic retrieval of this Offer Document and its related documents) together with the FAA. If you do not receive the FAA, you may obtain a copy of such FAA, upon production of satisfactory evidence that you are a Shareholder, by submitting a request to CDP by contacting CDP's Customer Service Hotline at +65 6535 7511 during their operating hours or emailing CDP at asksgx@sgx.com. An electronic copy of the FAA may also be obtained on the website of the SGX-ST at www.sgx.com.

Acceptance. If you wish to accept the Offer in respect of all or any of your Offer Shares, you should:

(i) complete the FAA in accordance with this Offer Document and the instructions printed on the FAA. In particular, you must state in Section C of the FAA or the relevant section in the electronic form of the FAA, the number of Offer Shares in respect of which you wish to accept the Offer. If you:

(a) do not specify such number; or

(b) specify a number which exceeds the number of Offer Shares standing to the credit of the "Free Balance" of your Securities Account **as at the Date of Receipt or, in the case where the Date of Receipt is on the Closing Date, by 5.30 p.m. (Singapore time) on the Closing Date,**

you shall be deemed to have accepted the Offer in respect of all the Offer Shares already standing to the credit of the "Free Balance" of your Securities Account as at the Date of Receipt or 5.30 p.m. (Singapore time) on the Closing Date (if the FAA is received by CDP on the Closing Date);

(ii) if paragraph 1.1.1(i)(b) above applies and at the time of verification by CDP of the FAA on the Date of Receipt, there are outstanding settlement instructions with CDP to receive further Offer Shares into the "Free Balance" of your Securities Account ("**Unsettled Buy Position**"), and the Unsettled Buy Position settles such that the Offer Shares in the Unsettled Buy Position are transferred to the "Free Balance" of your Securities Account at any time during the period the Offer is open, up to 5.30 p.m. (Singapore time) on the Closing Date ("**Settled Shares**"), you shall be deemed to have accepted the Offer in respect of the balance number of Offer Shares inserted in Section C of the FAA or the relevant section of the electronic form of the FAA which have not yet been accepted pursuant to paragraph 1.1.1(i)(b) above, or the number of Settled Shares, whichever is less;

(iii) if you are submitting the FAA in physical form, sign the FAA in accordance with this **Appendix 2** and the instructions printed on the FAA; and

(iv) submit the completed FAA:

(a) **in physical form**, after signing the FAA in accordance with this **Appendix 2** and the instructions printed on the FAA and delivering the completed and signed FAA (no part may be detached or otherwise mutilated) by post, in the enclosed pre-addressed envelope at your own risk, to **Boustead Singapore Limited c/o The Central Depository (Pte) Limited at Robinson Road Post Office, P.O. Box 1984, Singapore 903934**; or

- (b) **in electronic form**, via SGX-ST's Investor Portal at <https://investors.sgx.com/dashboard> (in respect of Individual and Joint-Alt account holders only). Depositors who are corporations or Joint-And account holders cannot submit their FAA in electronic form and should sign the enclosed FAA per its/their signing mandate and where appropriate, affix its common seal to the FAA in accordance with its constitution or relevant constitutive documents,

in each case so as to arrive not later than 5.30 p.m. (Singapore time) on the Closing Date. If the completed and signed FAA is delivered by post to the Offeror, please use the pre-addressed envelope which is enclosed with the FAA, which is pre-paid for posting in Singapore only. It is your responsibility to affix adequate postage on the said envelope if posting outside of Singapore. Proof of posting is not proof of receipt by the Offeror at the above address. If you submit the FAA in electronic form, you accept the risk of defects or delays caused by failure or interruption of electronic systems, and you agree to hold the Offeror and CDP harmless against any losses directly or indirectly caused by such failure or interruption of electronic systems.

If you have sold or transferred all your Offer Shares held through CDP, you need not forward this Offer Document and the accompanying FAA to the purchaser or transferee, as CDP will arrange for a separate Notification Letter (containing the address and instructions for the electronic retrieval of the Offer Document and its related documents) and FAA to be sent to the purchaser or transferee.

If you are a Depository Agent, you may accept the Offer via Electronic Acceptance. Such Electronic Acceptance must be submitted **not later than 5.30 p.m. (Singapore time) on the Closing Date**. CDP has been authorised by the Offeror to receive Electronic Acceptances on its behalf. Electronic Acceptances submitted will be deemed irrevocable and subject to each of the terms and conditions contained in the FAA and this Offer Document as if the FAA had been completed and delivered to CDP.

- 1.1.2 Depositors whose Securities Accounts will be credited with Offer Shares.** If you have purchased Offer Shares on the SGX-ST and such Offer Shares are in the process of being credited to the "Free Balance" of your Securities Account, you should also receive the Notification Letter (containing the address and instructions for the electronic retrieval of this Offer Document and its related documents) together with the FAA. If you do not receive the FAA, you may obtain a copy, upon production of satisfactory evidence that you are a Shareholder, by submitting a request to CDP by contacting CDP's Customer Service Hotline at +65 6535 7511 during their operating hours or emailing CDP at asksgx@sgx.com. An electronic copy of the FAA may also be obtained on the website of the SGX-ST at www.sgx.com.

Acceptance. If you wish to accept the Offer in respect of all or any of your Offer Shares, you should, after the "Free Balance" of your Securities Account has been credited with such number of Offer Shares purchased:

- (i) complete and sign the FAA in accordance with paragraph 1.1.1 (Depositors whose Securities Accounts are credited with Offer Shares) of this **Appendix 2** and the instructions printed on the FAA; and
- (ii) submit the completed FAA:
 - (a) **in physical form**, after signing the FAA in accordance with this **Appendix 2** and the instructions printed on the FAA and delivering the completed and signed FAA (no part may be detached or otherwise mutilated) by post, in the enclosed pre-addressed envelope at your own risk, to **Boustead Singapore Limited c/o The Central Depository (Pte) Limited at Robinson Road Post Office, P.O. Box 1984, Singapore 903934**; or

- (b) **in electronic form**, via SGX-ST's Investor Portal at <https://investors.sgx.com/dashboard> (in respect of Individual and Joint-Alt account holders only). Depositors who are corporations or Joint-And account holders cannot submit their FAA in electronic form and should sign the enclosed FAA per its/their signing mandate and where appropriate, affix its common seal to the FAA in accordance with its constitution or relevant constitutive documents,

in each case so as to arrive not later than 5.30 p.m. (Singapore time) on the Closing Date. If the completed and signed FAA is delivered by post to the Offeror, please use the pre-addressed envelope which is enclosed with the FAA, which is pre-paid for posting in Singapore only. It is your responsibility to affix adequate postage on the said envelope if posting outside of Singapore. Proof of posting is not proof of receipt by the Offeror at the above address. If you submit the FAA in electronic form, you accept the risk of defects or delays caused by failure or interruption of electronic systems, and you agree to hold the Offeror and CDP harmless against any losses directly or indirectly caused by such failure or interruption of electronic systems.

1.1.3 Depositors whose Securities Accounts are and will be credited with Offer Shares. If you have Offer Shares credited to the "Free Balance" of your Securities Account, and have purchased additional Offer Shares on the SGX-ST which are in the process of being credited to the "Free Balance" of your Securities Account, you may accept the Offer in respect of the Offer Shares standing to the credit of the "Free Balance" of your Securities Account and may accept the Offer in respect of the additional Offer Shares purchased which are in the process of being credited to the "Free Balance" of your Securities Account only after the "Free Balance" of your Securities Account has been credited with such additional number of Offer Shares purchased.

1.1.4 Rejection. If upon receipt by CDP, on behalf of the Offeror, of the FAA, it is established that such Offer Shares have not been or will not be credited to the "Free Balance" of your Securities Account (for example, where you sell or have sold such Offer Shares), your acceptance is liable to be rejected. Neither CDP nor the Offeror (or, for the avoidance of doubt, any of the Offeror's related corporations) accept any responsibility or liability in relation to such rejections, including the consequences thereof.

If you purchase Offer Shares on the SGX-ST on a date close to the Closing Date, your acceptance in respect of such Offer Shares is liable to be rejected if the "Free Balance" of your Securities Account is not credited with such Offer Shares by the Date of Receipt or 5.30 p.m. (Singapore time) on the Closing Date if the Date of Receipt is on the Closing Date, unless paragraph 1.1.1(i)(b) read together with paragraph 1.1.1(ii) of this **Appendix 2** applies. If the Unsettled Buy Position does not settle by 5.30 p.m. (Singapore time) on the Closing Date, your acceptance in respect of such Offer Shares will be rejected. Neither CDP nor the Offeror (or, for the avoidance of doubt, any of the Offeror's related corporations) accept any responsibility or liability in relation to such rejections, including the consequences thereof.

1.1.5 General. No acknowledgement will be given by CDP for submissions of the FAA. All communications, notices, documents and remittances to be delivered or sent to you will be sent by ordinary post at your own risk to your address as it appears in the records of CDP. For reasons of confidentiality, CDP will not entertain telephone enquiries relating to the number of Offer Shares credited to your Securities Account. You can verify such number through (a) CDP Online if you have registered for the CDP Internet Access Service, or (b) through the CDP Phone Service using SMS OTP, under the option "To check your securities balance".

1.1.6 Blocked Balance. Upon receipt of the FAA which is complete and valid in all respects, CDP will transfer the Offer Shares in respect of which you have accepted the Offer from the "Free Balance" of your Securities Account to the "Blocked Balance" of your Securities Account. Such Offer Shares will be held in the "Blocked Balance" until the consideration for such Offer Shares has been despatched to you.

Except as specifically provided for in this Offer Document and the Code, acceptance of the Offer is irrevocable.

No acknowledgement will be given for submissions made. All communications and notifications can be accessed via your portfolio (CDP Internet) on <https://investors.sgx.com/dashboard> or via the SGX-ST's mobile app. Settlement of the consideration under the Offer will be subject to the receipt of confirmation satisfactory to the Offeror that the Offer Shares to which the FAA relates are credited to the "Free Balance" of your Securities Account and such settlement cannot be made until all relevant documents have been properly completed and lodged, by post at your own risk using the enclosed pre-addressed envelope to **Boustead Singapore Limited c/o The Central Depository (Pte) Limited, Robinson Road Post Office, P.O. Box 1984, Singapore 903934.**

1.1.7 Notification Letter. If you have accepted the Offer in accordance with the provisions and instructions contained in this **Appendix 2** and the FAA, CDP will send you a Notification Letter, which can be accessed via your portfolio (CDP Internet) on <https://investors.sgx.com/dashboard> or via the SGX-ST's mobile app, stating the number of Offer Shares debited from your Securities Account together with payment of the Offer Price which will be credited directly into your designated bank account for S\$ via DCS on the payment date as soon as practicable and in any event, in respect of acceptances of the Offer which are complete and valid in all respects, within seven (7) business days of the Date of Receipt.

In the event you are not subscribed to CDP's DCS, any monies to be paid shall be credited to your Cash Ledger and subject to the same terms and conditions as Cash Distributions under the CDP Operation of Securities Account with the Depository Terms and Conditions (Cash Ledger and Cash Distribution are as defined therein).

1.1.8 No Securities Account. If you do not have any existing Securities Account in your own name at the time of acceptance of the Offer, your acceptance as contained in the FAA will be rejected.

1.1.9 Acceptances received on Saturday, Sunday or public holiday. For the avoidance of doubt, FAAs received by CDP on a Saturday, Sunday or public holiday will only be processed and validated on the next Business Day.

1.2 SCRIP HOLDERS

If you hold Offer Shares which are not deposited with CDP, you are entitled to receive the Notification Letter together with the FAT. If you wish to accept the Offer, you should complete and sign the FAT (which is available upon request from **Boustead Singapore Limited c/o Boardroom Corporate & Advisory Services Pte. Ltd. at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632**) in accordance with the provisions and instructions in this Offer Document including the provisions and instructions printed on the FAT (which provisions and instructions shall be deemed to form part of the terms of the Offer) and submit the duly completed and signed original FAT with the relevant share certificate(s) and/or other document(s) of title and/or any other relevant document(s) required by the Offeror by hand or by post in the enclosed pre-addressed envelope, at your own risk, to:

**Boustead Singapore Limited
c/o Boardroom Corporate & Advisory Services Pte. Ltd.
1 Harbourfront Avenue
#14-07 Keppel Bay Tower
Singapore 098632**

so as to arrive not later than 5.30 p.m. (Singapore time) on the Closing Date. If the completed and signed FAT is delivered by post to the Offeror, please use the enclosed pre-addressed envelope, which is pre-paid for posting in Singapore only. It is your responsibility to affix adequate postage on the said envelope if posting outside of Singapore. If the number of Offer Shares in respect of acceptances of the Offer as inserted by you in the FAT exceeds the number of Offer Shares represented by the share certificate(s) and/or other document(s) of title accompanying the FAT, or if no such number of Offer

Shares is inserted by you, then you shall be deemed to have accepted the Offer in respect of all the Offer Shares as represented by the share certificate(s) and/or other document(s) of title accompanying the FAT.

2. GENERAL

- 2.1 Disclaimer.** The Offeror, CDP and/or the Registrar will be authorised and entitled, at their sole and absolute discretion, to reject or treat as valid any acceptance of the Offer through the FAA and/or FAT, as the case may be, which is not entirely in order or which does not comply with the terms of this Offer Document and the relevant Acceptance Forms or which is otherwise incomplete, incorrect, signed but not in its originality, or invalid in any respect. If you wish to accept the Offer, it is your responsibility to ensure that the relevant Acceptance Forms are properly completed and executed in all respects and submitted with original signature(s) and that all required documents (where applicable) are provided. Any decision to reject or treat as valid any acceptance will be final and binding and none of the Offeror (or, for the avoidance of doubt, any of the Offeror's related corporations), CDP and/or the Registrar accepts any responsibility or liability for such a decision, including the consequences of such a decision.
- 2.2 Discretion.** The Offeror, CDP and/or the Registrar each reserves the right to treat acceptances of the Offer as valid if received by or on behalf of any of them at any place or places determined by any of them otherwise than as stated in this Offer Document or in the FAA and/or the FAT, as the case may be, or if made otherwise than in accordance with the provisions of this Offer Document and in the FAA and/or the FAT. Any decision to reject or treat such acceptances as valid will be final and binding and none of the Offeror (or, for the avoidance of doubt, any of the Offeror's related corporations), CDP and/or the Registrar accept any responsibility or liability for such a decision, including the consequences of such a decision.
- 2.3 Share Certificates.** If your Offer Shares are represented by share certificate(s) which are not registered with the Company in your own name, you must send in, at your own risk, the relevant share certificate(s), other document(s) of title and/or other relevant documents required by the Offeror together with a duly completed and signed original FAT in its entirety (no part may be detached or otherwise mutilated), accompanied by transfer form(s), duly completed and executed by the person(s) registered with the Company as the holder(s) of the Offer Shares and stamped, with the particulars of the transferee left blank (to be completed by the Offeror or a person authorised by it):
- 2.3.1** if you hold share certificate(s) of some of the Offer Shares beneficially owned by you and if you have deposited the rest of the Offer Shares beneficially owned by you with CDP, you are required to complete, sign (if applicable) and submit at your own risk, the signed original FAT in respect of the Offer Shares represented by share certificate(s) and the signed original FAA or electronic form of the FAA in respect of the Offer Shares which are deposited with CDP, if you wish to accept the Offer in respect of all such Offer Shares. Both the FAT and the FAA must be completed, signed (if applicable) and accompanied by the relevant documents and submitted to the Offeror in accordance with the respective procedures for acceptance set out in this **Appendix 2**.
- 2.3.2** if you hold share certificate(s) of the Offer Shares beneficially owned by you and you wish to accept the Offer in respect of such Offer Shares, you should not deposit the share certificate(s) with CDP during the period commencing on the date of this Offer Document and ending on the Closing Date (both dates inclusive) as your Securities Account may not be credited with the relevant number of Offer Shares in time for you to accept the Offer.
- 2.4 Scripless and Scrip Offer Shares.** If you hold some Offer Shares with CDP and others in scrip form, you should complete the FAA for the former and the FAT for the latter in accordance with the respective procedures set out in this **Appendix 2** and the respective Acceptance Forms if you wish to accept the Offer in respect of such Offer Shares.

- 2.5 Payment.** Payment will be sent to you (or your designated agent or, in the case of joint Accepting Shareholders who have not designated any agent, to the one first named in the register of members of the Company) by ordinary post to your address as it appears in the register of members of the Company at your own risk (or to such different name and address as may be specified by you in the FAT and at your own risk), by way of a S\$ cheque drawn on a bank in Singapore for the appropriate amount.
- 2.6 Deposit Time.** If you hold Offer Shares in scrip form, the Offer Shares may not be credited into your Securities Account with CDP in time for you to accept the Offer by way of the FAA if you were to deposit your share certificate(s) with CDP after the Despatch Date. If you wish to accept the Offer in respect of such Offer Shares held in scrip form, you should complete the FAT and follow the procedures set out in paragraph 1.2 (Scrip Holders) of this **Appendix 2**.
- 2.7 Correspondences.** All communications, certificates, notices, documents and remittances to be delivered or sent to you (or, in the case of scrip holders, your designated agent or, in the case of joint Accepting Shareholders who have not designated any agent, to the one first named in the Register, as the case may be) will be sent by ordinary post to your respective addresses as they appear in the records of CDP or the Registrar, as the case may be, at the risk of the person entitled thereto (or, for the purposes of remittances only, to such different name and addresses as may be specified by you in the FAA or the FAT, as the case may be, at your own risk).
- 2.8 Evidence of Title.** Delivery of the duly completed and signed FAA and/or FAT, as the case may be, together with the relevant share certificate(s) and/or other document(s) of title and/or other relevant document(s) required by the Offeror, to the Offeror (or its nominee), CDP and/or the Registrar, as the case may be, shall be conclusive evidence in favour of the Offeror (or its nominee), CDP and the Registrar of the right and title of the person signing it to deal with the same and with the Offer Shares to which it relates. The Offeror, CDP and/or the Registrar shall be entitled to assume the accuracy of any information and/or documents submitted together with any FAA and/or FAT, as the case maybe, and shall not be required to verify or question the validity of the same.
- 2.9 Loss in Transmission.** The Offeror, CDP and/or the Registrar, as the case may be, shall not be liable for any loss in transmission of the FAA and/or the FAT.
- 2.10 Acceptances Irrevocable.** Except as expressly provided in this Offer Document and the Code, the acceptance of the Offer made by you using the FAA and/or the FAT, as the case may be, shall be irrevocable and any instructions or subsequent FAA(s) and/or FAT(s) received by CDP and/or the Registrar, as the case may be, after the FAA and/or FAT, as the case may be, has been received, shall be disregarded.
- 2.11 Personal Data Privacy.** By completing and delivering the FAA and/or the FAT, you:
- 2.11.1** consent to the collection, use and disclosure of your personal data by the Registrar, CDP, CPF, the SGX-ST, the Offeror and the Company (the "**Authorised Persons**") for the purpose of facilitating your acceptance of the Offer, and in order for the Authorised Persons to comply with any applicable laws, listing rules, regulations and/or guidelines;
 - 2.11.2** warrant that where you disclose the personal data of another person, such disclosure is in compliance with applicable law; and
 - 2.11.3** agree that you will indemnify the Authorised Persons in respect of any penalties, liabilities, claims, demands, losses and damages as a result of your breach of such warranty.

APPENDIX 3 – ADDITIONAL INFORMATION ON THE OFFEROR

1. DIRECTORS

The names, addresses and descriptions of the directors of the Offeror as at the Latest Practicable Date are as follows:

Name	Address	Description
Wong Fong Fui	82 Ubi Avenue 4, #08-01 Edward Boustead Centre, Singapore 408832	Chairman & Group CEO
Wong Yu Loon	82 Ubi Avenue 4, #08-01 Edward Boustead Centre, Singapore 408832	Executive Director & Deputy Group CEO
Mak Lye Mun	82 Ubi Avenue 4, #08-01 Edward Boustead Centre, Singapore 408832	Lead Independent Director
Dr. Tan Khee Giap	82 Ubi Avenue 4, #08-01 Edward Boustead Centre, Singapore 408832	Independent Non-Executive Director
Liak Teng Lit	82 Ubi Avenue 4, #08-01 Edward Boustead Centre, Singapore 408832	Independent Non-Executive Director

2. PRINCIPAL ACTIVITIES

The Offeror is a company incorporated in Singapore on 18 June 1975 and listed on the Mainboard of the SGX-ST on 17 October 1975. The Offeror is a progressive global infrastructure-related engineering and technology group with four (4) core business segments: (i) Energy Engineering; (ii) Real Estate; (iii) Geospatial; and (iv) Healthcare.

3. FINANCIAL SUMMARY

Set out below is certain financial information extracted from the Offeror's Annual Reports for FY2020, FY2021 and FY2022 respectively and from the unaudited consolidated interim results of the Offeror for the first half financial period ended 30 September 2022 ("**HY2023**", and such interim results, the "**Offeror Group HY2023 Results**"). The financial information for FY2020, FY2021 and FY2022 should be read in conjunction with the audited consolidated financial statements of the Offeror for FY2020, FY2021 and FY2022. In addition, the financial information for HY2023 should be read in conjunction with the Offeror Group HY2023 Results.

3.1 Selected Financial Information relating to Income Statements for FY2020, FY2021, FY2022 and HY2023

	HY2023 (Unaudited) (S\$'000)	FY2022 (Audited) (S\$'000)	FY2021 (Audited) (S\$'000)	FY2020 (Audited) (S\$'000)
Revenue	246,881	631,811	685,710	726,561
Exceptional items	N.A.	N.A.	N.A.	N.A.
Profit before income tax	36,757	55,235	204,295	63,040
Total profit	27,848	38,787	178,855	44,459
Profit attributable to equity holders of the Offeror	22,602	30,578	113,073	30,872
Profit attributable to non-controlling interests	5,246	8,209	65,782	13,587
Earnings per Offeror Share (cents)	4.7	6.3	23.3	6.3

Set out below is also a summary of the dividends per Offeror Share declared in respect of each of FY2020, FY2021, FY2022 and HY2023 by the Offeror. Such information has also been extracted from the Offeror's Annual Reports for FY2020, FY2021, FY2022 and the Offeror Group HY2023 Results.

Cents	
In respect of HY2023	
• Interim dividend	1.5 cents per Offeror Share, tax exempt (one-tier)
In respect of FY2022	
• Interim dividend	1.5 cents per Offeror Share, tax exempt (one-tier)
• Final dividend	2.5 cents per Offeror Share, tax exempt (one-tier)
In respect of FY2021	
• Interim dividend	1.0 cent per Offeror Share, tax exempt (one-tier)
• Final dividend	3.0 cents per Offeror Share, tax exempt (one-tier)
• Special dividend	4.0 cents per Offeror Share, tax exempt (one-tier)
In respect of FY2020	
• Interim dividend	1.0 cent per Offeror Share, tax exempt (one-tier)
• Final dividend	2.0 cents per Offeror Share, tax exempt (one-tier)

3.2 Statements of Assets and Liabilities of the Offeror Group as at 31 March 2021 (audited), 31 March 2022 (audited) and 30 September 2022 (unaudited)

	30 September 2022 S\$'000	31 March 2022 S\$'000	31 March 2021 S\$'000
ASSETS			
Current assets			
Cash & cash equivalents	387,476	403,861	479,791
Trade receivables	114,266	123,730	116,067
Other receivables & prepayments	69,127	74,116	67,358
Inventories	4,759	3,360	6,931
Finance lease receivables	433	522	430
Contract assets	48,102	56,047	111,706
Investment securities	7,489	71,118	5,183
Derivative financial instruments	802	38	1,628
	632,454	732,792	789,094
Non-current assets			
Trade receivables	12,755	12,320	20,211
Other receivables & prepayments	73,613	74,240	61,118
Contract assets	-	12	8,853
Investment securities	33,686	33,217	32,785
Property, plant & equipment	19,459	21,883	29,596
Right-of-use assets	13,396	8,577	13,204
Finance lease receivables	20,136	20,362	20,794
Investment properties	86,924	87,172	82,588
Intangible assets	4,403	153	1,396
Investments in associates	24,506	22,766	20,836
Investments in joint ventures	186,845	54,866	70,123
Pension asset	1,039	730	-
Deferred income tax assets	16,133	15,275	13,602
	492,895	351,573	375,106
Total assets	1,125,349	1,084,365	1,164,200
LIABILITIES			
Current liabilities			
Trade & other payables	197,320	210,439	252,704
Lease liabilities	3,145	2,677	4,363
Income tax liabilities	23,836	22,006	30,212
Contract liabilities	133,196	93,765	94,411
Borrowings	2,235	2,494	2,541
Derivative financial instruments	1,399	803	528
	361,131	332,184	384,759
Non-current liabilities			
Trade & other payables	60,716	53,269	54,090
Lease liabilities	55,615	50,020	53,412
Contract liabilities	372	579	751
Borrowings	13,073	13,486	4,427
Pension liability	305	257	300
Deferred income tax liabilities	2,962	1,346	788
	133,043	118,957	113,768
Total liabilities	494,174	451,141	498,527
NET ASSETS	631,175	633,224	665,673

	30 September 2022 S\$'000	31 March 2022 S\$'000	31 March 2021 S\$'000
EQUITY			
Capital & reserves attributable to equity holders of the Offeror			
Share capital	74,443	74,443	74,443
Treasury shares	(14,424)	(13,505)	(11,766)
Retained profits	385,860	374,654	385,262
Other reserves	(14,440)	(2,026)	(986)
	431,439	433,566	446,953
Non-controlling interests	199,736	199,658	218,720
Total equity	631,175	633,224	665,673
Total liabilities & equity	1,125,349	1,084,365	1,164,200

4. MATERIAL CHANGES IN FINANCIAL POSITION

As at the Latest Practicable Date, save as a result of the making and financing of the Offer and as disclosed in the Offeror Group HY2023 Results and any other information on the Offeror Group which is publicly available (including without limitation, the announcements released by the Offeror Group on the SGX-ST), there have been no material changes in the financial position of the Offeror since 31 March 2022, being the date of the last published audited accounts of the Offeror.

5. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies of the Offeror Group set out in Note 2 to the Offeror Group FY2022 Financial Statements have been extracted from the Offeror's Annual Report for FY2022 and reproduced in **Appendix 7** to this Offer Document.

A copy of the Offeror's Annual Report for FY2022 (which contains notes to the Offeror Group FY2022 Financial Statements) is available for inspection at the registered office of the Offeror during normal business hours until the Closing Date and on the website of the SGX-ST at www.sgx.com.

6. CHANGES IN ACCOUNTING POLICIES

There have been no changes to the significant accounting policies of the Offeror Group since 31 March 2022, being the date of the last published audited accounts of the Offeror, which will cause the figures set out in this **Appendix 3** to not be comparable to a material extent.

7. REGISTERED AND PRINCIPAL OFFICE

The registered office and principal office of the Offeror is at 82 Ubi Avenue 4, #08-01 Edward Boustead Centre, Singapore 408832.

APPENDIX 4 – ADDITIONAL INFORMATION ON THE COMPANY

1. DIRECTORS

Based on publicly available information, the names, addresses and descriptions of the directors of the Company as at the Latest Practicable Date are as follows:

Name	Address	Description
John Lim Kok Min	82 Ubi Avenue 4, #07-01 Edward Boustead Centre, Singapore 408832	Chairman & Independent Non-Executive Director
Wong Yu Wei	82 Ubi Avenue 4, #07-01 Edward Boustead Centre, Singapore 408832	Executive Deputy Chairman
Thomas Chu Kok Hong	82 Ubi Avenue 4, #07-01 Edward Boustead Centre, Singapore 408832	Managing Director
Tam Chee Chong	82 Ubi Avenue 4, #07-01 Edward Boustead Centre, Singapore 408832	Independent Non-Executive Director
Chong Lit Cheong	82 Ubi Avenue 4, #07-01 Edward Boustead Centre, Singapore 408832	Independent Non-Executive Director
Professor Yong Kwet Yew	82 Ubi Avenue 4, #07-01 Edward Boustead Centre, Singapore 408832	Independent Non-Executive Director

2. SHARE CAPITAL

As at the Latest Practicable Date, based on the latest information available to the Offeror, the Company has an issued and paid-up share capital of S\$9,505,000 (excluding Shares held in treasury) comprising 313,260,631 ordinary shares.

As at the Latest Practicable Date, the Offeror is not aware of any other outstanding instruments convertible into, rights to subscribe for and options or derivatives in respect of, the Shares or securities carrying voting rights in the Company.

3. PRINCIPAL ACTIVITIES

The Company is a company incorporated in Singapore on 29 May 1996 and listed on the Mainboard of the SGX-ST on 30 April 2015. The Company is a leading provider of innovative eco-sustainable real estate solutions with a regional presence and two (2) core business segments: (i) E&C, comprising turnkey engineering, full-fledged integrated digital delivery, and project and construction management encompassing design-and-build; and (ii) Real Estate, comprising real estate development, asset and leasing management, and fund management.

4. MATERIAL CHANGES IN FINANCIAL POSITION

To the best knowledge of the Offeror, as at the Latest Practicable Date, save as disclosed in the unaudited consolidated financial statements of the Company for HY2023 and any other information on the Company which is publicly available (including without limitation, the announcements released by the Company on the SGX-ST), there are no material changes in the financial position or prospects of the Company since the date of the last balance sheet laid before the Shareholders in a general meeting.

5. REGISTERED OFFICE

The registered office of the Company is at 82 Ubi Avenue 4, #07-01 Edward Boustead Centre, Singapore 408832.

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APPENDIX 5 – DISCLOSURES RELATING TO HOLDINGS OF, DEALINGS IN AND OTHER ARRANGEMENTS IN THE COMPANY SECURITIES

1. COMPANY SECURITIES

1.1 Holdings of Company Securities

As at the Latest Practicable Date, based on the latest information available to the Offeror, the interests in Company Securities held by the Offeror and parties acting in concert with it are set out below:

Name	Direct Interest		Deemed Interest		Total Interest	
	No. of Shares	%	No. of Shares	%	No. of Shares	%
Boustead Singapore Limited	190,147,509	60.70	0	0.00	190,147,509	60.70
Wong Fong Fui	0	0.00	60,412,094	19.28	60,412,094	19.28
Wong Yu Loon	0	0.00	0	0.00	0	0.00
Mak Lye Mun	0	0.00	0	0.00	0	0.00
Dr. Tan Khee Giap	0	0.00	0	0.00	0	0.00
Liak Teng Lit	0	0.00	0	0.00	0	0.00
Wong Yu Wei	18,671	0.01	1,833,843	0.59	1,852,514	0.59
Huang Huiming Patricia	307,000	0.10	0	0.00	307,000	0.10
Chong Ngien Cheong	60,000	0.02	0	0.00	60,000	0.02

1.2 Dealings in Company Securities

Based on the latest information available to the Offeror, save as disclosed below, none of the Offeror, the Directors, or any party acting or presumed to be acting in concert with the Offeror has dealt for value in the Company Securities during the period commencing three (3) months prior to the Offer Announcement Date and ending on the Latest Practicable Date:

Name	Transaction Date	Transaction Type	No. of Shares	Transaction price per Share (S\$)
Boustead Singapore Limited	23 February 2023	Market transaction purchase	18,251,500	0.950
Boustead Singapore Limited	28 December 2022	Market transaction purchase	232,900	0.809
Boustead Singapore Limited	9 December 2022	Market transaction purchase	567,000	0.799
Chong Ngien Cheong	9 December 2022	Market transaction sale	60,000	0.802

1.3 Undertaking to Accept or Reject the Offer

As at the Latest Practicable Date, no person has given any undertaking to the Offeror or any parties acting in concert with it to accept or reject the Offer.

1.4 Arrangements of the Kind Referred to in Note 7 on Rule 12 of the Code

As at the Latest Practicable Date, neither the Offeror nor any parties acting in concert with the Offeror has entered into any arrangement of the kind referred to in Note 7 on Rule 12 of the Code, including indemnity or option arrangements and any agreement or understanding, formal or informal, of whatever nature, relating to the Shares which may be an inducement to deal or refrain from dealing in the Shares.

1.5 Security Interest Over or Borrowing/Lending of Company Securities

As at the Latest Practicable Date, none of the Offeror or any persons acting in concert with it has (a) granted a security interest over any Company Securities to another person, whether through a charge, pledge or otherwise; (b) borrowed from another person any Company Securities (excluding borrowed Company Securities which have been on-lent or sold); or (c) lent any Company Securities to another person.

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APPENDIX 6 – GENERAL INFORMATION

1. DISCLOSURE OF INTERESTS

- 1.1 No Agreement having any Connection with or Dependence upon the Offer.** As at the Latest Practicable Date, there is no agreement, arrangement or understanding between (i) the Offeror or any party acting in concert with it and (ii) any of the current or recent directors of the Company or any of the current or recent shareholders of the Company having any connection with or dependence upon the Offer.
- 1.2 Transfer of Offer Shares.** As at the Latest Practicable Date, there is no agreement, arrangement or understanding whereby any Offer Shares acquired pursuant to the Offer will be transferred to any other person. The Offeror, however, reserves the right to transfer any of the Offer Shares to any of its related companies (as defined in the Companies Act) or for the purpose of granting security in favour of financial institutions which have extended or shall extend credit facilities to it.
- 1.3 No Payment or Benefit to Directors of the Company.** As at the Latest Practicable Date, there is no agreement, arrangement or understanding for any payment or other benefit to be made or given to any director of the Company or any of its related corporations (as defined in the Companies Act) as compensation for loss of office or otherwise in connection with the Offer.
- 1.4 No Agreement Conditional upon Outcome of the Offer.** As at the Latest Practicable Date, there is no agreement, arrangement or understanding between (i) the Offeror and (ii) any of the directors of the Company or any other person in connection with or conditional upon the outcome of the Offer or otherwise in connection with the Offer.
- 1.5 Transfer Restrictions.** The Memorandum and Articles of Association of the Company do not contain any restrictions on the right to transfer the Offer Shares.
- 1.6 No Material Change in Information.** Save as disclosed in this Offer Document, as far as the Offeror is aware, there has been no material change in any information previously published by or on behalf of the Offeror during the period commencing from the Offer Announcement Date and ending on the Latest Practicable Date.
- 1.7 Appointment of Taurus Point Capital Pte. Ltd.** For the purposes of disclosure, Taurus Point Capital Pte. Ltd. had been appointed by the Offeror to provide financial and structuring advice in connection to the Offer. Taurus Point Capital Pte. Ltd. is a subsidiary of Intraco Limited, a company listed on the Mainboard of the SGX-ST, of which Mak Lye Mun, the Lead Independent Director of the Offeror, is the Executive Chairman. Mak Lye Mun, in his capacity as the Lead Independent Director of the Offeror, had abstained from all decisions and deliberations in connection with the appointment of Taurus Point Capital Pte. Ltd., including the terms thereof.

2. GENERAL

- 2.1 Costs and Expenses.** All costs and expenses of or incidental to the preparation and circulation of this Offer Document (other than professional fees and other costs incurred or to be incurred by the Company relating to the Offer) and stamp duty and transfer fees resulting from acceptances of the Offer will be paid by the Offeror.
- 2.2 Consent.** United Overseas Bank Limited has given and has not withdrawn its written consent to the issue of this Offer Document with the inclusion of its name and all references to its name in the form and context in which they appear in this Offer Document.

3. MARKET QUOTATIONS

3.1 Shares

3.1.1 Closing Prices. The following table sets out the closing prices of the Shares on the SGX-ST (as reported by Bloomberg Finance L.P.) on (i) the Latest Practicable Date, (ii) the Last Trading Day and (iii) the last Market Day of each month from August 2022 to 6 February 2023 (being the six calendar months preceding the Offer Announcement Date) and the corresponding premia/discount based on the Offer Price:

Date	Closing Price on the SGX-ST (S\$)	Premium based on the Offer Price (%)
23 February 2023 (the Latest Practicable Date)	0.950	0.0
3 February 2023 (the Last Trading Day)	0.835	13.8
31 January 2023 ⁵	0.845	12.4
30 December 2022	0.825	15.2
30 November 2022	0.770	23.4
31 October 2022	0.835	13.8
30 September 2022	0.830	14.5
31 August 2022	0.880	8.0

3.1.2 Highest and Lowest Prices. During the period commencing six months prior to the Offer Announcement Date and ending on the Latest Practicable Date, the highest closing price for the Shares on the SGX-ST, as reported by Bloomberg Finance L.P., was S\$0.990, which was last transacted on 21 February 2023, and the lowest closing price for the Shares on the SGX-ST, as reported by Bloomberg Finance L.P., was S\$0.770, which was last transacted on 1 December 2022.

4. DOCUMENTS FOR INSPECTION

4.1 Copies of the following documents may be inspected at the registered office of the Offeror during normal business hours for the period for which the Offer remains open for acceptance:

- 4.1.1** the Annual Reports of the Offeror for FY2020, FY2021 and FY2022 and the Offeror Group HY2023 Results;
- 4.1.2** the letter of consent of United Overseas Bank Limited referred to in paragraph 2.2 (Consent) of this **Appendix 6**;
- 4.1.3** the Memorandum and Articles of Association of the Offeror;
- 4.1.4** the Offer Announcement; and
- 4.1.5** the Price Revision Announcement.

⁵ There were no trades on 27 January 2023, 30 January 2023 and 31 January 2023. Accordingly, the last market day of the month and closing price of the month on the SGX-ST quoted in January 2023, reflects the closing price on the SGX-ST as of 26 January 2023.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. GENERAL INFORMATION

Boustead Singapore Limited (the “Company”) is listed on the Singapore Exchange and incorporated and domiciled in Singapore. The address of its registered office and principal place of business is 82 Ubi Avenue 4, #08-01 Edward Boustead Centre, Singapore 408832.

The principal activity of the Company is that of an investment holding company. The principal activities of its significant associates, joint ventures and subsidiaries are set out in Notes 24, 25 and 26 respectively to the financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

These financial statements have been prepared in accordance with the Singapore Financial Reporting Standards (International) (“SFRS(I)s”) under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with SFRS(I)s requires management to exercise its judgements in the process of applying the Group’s accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

Interpretations and amendments to published standards effective on 1 April 2021

On 1 April 2021, the Group has adopted the new or amended SFRS(I) and Interpretations of SFRS(I) (“INT SFRS(I)”) that are mandatory for application for the financial year. Changes to the Group’s accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I) and INT SFRS(I).

The adoption of these new or amended SFRS(I) and INT SFRS(I) did not result in substantial changes to the Group’s accounting policies and had no material effect on the amounts reported for the current or prior financial years, except as follows:

(i) *Interest Rate Benchmark Reform – Phase 2*

The Group has adopted the amendments to SFRS(I) 9, SFRS(I) 7 and SFRS(I) 16 Interest Rate Benchmark Reform – Phase 2 effective 1 January 2021. The Group applied the Phase 2 amendments retrospectively and in accordance with the exceptions permitted in the Phase 2 amendments, the Group has elected not to restate comparatives for the prior periods to reflect the application of these amendments. Since the Group had no transactions for which the benchmark rate had been replaced with an alternative benchmark rate as at 31 March 2021, there is no impact on the opening equity balances as at 1 April 2021 as a result of retrospective application.

Financial instruments measured at amortised cost

Phase 2 of the amendments requires that, for financial instruments measured using amortised cost measurement, changes to the basis for determining the contractual cash flows required by replacement inter-bank offered rates (“IBOR”) reform are reflected by adjusting their effective interest rate. No immediate gain or loss is recognised.

These expedients are only applicable to changes that are required by IBOR reform, which is the case if, and only if, the change is necessary as a direct consequence of IBOR reform and the new basis for determining the contractual cash flows is economically equivalent to the previous basis immediately preceding the change.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.1 Basis of preparation (cont'd)

Interpretations and amendments to published standards effective on 1 April 2021 (cont'd)

(i) Interest Rate Benchmark Reform – Phase 2 (cont'd)

Effect of IBOR reform

Following the global financial crisis, the reform and replacement IBOR has become a priority for global regulators. The Group's risk exposure that is directly affected by the IBOR reform comprises its variable rate borrowings that are linked to the United States Dollar London Inter-bank Offer Rate ("USD LIBOR") and the Singapore Inter-bank Offer Rate ("SIBOR") and its variable rate loans to associates that are linked to the United States Dollar London Inter-bank Offer Rate ("USD LIBOR") and the Kuala Lumpur Inter-Bank Offer Rate ("KLIBOR").

The USD LIBOR loses its representativeness after 30 June 2023, and it is expected to be replaced by the Secured Overnight Financing Rate ("SOFR"). The Group has variable-rate USD bank borrowings and loans to associates which references to the USD LIBOR and matures after 30 June 2023. The Group's communication with its debt counterparty is ongoing, but specific changes required by IBOR reform have not yet been agreed. The expected transition from USD LIBOR to SOFR had no material effect on the amounts reported for the current and prior financial years.

The cessation date for the KLIBOR has not been announced but it is expected to be replaced by the Malaysia Overnight Rate ("MYOR"). The Group's communication with its associate is ongoing, but specific changes required by IBOR reform have not yet been agreed. The expected transition from KLIBOR to MYOR had no material effect on the amounts reported for the current and prior financial years.

The 6-month SIBOR was ceased on 31 March 2022. The 1-month SIBOR and 3-month SIBOR are expected to cease by end 2024 and they will be replaced by the Singapore Overnight Rate Average ("SORA"). The Group has a variable-rate SGD borrowing which references to SIBOR and matures after 30 June 2023. The transition from SIBOR to SORA had no material effect on the amounts reported for the current and prior financial years.

The following table contains details of all the financial instruments that the Group holds as at 31 March 2022 which are referenced to USD LIBOR and have not yet transitioned to new benchmark rates:

	USD LIBOR	
	Amount	Of which: Not yet transitioned to an alternative benchmark rate
	\$'000	\$'000
Group		
31 March 2022		
Liability		
- Borrowings	7,442	7,442

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.1 Basis of preparation (cont'd)

Interpretations and amendments to published standards effective on 1 April 2021 (cont'd)

(i) Interest Rate Benchmark Reform – Phase 2 (cont'd)

Effect of IBOR reform (cont'd)

		KLIBOR
	Amount	Of which: Not yet transited to an alternative benchmark rate
	\$'000	\$'000

Group

31 March 2022

Asset

- Other receivables and prepayments	17,685	17,685
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		SIBOR
	Amount	Of which: Not yet transited to an alternative benchmark rate
	\$'000	\$'000

Group

31 March 2022

Liability

- Borrowings	716	716
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2.2 Revenue

(a) Revenue from Real Estate

(i) Engineering & Construction contracts

The Group enters into contracts with customers to provide engineering & construction services which includes the design-and-build of buildings and facilities. Revenue is recognised when the control over the buildings and facilities has been transferred to the customer. At contract inception, the Group assesses whether the Group transfers control of the buildings and facilities over time or at a point in time by determining if (a) its performance does not create an asset with an alternative use to the Group; and (b) the Group has an enforceable right to payment for performance completed to date.

The buildings and facilities have no alternative use for the Group due to contractual restriction and the Group has enforceable rights to payment arising from the contractual terms. For these contracts, revenue is recognised over time by reference to the Group's progress towards completing the construction of the buildings and facilities. The measure of progress is determined based on the proportion of contract costs incurred to date relative to the estimated total contract costs ("input method"). Costs incurred that are not related to the contract or that do not contribute towards satisfying a performance obligation are excluded from the measure of progress and instead are expensed as incurred.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.2 Revenue (cont'd)

(a) Revenue from Real Estate (cont'd)

(i) Engineering & Construction contracts (cont'd)

Management has determined that input method provides a faithful depiction of the Group's performance in transferring control over the buildings and facilities to the customers, as it reflects the Group's efforts incurred to date relative to the total inputs expected to be incurred for the buildings and facilities.

The period between the transfer of the promised goods and payment by the customer may exceed one year. For such contracts, there is no significant financing component present as the payment terms are an industry practice to protect the customer from the performing entity's failure to adequately complete some or all of its obligations under the contract. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

Revenue from Engineering & Construction contracts are also adjusted with variations to the contracts claimable from customers, as well as liquidated damages due to delays or other causes, payable to customers.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in the profit or loss in the period in which the circumstances that give rise to the revision become known by management.

Based on the Group's experience with similar types of contracts, variable consideration is typically constrained and is included in the transaction only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

The customer is invoiced on a progressive work certification basis. If the value of the progress work transferred by the Group exceeds the billings to customers, a contract asset is recognised. If the billings to customers exceed the value of the goods transferred, a contract liability is recognised.

(ii) Management fee income

Management fee from provision of project and development services, asset, property and lease management services are recognised over time as the services are rendered, except for acquisition and performance fees which are recognised at a point in time as and when the services are rendered.

(iii) Sale of industrial properties

Gain from the sale of industrial properties is recognised when all the following conditions are satisfied:

- the Group has transferred to the buyer the control of the industrial properties;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the industrial properties sold;
- the amount of gain can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Group; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

(iv) Rental income

Please refer to Note 2.17 for the accounting policy for rental income.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.2 Revenue (cont'd)

(b) Revenue from Energy Engineering

(i) Engineering contracts

The Group enters into contracts with customers to design and supply plants in the oil & gas, petrochemical and power industries. Revenue is recognised when the control over the plant has been transferred to the customer. At contract inception, the Group assesses whether the Group transfers control of the plant over time or at a point in time by determining if (a) its performance does not create an asset with an alternative use to the Group; and (b) the Group has an enforceable right to payment for performance completed to date.

The plants have no alternative use for the Group due to contractual restriction and the Group has enforceable rights to payment arising from the contractual terms. For these contracts, revenue is recognised over time by reference to the Group's progress towards completing the construction of the plants. The measure of progress is determined based on the proportion of contract costs incurred to date relative to the estimated total contract costs ("input method"), except where this would not be representative of the stage of completion. Costs incurred that are not related to the contract or that do not contribute towards satisfying a performance obligation are excluded from the measure of progress and instead are expensed as incurred.

Management has determined that input method provides a faithful depiction of the Group's performance in transferring control over the plants to the customers, as it reflects the Group's efforts incurred to date relative to the total inputs expected to be incurred for the plants.

The period between the transfer of the promised goods and payment by the customer may exceed one year. For such contracts, there is no significant financing component present as the payment terms are an industry practice to protect the customer from the performing entity's failure to adequately complete some or all of its obligations under the contract. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

Revenue from Energy Engineering contracts are also adjusted with variations to the contracts claimable from customers, as well as liquidated damages due to delays or other causes, payable to customers.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in the profit or loss in the period in which the circumstances that give rise to the revision become known by management.

Based on the Group's experience with similar types of contracts, variable consideration is typically constrained and is included in the transaction only to the extent that it is a highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

The customer is invoiced on a milestone payment schedule. If the value of the progress work transferred by the Group exceeds the billings to customers, a contract asset is recognised. If the billings to customers exceed the value of the goods transferred, a contract liability is recognised.

(ii) Sale of products

The Group sells spare parts. Sales are recognised when control of the products has been transferred to its customer, being when the products are delivered to the customer.

Revenue is recognised based on the price specified in the contract. No element of financing is deemed present as the sales are made with a credit term which is consistent with market practice.

(iii) Services

Revenue from maintenance services is recognised in the accounting period in which the services are rendered.

The customers are invoiced at the end of the contract. No element of financing is deemed present as the services are made with a credit term which is consistent with market practice.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.2 Revenue (cont'd)

(c) *Revenue from Geospatial*

The Group distributes geospatial software and licences and provide related maintenance and other services. A geospatial contract may contain single promised goods or service ("performance obligation" or "PO") or multiple POs.

(i) *Sale of products - Licence*

Revenue from sale of software and licences are recognised when control of the products has been transferred to its customer, being when the licence key is provided to the customer. Revenue from these sales is measured based on the price specified in the contract or the allocated amount when the customer contract contains multiple POs. No element of financing is deemed present as the sales are made with a credit term which is consistent with market practice.

When a customer is not invoiced at the point when the software licence key is provided, a contract asset representing unbilled revenue is recognised. No element of financing is deemed present as the sales are made with a credit term which is consistent with market practice.

(ii) *Maintenance and other services*

Revenue from maintenance and other services is recognised in the accounting period in which the services are rendered. For fixed-price contracts, revenue is recognised on a straight-line basis over the term of the contract. Revenue from these services is measured based on the price specified in the contract or the allocated amount when the customer contract contains multiple POs.

When a customer is invoiced at commencement of the contract, a contract liability is recognised for the amounts invoiced but services not yet rendered. No element of financing is deemed present as the sales are made with a credit term which is consistent with market practice.

(iii) *Enterprise Agreements ("EA")*

The Group enters into EA with customers where the agreement contains multiple PO, such as the delivery of licenses, maintenance and other services. In such a case, the transaction price is allocated to each PO in the contract. Revenue is recognised when each of the PO is satisfied.

For prepaid maintenance contract costs which are within the scope of another SFRS(I), these have been accounted for in accordance with those other SFRS(I). If these are not within the scope of another SFRS(I), the Company will capitalise these as prepaid maintenance contract costs only if (a) these costs relate directly to a contract or an anticipated contract which the Company can specifically identify; (b) these costs generate or enhance resources of the Company that will be used in satisfying (or in continuing to satisfy) performance obligations in the future; and (c) these costs are expected to be recovered. Otherwise, such costs are recognised as an expense immediately.

Capitalised prepaid maintenance contract costs are subsequently amortised on a systematic basis as the Company recognises the related revenue over time. An impairment loss is recognised in the profit or loss to the extent that the carrying amount of capitalised prepaid maintenance contract costs exceeds the expected remaining consideration less any directly related costs not yet recognised as expenses.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.2 Revenue (cont'd)

(d) *Revenue from Healthcare*

(i) *Sale of medical products*

The Group distributes medical products. Sales are recognised when control of the products has been transferred to its customer, being when the products are delivered to the customer.

Revenue is recognised based on the price specified in the contract. The Group's obligation to provide a refund for faulty products under the standard warranty terms is recognised as a provision. Provision is made for estimated warranty claims in respect of products sold which are still under warranty at the end of the reporting period. No element of financing is deemed present as the sales are made with a credit term which is consistent with market practice.

A receivable (financial asset) is recognised when the goods are delivered as this is the point in time that the consideration is unconditional and only the passage of time is required before payment is due.

(ii) *Rendering of services*

The Group provides preventive maintenance services, physiotherapy and rehabilitation services.

Revenue arising from services is recognised in the accounting period in which the services are rendered. Revenue is recognised when the Group satisfies a performance obligation by transferring a promised service to the customer, which is when the customer obtains control of the service.

(e) *Interest income*

Interest income, including income arising from financial instruments, is recognised using the effective interest method.

(f) *Dividend income*

Dividend income is recognised when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of dividend can be reliably measured.

2.3 Government grants

Grants from the government are recognised as a receivable at their fair value when there is reasonable assurance that the grant will be received and the Group will comply with all the attached conditions.

Government grants receivable are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Government grants relating to expenses are deducted against the related expenses.

Government grants relating to assets are deducted against the carrying amount of the assets.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.4 Group accounting

(a) *Subsidiaries*

(i) *Consolidation*

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date on that control ceases.

In preparing the consolidated financial statements, transactions, balances and unrealised gains on transactions between group entities are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment indicator of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests comprise the portion of a subsidiary's net results of operations and its net assets, which is attributable to the interests that are not owned directly or indirectly by the equity holders of the Company. They are shown separately in the consolidated income statement, consolidated statement of comprehensive income, statement of changes in equity and statement of financial position. Total comprehensive income is attributed to the non-controlling interests based on their respective interests in a subsidiary, even if this results in the non-controlling interests having a deficit balance.

(ii) *Acquisitions*

The acquisition method of accounting is used to account for business combinations entered into by the Group.

The consideration transferred for the acquisition of a subsidiary or business comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes any contingent consideration arrangement and any pre-existing equity interest in the subsidiary measured at their fair values at the acquisition date.

Acquisition-related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree at the date of acquisition either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

The excess of (a) the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the (b) fair value of the identifiable net assets acquired, is recorded as goodwill.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.4 Group accounting (cont'd)

(a) Subsidiaries (cont'd)

(iii) Disposals

When a change in the Group's ownership interest in a subsidiary results in a loss of control over the subsidiary, the assets and liabilities of the subsidiary including any goodwill are derecognised. Amounts previously recognised in other comprehensive income in respect of that entity are also reclassified to profit or loss or transferred directly to retained earnings if required by a specific Standard.

Any retained equity interest in the entity is remeasured at fair value. The difference between the carrying amount of the retained interest at the date when control is lost and its fair value is recognised in profit or loss.

Please refer to Note 2.5 for the accounting policy on investments in subsidiaries in the separate financial statements of the Company.

(b) Transactions with non-controlling interests

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control over the subsidiary are accounted for as transactions with equity owners of the Company. Any difference between the change in the carrying amounts of the non-controlling interest and the fair value of the consideration paid or received is recognised within equity attributable to the equity holders of the Company.

(c) Associates and joint ventures

Associates are entities over which the Group has significant influence, but not control, generally accompanied by a shareholding giving rise to voting rights of 20% and above but not exceeding 50%.

Joint ventures are entities over which the Group has joint control as a result of contractual arrangements, and rights to the net assets of the entities.

Investments in associates and joint ventures are accounted for in the consolidated financial statements using the equity method of accounting less any impairment losses, if any.

(i) Acquisitions

Investments in associates and joint ventures are initially recognised at cost. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Goodwill on associates and joint ventures represents the excess of the cost of acquisition of the associates or joint ventures over the Group's share of the fair value of the identifiable net assets of the associates or joint ventures and is included in the carrying amount of the investments.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.4 Group accounting (cont'd)

(c) Associates and joint ventures (cont'd)

(ii) Equity method of accounting

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of its associates' or joint ventures' post-acquisition profits or losses of the investee in profit or loss and its share of movements in other comprehensive income of the investee's other comprehensive income. Dividends received or receivable from the associates or joint ventures are recognised as a reduction of the carrying amount of the investments. When the Group's share of losses in the associates or joint ventures equals to or exceeds its interest in the associates or joint ventures, the Group does not recognise further losses, unless it has legal or constructive obligations to make, or has made, payments on behalf of the associates or joint ventures. If the associates or joint ventures subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised. Interest in associates or joint ventures includes any long-term loans for which settlement is never planned nor likely to occur in the foreseeable future.

Unrealised gains on transactions between the Group and its associates or joint ventures are eliminated to the extent of the Group's interest in the associates or joint ventures. Unrealised losses are also eliminated unless the transactions provide evidence of impairment of the assets transferred. The elimination of unrealised gains and losses are made through "investments in associates" and "investments in joint ventures" on the statement of financial position and a proportionate reduction in "revenue", "cost of sales" and "other gains - net" on the consolidated income statement. The accounting policies of associates or joint ventures are changed where necessary to ensure consistency with the accounting policies adopted by the Group.

(iii) Disposals

When there are changes in the interest in an associate or a joint venture, without losing significant influence or joint control, the difference between the carrying amount of the interest disposed and proceeds is recognised in profit or loss.

Investments in associates or joint ventures are derecognised when the Group loses significant influence or joint control. If the retained equity interest in the former associates or joint ventures is a financial asset, the retained equity interest is measured at fair value. The difference between the carrying amount of the retained interest at the date when significant influence or joint control is lost, and its fair value and any proceeds on partial disposal, is recognised in profit or loss.

2.5 Investments in subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses in the Company's statement of financial position. On disposal of such investments, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.6 Property, plant and equipment

(a) Measurement

Property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

The cost of an item of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

(b) Depreciation

Freehold land is not depreciated. Depreciation on other items of property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

	<u>Useful lives</u>
Buildings	40 – 50 years
Leasehold property	20 years
Fitouts	2 – 12 years
Machinery and equipment	2 – 15 years
Furniture, office equipment and motor vehicles	2 – 20 years
Medical equipment and operating assets	3 – 5 years

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each reporting date. The effects of any revision are recognised in profit or loss when the changes arise.

(c) Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

(d) Disposal

On disposal of an item of property, plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss.

2.7 Intangible assets

(a) Goodwill

Goodwill on acquisitions of subsidiaries and businesses represents the excess of (i) the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over (ii) the fair value of the identifiable net assets acquired. Goodwill on subsidiaries is recognised separately as intangible assets and carried at cost less accumulated impairment losses.

Goodwill on acquisitions of joint ventures and associates represents the excess of the cost of the acquisition over the Group's share of the fair value of the identifiable net assets acquired. Goodwill on associates and joint ventures is included in the carrying amount of the investments.

Gains and losses on the disposal of subsidiaries, associates and joint ventures include the carrying amount of goodwill relating to the entity sold.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.7 Intangible assets (cont'd)

(b) *Acquired trademarks*

Trademarks acquired are initially recognised at cost and are subsequently carried at cost less accumulated amortisation and accumulated impairment losses. These costs are amortised to profit or loss using the straight-line method over 6 years, which is the shorter of their estimated useful lives and periods of contractual rights.

Costs associated with trademarks and trademarks renewals are expensed off when incurred.

(c) *Contract backlogs*

Contract backlogs is initially recognised at cost and is subsequently carried at cost less accumulated amortisation and accumulated impairment losses. These costs are amortised to profit or loss using the straight-line method over 3 years, which is the shorter of their estimated useful life and period of contractual rights.

(d) *Software development*

Costs directly attributable to the development of software is capitalised as intangible asset only if development costs can be measured reliably, the software is technically and commercially feasible, future economic benefits are probable and the Group intends to and has sufficient resources to complete development and to use or sell the software. Such costs include purchase of materials and services and payroll-related costs of employees directly involved in the development of the software. These costs are amortised using the straight-line method over their estimated useful lives of 3 years. Research costs are recognised as expense when incurred.

The amortisation period and amortisation method of intangible assets are reviewed at least at each reporting date. The effects of any revision are recognised in profit or loss when the changes arise.

2.8 Investment properties

Investment properties are properties and right-of-use assets relating to leasehold land that are held for long-term rental yields and/or for capital appreciation. Investment properties include properties that are being constructed or developed for future use as investment properties.

Investment properties are initially carried at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses. Cost includes land cost, related acquisition expenses, construction costs and finance costs incurred during the period of construction.

Depreciation is calculated using the straight-line method to allocate depreciable amounts over the estimated useful lives of 12 to 50 years for leasehold land and buildings and 15 years for machinery and equipment. No depreciation is provided for investment properties under construction and depreciation commences when the asset is ready for its intended use. The estimated useful lives and depreciation method are reviewed at each reporting date, with the effect of any changes in estimate accounted for on a prospective basis.

The cost of major renovations and improvements is capitalised and the carrying amounts of the replaced components are recognised in profit or loss. The cost of maintenance, repairs and minor improvements is recognised in profit or loss when incurred.

On disposal of an investment property, the difference between the disposal proceeds and the carrying amount is recognised in profit or loss.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.9 Impairment of non-financial assets

(a) Goodwill

Goodwill recognised separately as an intangible asset is tested for impairment annually and whenever there is indication that the goodwill may be impaired.

For the purpose of impairment testing of goodwill, goodwill is allocated to each of the Group's cash-generating-units ("CGU") expected to benefit from synergies arising from the business combination.

An impairment loss is recognised when the carrying amount of a CGU, including the goodwill, exceeds the recoverable amount of the CGU. The recoverable amount of a CGU is the higher of the CGU's fair value less cost to sell and value-in-use.

The total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU pro-rata on the basis of the carrying amount of each asset in the CGU.

An impairment loss on goodwill is recognised as an expense and is not reversed in a subsequent period.

(b) Intangible assets (other than goodwill)

Property, plant and equipment

Investment properties

Right-of-use assets

Investments in subsidiaries, associates and joint ventures

Intangible assets (other than goodwill), property, plant and equipment, investment properties, right-of-use assets and investments in subsidiaries, associates and joint ventures are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the CGU to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss.

For an asset other than goodwill, management assesses at the end of the reporting period whether there is any indication that an impairment recognised in prior periods may no longer exist or may have decreased. If any such indication exists, the recoverable amount of that asset is estimated and may result in a reversal of impairment loss. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss for an asset other than goodwill is recognised in profit or loss.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.10 Financial assets

(a) *Classification and measurement*

The Group classifies its financial assets in the following measurement categories:

- Amortised cost;
- Fair value through other comprehensive income ("FVOCI"); and
- Fair value through profit or loss ("FVPL").

The classification of debt instruments depends on the Group's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial assets.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

The Group reclassifies debt instruments when and only when its business model for managing those assets changes.

At initial recognition

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial assets. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

At subsequent measurement

(i) *Debt instruments*

Debt instruments of the Group mainly comprise of cash and bank deposits, trade and other receivables, unlisted debt securities and loans/notes to subsidiaries, associates and joint ventures.

There are three prescribed subsequent measurement categories, depending on the Group's business model in managing the assets and the cash flow characteristics of the asset:

- **Amortised cost:** Debt instruments that are held for collection of contractual cash flows where these cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets are recognised using the effective interest rate method.
- **FVOCI:** Debt instruments that are held for collection of contractual cash flows and for sale, and where the assets' cash flows represent solely payments of principal and interest, are classified as FVOCI. Movements in fair values are recognised in Other Comprehensive Income ("OCI") and accumulated in fair value reserve, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and presented in "other gains - net". Interest income from these financial assets is recognised using the effective interest rate method and presented in "interest income".
- **FVPL:** Debt instruments that are held for trading as well as those that do not meet the criteria for classification as amortised cost or FVOCI are classified as FVPL. Movement in fair values and interest income is recognised in profit or loss in the period in which it arises and presented in "other gains - net".

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.10 Financial assets (cont'd)

(a) Classification and measurement (cont'd)

At subsequent measurement (cont'd)

(ii) Equity instruments

The Group subsequently measures all its equity instruments at their fair values. Equity instruments are classified as FVPL with movements in their fair values recognised in profit or loss in the period in which the changes arise and presented in "other gains - net", except for those equity securities which are not held for trading.

The Group has elected to recognise changes in fair value of equity investments not held for trading in OCI as these are strategic investments and the Group considered this to be more relevant. Movements in fair values of investments classified as FVOCI are presented as "fair value gains and losses" in OCI. Dividends from equity investments are recognised in profit or loss as "dividend income".

(b) Impairment

The Group assesses on a forward looking basis the expected credit losses associated with its debt financial assets carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 37 details how the Group determines whether there has been a significant increase in credit risk.

For trade receivables, other receivables, lease receivables and contract assets, the Group applies the simplified approach permitted by the SFRS(I) 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(c) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date – the date on which the Group commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

On disposal of a debt instrument, the difference between the carrying amount and the sale proceeds is recognised in profit or loss. Any amount previously recognised in other comprehensive income relating to that asset is reclassified to profit or loss.

On disposal of an equity investment, the difference between the carrying amount and sales proceed is recognised in profit or loss if there was no election made to recognise fair value changes in other comprehensive income. If there was an election made, any difference between the carrying amount and sales proceed amount would be recognised in other comprehensive income and transferred to retained profits along with the amount previously recognised in other comprehensive income relating to that asset.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.11 Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2.12 Financial guarantees

The Group and Company has given guarantees in favour of banks in respect of banking and loan facilities granted to its subsidiaries, an associate, a joint venture and a subsidiary of an associate. These guarantees are financial guarantees as they require the Company to reimburse the banks if the subsidiaries, an associate, a joint venture and a subsidiary of an associate fail to make principal or interest payments when due in accordance with the terms of their borrowings. Intra-group transactions are eliminated on consolidation.

Financial guarantee contracts are initially measured at fair value plus transaction costs and subsequently measured at the higher of:

- (a) amount initially recognised less the cumulative amount of income recognised in accordance with the principles of SFRS(I) 15; and
- (b) the amount of expected loss allowance computed using impairment methodology under SFRS(I) 9.

2.13 Borrowings

Borrowings are presented as current liabilities unless the Group has an unconditional right to defer settlement for at least 12 months after the reporting date, in which case they are presented as non-current liabilities.

Borrowings are initially recognised at fair value (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

2.14 Borrowing costs

Borrowing costs are recognised in profit or loss using the effective interest method except for those costs that are directly attributable to the construction or development of properties and assets under construction. This includes those costs on borrowings acquired specifically for the construction or development of properties and assets under construction, as well as those in relation to general borrowings used to finance the construction or development of properties and assets under construction.

The actual borrowing costs incurred during the period up to the issuance of the temporary occupation permit less any investment income on temporary investment of these borrowings, are capitalised in the cost of the property under development.

2.15 Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business, if longer). Otherwise, they are presented as non-current liabilities.

Trade and other payables are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.16 Derivatives financial instruments and hedging activities

A derivative financial instrument is initially recognised at its fair value on the date the contract is entered into and is subsequently carried at its fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

Fair value changes on derivatives that are not designated or do not qualify for hedge accounting are recognised in profit or loss when the changes arise.

The Group documents at the inception of the transaction the relationship between the hedging instruments and hedged items, as well as its risk management objective and strategies for undertaking various hedging transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis on whether the hedging relationship meets the hedge effectiveness requirements under SFRS(I) 9.

The carrying amount of a derivative designated as a hedge is presented as a non-current asset or liability if the remaining expected life of the hedged item is more than 12 months, and as a current asset or liability if the remaining expected life of the hedged item is less than 12 months. The fair value of a trading derivative is presented as a current asset or liability.

The following hedge is placed qualified as cash flow hedge under SFRS(I) 9. The Group's management strategies and hedge documentation are aligned with the requirements of SFRS(I) 9 and are thus treated as continuing hedges.

Cash flow hedge - Interest rate swaps

The Group has entered into interest rate swaps that are cash flow hedges for the Group's exposure to interest rate risk on its borrowings. These contracts entitle the Group to receive interest at floating rates on notional principal amounts and oblige the Group to pay interest at fixed rates on the same notional principal amounts, thus allowing the Group to raise borrowings at floating rates and swap them into fixed rates.

The fair value changes on the effective portion of interest rate swaps designated as cash flow hedges are recognised in other comprehensive income, accumulated in the hedging reserve and reclassified to profit or loss when the hedged interest expense on the borrowings is recognised in profit or loss. The fair value changes on the ineffective portion of interest rate swaps are recognised immediately in profit or loss.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.17 Leases

(i) *When the Group is the lessee:*

At the inception of the contract, the Group assesses if the contract contains a lease. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Reassessment is only required when the terms and conditions of the contract are changed.

• **Right-of-use assets**

The Group recognises a right-of-use asset and lease liability at the date which the underlying asset is available for use. Right-of-use assets are measured at cost which comprises the initial measurement of lease liabilities adjusted for any lease payments made at or before the commencement date and lease incentives received. Any initial direct costs that would not have been incurred if the lease had not been obtained are added to the carrying amount of the right-of-use assets.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Right-of-use assets (except for those which meets the definition of an investment property) are presented within "Right-of-use assets".

Right-of-use assets which meet the definition of an investment property is presented within "Investment properties" and accounted for in accordance with Note 2.8.

• **Lease liabilities**

The initial measurement of lease liability is measured at the present value of the lease payments discounted using the implicit rate in the lease, if the rate can be readily determined. If that rate cannot be readily determined, the Group shall use its incremental borrowing rate.

Lease payments include the following:

- Fixed payment (including in-substance fixed payments), less any lease incentives receivables;
- Variable lease payment that are based on an index or rate, initially measured using the index or rate as at the commencement date;
- Amount expected to be payable under residual value guarantees;
- The exercise price of a purchase option if reasonably certain to exercise the option; and
- Payment of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

For contracts that contain both lease and non-lease components, the Group allocates the consideration to each lease component on the basis of the relative stand-alone price of the lease and non-lease component. The Group has elected to not separate lease and non-lease components for property leases and account for these as one single lease component.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.17 Leases (cont'd)

(i) When the Group is the lessee: (cont'd)

• Lease liabilities (cont'd)

Lease liabilities are measured at amortised cost using the effective interest method. Lease liabilities shall be remeasured when:

- There is a change in future lease payments arising from changes in an index or rate;
- There is a change in the Group's assessment of whether it will exercise an extension option; or
- There is modification in the scope or the consideration of the lease that was not part of the original term.

Lease liabilities are remeasured with a corresponding adjustment to the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

• Short-term and low value leases

The Group has elected to not recognise right-of-use assets and lease liabilities for short-term leases that have lease terms of 12 months or less and low value leases. Lease payments relating to these leases are expensed to profit or loss on a straight-line basis over the lease term.

• Variable lease payments

Variable lease payments that are not based on an index or a rate are not included as part of the measurement and initial recognition of the lease liability. The Group shall recognise those lease payments in profit or loss in the periods that triggered those lease payments.

(ii) When the Group is the lessor:

The Group leased out investment properties and properties held for sale under operating leases and sub-leases its right-of-use of a leasehold land to non-related parties.

• Lessor – Operating leases

Leases where the Group retains substantially all risks and rewards incidental to ownership are classified as operating leases. Rental income from operating leases (net of any incentives given to the lessees) is recognised in profit or loss on a straight-line basis over the lease term.

Initial direct costs incurred by the Group in negotiating and arranging operating leases are added to the carrying amount of the leased assets and recognised as an expense in profit or loss over the lease term on the same basis as the lease income.

Contingent rents are recognised as income in profit or loss when earned.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.17 Leases (cont'd)

(ii) When the Group is the lessor: (cont'd)

• Lessor – Subleases

In classifying a sublease, the Group as an intermediate lessor classifies the sublease as a finance or an operating lease with reference to the right-of-use asset arising from the head lease, rather than the underlying asset.

When the sublease is assessed as a finance lease, the Group derecognises the right-of-use asset relating to the head lease that it transfers to the sublessee and recognises the net investment in the sublease within "Finance lease receivables". Any differences between the right-of-use asset derecognised and the net investment in sublease is recognised in profit or loss. Lease liability relating to the head lease is retained in the statement of financial position, which represents the lease payments owed to the head lessor.

When the sublease is assessed as an operating lease, the Group recognises lease income from sublease in profit or loss within "other income". The right-of-use asset relating to the head lease is not derecognised.

For a contract which contains lease and non-lease components, the Group allocates the consideration based on a relative stand-alone selling price basis.

2.18 Inventories

Inventories are carried at the lower of cost and net realisable value. Cost is determined using the weighted average method. Costs comprise direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and applicable variable selling expenses.

2.19 Income taxes

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the reporting date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a tax authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of an asset or liability that affects neither accounting nor taxable profit or loss at the time of the transaction.

A deferred income tax liability is recognised on temporary differences arising on investments in subsidiaries, associates and joint ventures, except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.19 Income taxes (cont'd)

Deferred income tax is measured:

- (i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the reporting date; and
- (ii) based on the tax consequence that will follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amounts of its assets and liabilities.

Current and deferred income taxes are recognised as income or expense in profit or loss, except to the extent that the tax arises from a business combination or a transaction which is recognised directly in equity. Deferred tax arising from a business combination is adjusted against goodwill on acquisition.

2.20 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated.

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax discount rate that reflects the current market assessment of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised in the consolidated income statement as finance expense.

Changes in the estimated timing or amount of the expenditure or discount rate are recognised in profit or loss when the changes arise.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.21 Employee compensation

Employee benefits are recognised as an expense, unless the cost qualifies to be capitalised as an asset.

(a) *Post-employment benefits*

The Group operates both defined benefit and defined contribution post-employment benefit plans in accordance with local conditions and practices in the countries in which it operates.

(i) *Defined contribution plans*

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The Group's contributions are recognised as employee compensation expense when they are due.

(ii) *Defined benefit plans*

Defined benefit plans are post-employment benefit pension plans other than defined contribution plans. Defined benefit plans typically define the amount of benefit that an employee will receive on or after retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognised in the statement of financial position in respect of a defined benefit pension plan is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets, together with adjustments for unrecognised past-service costs. The defined benefit obligation is determined with reference to actuarial valuations issued by independent actuaries using the attained age method which will yield the same actuarial liability amount as the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yields of high quality corporate bonds that are denominated in the currency in which the benefits will be paid, and have tenures approximating to that of the related post-employment benefit obligations. The resulting defined benefit asset or liability is presented separately as other non-current asset or liability.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income in the period when they arise. The experience adjustments are not to be classified to profit or loss in a subsequent period.

Past service costs are recognised immediately in profit or loss.

(b) *Employee share-based compensation*

The Group operates an equity-settled, share-based compensation plan. The fair value of the employee services received in exchange for the grant of share awards is recognised as an expense with a corresponding increase in the share-based compensation reserve over the vesting period. The total amount to be recognised over the vesting period is determined by reference to the fair value of the share awards granted on the date of the grant. Non-market vesting conditions are included in the estimation of the number of shares under share awards that are expected to become exercisable on the vesting date. At each reporting date, the Group revises its estimates of the number of shares under share awards that are expected to become exercisable on the vesting date and recognises the impact of the revision of the estimates in profit or loss, with a corresponding adjustment to the share-based compensation reserve, over the remaining vesting period.

When the share awards are vested, the related balance previously recognised in the share-based compensation reserve are credited to share capital account, when new ordinary shares are issued, or to the "treasury shares" account, when treasury shares are re-issued to the employees.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.22 Currency translation

(a) *Functional and presentation currency*

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements are presented in Singapore Dollars ("presentation currency"), which is the functional currency of the Group.

(b) *Transactions and balances*

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency exchange differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the reporting date are recognised in profit or loss. However, in the consolidated financial statements, currency translation differences arising from net investment in foreign operations, and any fair value changes on the effective portion of derivative financial instruments designated and qualifying as net investment hedge are recognised in other comprehensive income and accumulated in the foreign currency translation reserve.

When a foreign operation is disposed of or any loan forming part of the net investment of the foreign operation is repaid, a proportionate share of the accumulated currency translation differences is reclassified to profit or loss, as part of the gain or loss on disposal.

All foreign exchange gains and losses impacting profit or loss are presented in the income statement within "other gains - net".

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

(c) *Translation of Group entities' financial statements*

The results and statement of financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) assets and liabilities are translated at the closing exchange rates at the reporting date;
- (ii) income and expenses are translated at average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of the transactions); and
- (iii) all resulting currency translation differences are recognised in other comprehensive income and accumulated in the foreign currency translation reserve. These currency translation differences are reclassified to profit or loss on disposal or partial disposal with loss of control of the foreign operation.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.23 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to senior management, whose members are responsible for allocating resources and assessing performance of the operating segments.

2.24 Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents include cash on hand, deposits with financial institutions which are subject to an insignificant risk of change in value and bank overdraft, if any. For cash subjected to restriction, assessment is made on the economic substance of the restriction and whether they meet the definition of cash and cash equivalents.

2.25 Share capital and treasury shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

When any entity within the Group purchases the Company's ordinary shares ("treasury shares"), the carrying amount which includes the consideration paid and any directly attributable transaction cost is presented as a component within equity attributable to the Company's equity holders, until they are cancelled, sold or reissued.

When treasury shares are subsequently cancelled, the costs of treasury shares are deducted against the share capital account if the shares are purchased out of capital of the Company, or against the retained profits of the Company if the shares are purchased out of earnings of the Company.

When treasury shares are subsequently sold or reissued pursuant to an employee share option scheme, the cost of treasury shares is reversed from the treasury share account and the realised gain or loss on sale or reissue, net of any directly attributable incremental transaction costs and related income tax, is recognised in the capital reserve.

2.26 Dividends to the Company's shareholders

Dividends to the Company's shareholders are recognised when the dividends are approved for payment.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

3. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

In preparing these financial statements and applying the Group's accounting policies as described in Note 2, management has applied judgements and made certain assumptions and estimations. Estimates, assumptions and judgements are based on historical experience and other factors and continually evaluated, including expectations of future events that are believed to be reasonable under the circumstances.

(a) *Impact of Coronavirus Disease 2019 ("COVID-19") pandemic and volatility of the geoeconomics and geopolitical climate*

The supply chain and labour issues arising from the effects of the pandemic and the volatility of the geoeconomics and geopolitical climate had impacted selected Engineering & Construction contracts of the Group. While there had been greater construction activities in FY2022, the progress was still affected by disruptions in the supply chain, a tight labour supply and Safe Management Measures. These factors have resulted in additional costs (associated with project resumption, prolongation and acceleration) to complete the projects, and project delays beyond the contracted dates of completion, leading to the delayed recognition of construction revenue.

The Group has considered the market conditions (including the impact of COVID-19) as at 31 March 2022 in making estimates and judgements on the recoverability of assets and provision of liabilities as at that date. The significant estimates and judgements applied on revenue recognition and provision of onerous contracts relating to the Group's Engineering & Construction contracts are disclosed in Note 3(b).

As at the date these financial statements are authorised for issuance, the Group continues to face challenges arising from the effects of the pandemic and the volatility of the geoeconomic and geopolitical climate. Accordingly, the Group cannot reasonably ascertain the full extent of the probable impact arising from these challenges.

(b) *Revenue recognition of Engineering & Construction Contracts under the Real Estate segment*

(i) *Estimated total contract sum and project costs*

As disclosed in Note 2.2(a)(i), revenue on Engineering & Construction contracts is recognised over time using the input method. Under the input method, management has to estimate the total contract sum and contract costs to be incurred up to the completion date of the projects ("costs-to-complete").

Significant judgement and assumptions are applied when estimating the total contract sum and the total contract costs which affect the accuracy of revenue recognition based on the percentage-of-completion of the ongoing projects at 31 March 2022.

The estimation of total contract sum includes variation orders where management had determined that there was sufficient basis to claim from customers but pending final agreement with the customers. In making this assessment, management has relied on the term of the contracts with customers and official instructions issued by customers to carry out the variation orders.

In making estimation of the value of variation orders to be included into the total contract sum, management has applied the contracted Schedule of Rates with subcontractors or quotations from subcontractors, on the basis that it is highly probable to recover from customers the cost of performing these variation orders.

If the estimated value of the variation orders that are considered recoverable decreases by 5% from management's estimates (with the total contract cost remaining unchanged), the Group's revenue and profit before income tax will decrease by approximately \$1,140,000.

In estimating total cost-to-complete, management has applied its past experience of completing similar projects, as well as quotations from and contracts with suppliers and sub-contractors. These estimations are also made with due consideration of the physical surveys of the construction in-progress and circumstances and relevant events that were known to management at the date of these financial statements. Construction projects are inherently complex and involve uncertainties that may not be apparent to management at 31 March 2022. Management has made provision for contingency on each project to address these inherent risks. In addition, management has taken into consideration the cost increase arising from the pandemic and the volatility of the geoeconomics and geopolitical climate.

Management has assessed for two on-going Engineering & Construction contracts where the total construction costs have exceeded the total contract sum, resulting in a provision for onerous contracts of \$11,691,000 (2021: \$7,317,000) as at 31 March 2022.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

3. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS (cont'd)

(b) *Revenue recognition of Engineering & Construction Contracts under the Real Estate segment (cont'd)*

(ii) *Estimation of customers' claim on liquidated damages for delay in completion of projects*

Customers have a right to claim for liquidated damages under the contractual terms of the Engineering & Construction contracts if contractual obligations, including completion of the project by a specific date, are not fulfilled.

Management re-evaluates the probability of liquidated damages claims from customers by considering whether there are or may be significant delays in the progress of the projects and whether there are significant defects that could not be rectified by the Group. The determination of the probability of claims are based on the circumstances and relevant events that were known to management at the date of these financial statements.

In the estimation of liquidated damages payable to the Group's customers in respect of delay in completion of Engineering & Construction contracts as at the balance sheet date, the Group had taken into account delays caused by the pandemic and the volatility of the geoeconomics and geopolitical climate. In assessing the liquidated damages payable to the customers, management has also taken into consideration the contractual rights which afforded relief in force majeure events which are beyond the control of the Group and the application of COVID-19 (Temporary Measures) Act 2020 ("COTMA"), which provides temporary reliefs due to the inability to perform contractual obligations, where the inability was caused to a material extent by the COVID-19 pandemic.

(c) *Estimation of sub-contractors' claim on variation orders*

Payment claims from sub-contractors are subject to physical surveys of construction performed, verification to agreed schedule and pricing in contracts and consideration of other relevant circumstances and events by the Group before payments are made. As at 31 March 2022, the Group had payment claims from sub-contractors which were disputed by the Group and not recognised in the financial statements, taking into account relevant counter-claims to the sub-contractors (if any) and information known and available to management at the date of these financial statements.

(d) *Estimation of customers' claim on liquidated damages for delay in completion of projects*

Customers have a right to claim for liquidated damages under the contractual terms of the Energy Engineering contracts if contractual obligations, including completion of the project and delivery of plants by a specific date, are not fulfilled.

Management re-evaluates the probability of liquidated damages claims from customers by considering whether there are or may be significant delays in the progress of the projects and whether there are significant defects that could not be rectified by the Group. The determination of the probability of claims are based on the circumstances and relevant events that were known to management at the date of these financial statements.

(e) *Valuation of investment securities*

Investment securities are stated at their fair values based on valuations performed, using valuation methods that involve certain estimates. Valuation methods used are discounted cash flow approach, market approach, income capitalisation approach and asset based valuation approach. The significant inputs to the valuation methods would be credit-adjusted discount rate, sale price of property, capitalisation rate and discount for lack of control. The key assumptions used to determine the fair value of these investment securities are provided in Note 37(f).