

Company Announcement



Boustead Singapore Limited
(Co. Reg. No. 197501036K)

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Singapore 408937

ERROR IN REPORT BY CHANNEL NEWS ASIA

Singapore, 8 July 2003

The Board of Directors of Boustead Singapore Limited (the "Company") wishes to clarify an erroneous report broadcasted by Channel News Asia ("CNA") on the evening of 7 July 2003. In the CNA report, it incorrectly reported that Mr Wong Fong Fui, the Chairman and Group Chief Executive Officer (CEO) of the Company is stepping down from his executive position. This is not true. The Board wishes to state that Mr Wong is not relinquishing his executive role and there is no change in his position in the Company. Currently, Mr Wong has no intention of stepping down from his position as Chairman and Group CEO of the Company.

In an earlier interview with CNA, Mr Wong was posed a question of leadership succession by the reporter. Like all responsible chairmen, Mr Wong replied that the Company is actively on the lookout for suitable candidates to groom as potential successors as he will eventually retire one day. This succession planning is an ongoing process and is carried out to provide for continuity in the management of the Company.

Since Mr Wong assumed his position of Chairman and Group CEO in 1996, he has been instrumental in restructuring and refocusing the resources of the Group on its core competencies of global engineering services and information technology. The success of the Group is evident in the results for FY2003, in which group turnover rose 55% to S\$200.9 million and the net loss in the previous year was reversed to a net profit of S\$10.1 million. Having established a broad based network of global customers in engineering services, the Group will continue to focus on cross-selling its engineering services to customers in the Group, as well as continuously adding new engineering services to benefit from the established global network of customers.