



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

63 Ubi Avenue 1, #06-01
Boustead House
Singapore 408937

SALCON SECURES S\$7.7 MILLION CONTRACT FOR SEAWATER DESALINATION PLANT AT SENOKO POWER STATION

Singapore, 17 September 2003 - Mainboard listed Boustead Singapore Limited (the "Company"), a leading global engineering services and information technology group, today announced that its 63.46%-owned subsidiary, Salcon Limited ("Salcon"), has been awarded a contract by Senoko Power Limited ("Senoko Power") to design, construct and commission a seawater desalination plant at Senoko Power Station.

The approximate value of the contract is S\$7.7 million, with delivery and commissioning of the plant expected in September 2004. As part of the contract, Salcon will also be providing service and maintenance for a period of five years to ensure the effective operation and maintenance of the desalination plant. Salcon secured the project from a competitive field of qualified and reputable water treatment companies.

The 2,400 cubic metres per day desalination plant will be designed and constructed using the latest and highest standards in reverse osmosis membrane technology, incorporating the latest energy recovery technology in high pressure feed pumps, as well as membrane pre-treatment. The quality of the water treated is of pure water standard and suitable for process water application.

The plant will meet Senoko Power's requirement for makeup water to its boilers. This project is part of Senoko Power's strategy of building up its expertise in desalination so that it is in a position to seize upon future opportunities.

The core engineering capabilities of Salcon closely complement the global engineering services provided by the Boustead Group. The addition of Salcon to the Boustead Group in 2002 has enhanced, as well as broadened the overall engineering capabilities of the Group. With Salcon and the Boustead Group serving customers in similar industries, the Group is able to embark on the cross-selling of Salcon's engineering services to the Group's international network of existing customers.

While the contract is expected to contribute positively to the Group's results, it would not have had any material financial effect on the Group's consolidated earnings per share or its consolidated net asset value per share for the year ended 31 March 2003 ("FY2003"), assuming that the contract had been effected at the beginning and at the end of FY2003, respectively. None of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the contract, with the exception of Director, Mr John Lim, who is also a Director of Senoko Power and has accordingly refrained from participating in any discussion or decision in connection with the contract.

About Boustead Singapore Limited

Boustead Singapore Limited is a leading engineering services and information technology group with operations in many parts of the world. The engineering services group, comprising predominantly Boustead International Heaters, Boustead Projects, Salcon and Controls & Electrics, brings global engineering expertise to international customers around the world. The Group's IT is focused on delivering spatial technologies to customers in South East Asia and Australia.

About Salcon Limited

Incorporated in 1980, Salcon is an engineering group with a strong focus on water and environmental engineering. Salcon's strong track record in water and environmental engineering includes the successful completion of over 500 water treatment-related projects around the world for multinational customers in the oil & gas, petrochemical, power, agro and electronics industries. Salcon has a network of international offices in Singapore, Malaysia, Indonesia, Thailand, the Philippines, Vietnam, China and the United Kingdom.

About Senoko Power Limited

Senoko Power is one of the largest power generation companies in Singapore, providing 30% of the nation's electricity needs. It has a combined installed capacity of 2,670 megawatts (MW), comprising 1,250 MW of thermal plants, 1,210 MW of combined cycle plants (CCPs) and 210 MW of fast-start gas turbines. Senoko Power owns and operates Senoko Power Station and Pasir Panjang Gas Turbine Station and is wholly-owned by Temasek Holdings (Pte) Ltd.