

Company Announcement



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

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Singapore 408937

BOUSTEAD PURCHASES ADDITIONAL 3,224,060 OR 3.13% ORDINARY SHARES IN SALCON LIMITED

Singapore, 3 August 2004

The Board of Directors of Boustead Singapore Limited ("Boustead" or the "Company") wishes to announce that the Company has today acquired an additional 3,224,060 ordinary shares in its subsidiary, Salcon Limited ("Salcon"), at a price of S\$0.20 per ordinary share for a total cash consideration of S\$644,812 (the "Acquisition"). The 3,224,060 shares were acquired from existing shareholders of Salcon and represent 3.13% of the issued share capital of Salcon. The consideration was arrived at after arm's length negotiations and is on a willing buyer-willing seller basis.

As a result of the Acquisition, the Company's stake in Salcon has been increased to 66.59%.

The Acquisition is not expected to have any material impact on the consolidated net tangible asset value per share and the earnings per share of the Company for the current financial year.

None of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the Acquisition.