

Company Announcement



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

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Singapore 408937

FURTHER TO PROPOSED SALE OF PROPERTIES TO MAPLETREE TRUSTEE PTE LTD

Singapore, 24 August 2004

We refer to the announcement released on 23 August 2004 in relation to the proposed disposal of properties ("Proposed Transaction"). The properties are held by wholly-owned subsidiaries of Boustead Projects Pte Ltd, a company in which Boustead Singapore Limited ("Boustead" or the "Company") has an effective interest of 55%.

Based on the audited consolidated accounts of Boustead and its subsidiaries (the "Group") for the financial year ended 31 March 2004 ("FY2004"), the net book value of the Properties is S\$13.8 million.

The net profits attributable to the Properties based on the audited accounts for FY2004 is S\$0.6 million.

Based on the net book value of the Properties of S\$18.9 million (after taking into account additional construction costs on two of the Properties since 31 March 2004) as at 31 July 2004, upon the completion of the Proposed Transaction, the Group expects to record a gain (net of incidental expenses and tax) in the current financial year of approximately S\$14.6 million arising from the Proposed Transaction.

The Board of Directors wishes to highlight that the Proposed Transaction is subject, inter alia, to due diligence investigation to be conducted by Mapletree Trustee Pte Ltd ("Mapletree"), further negotiations with Mapletree and the signing of the relevant legal documents the terms of which have not been finalised. If an agreement is reached with Mapletree, the Proposed Transaction shall also be subject to the approval of the Company's shareholders.

Boustead shareholders and investors are advised to refrain from taking any action in relation to the Company's shares which may be prejudicial to their interests and to exercise caution when dealing in the shares of the Company. Further announcements will be made in respect of the Proposed Transaction when appropriate and the Company's shareholders and investors are advised to consider these announcements carefully.