

Company Announcement



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

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Singapore 408937

INCREASE IN EQUITY INTEREST IN PT MULTI MECHSINDO INDUSTRIES

Singapore, 1 August 2005

The Board of Directors of Boustead Singapore Limited (the "Company") wishes to announce that the Company's 79.5%-owned subsidiary, Salcon Pte Ltd ("Salcon"), has acquired the remaining 10% equity interest in its Indonesian subsidiary, PT Multi Mechsindo Industries ("PT MMI"), for a cash consideration of S\$255,150 (the "Acquisition"). The consideration was arrived at after arm's length negotiations and is on a willing buyer-willing seller basis.

As Salcon is a foreign entity in Indonesia, the transfer of the 10% equity interest in PT MMI, comprising 280 shares of par value US\$1,000 each (the "Shares"), shall be subject to the approval of the relevant Indonesian authorities. Following the transfer of the shares, PT MMI will become a wholly-owned subsidiary of Salcon.

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 ending 31 March 2006.

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