

Company Announcement



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

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

INCORPORATION OF SUBSIDIARIES

Singapore, 31 August 2005

The Board of Directors of Boustead Singapore Limited (the "Company") wishes to announce that the Company's 55%-owned subsidiary, Boustead Projects Pte Ltd, has incorporated the following wholly-owned subsidiaries in Singapore.

- 1) CNIM Pte Ltd ("CNIM"), with an authorised capital of S\$10 million and an initial paid up capital of S\$2; and
- 2) PIP Pte Ltd ("PIP"), with an authorised capital of S\$10 million and an initial paid up capital of S\$2.

The principal activities of both CNIM and PIP are those of investment holding and deriving income from owned or leased properties.

The incorporation of CNIM and PIP is not expected to have any material impact on the Group's earnings per share or net tangible assets per share for the financial year ending 31 March 2006.

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