



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

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## **APPOINTMENT OF ADMINISTRATORS IN SALCON INVENT LIMITED (UK)**

**Singapore, 21 December 2005**

The Board of Directors of Boustead Singapore Limited ("Boustead" or the "Company") wishes to announce that the directors of its indirect subsidiary, Salcon Invent Limited ("Salcon Invent"), a company incorporated in the United Kingdom, have appointed administrators to take charge of the affairs of Salcon Invent.

The administrators are Messrs Andrew White and Susan Agnes Maund of Baker Tilly, International House, Queens Road, Brighton BN1 3XE, United Kingdom.

Salcon Invent, which is engaged in the design, supply, installation and commissioning of water, sewage and effluent treatment plants, has been incurring losses for the past few years. Following the acquisition of a majority stake in the Salcon Group of companies in October 2002, Boustead's management had reviewed the business prospects of Salcon Invent and had taken a conscientious decision to wind down its operations. No new projects have been undertaken by Salcon Invent since the beginning of 2003. Currently, all of Salcon Invent's projects have been completed save for minor rectification works on one project which is expected to be completed in the next three months. The decision to discontinue its operations will enable the Boustead Group to stem significant negative impact on the Group's bottomline.

As a consequence of the appointment of the administrators, with immediate effect, Salcon Invent will no longer be included in the Group results. The de-consolidation of results of Salcon Invent will have the effect of reversing accumulated losses attributable to Salcon Invent and will enable the Group to realise a gain of approximately S\$0.6 million.

For illustration purposes only and based on the audited accounts of the Group for the year ended 31 March 2005:

- a) Assuming that the appointment of administrators in Salcon Invent had been effected as at 31 March 2005, there would have been no material impact on the net tangible asset per share of the Group of 39 cents.
- b) Assuming that the appointment of administrators in Salcon Invent had been effected as at 1 April 2004, the earnings per share of the Group would have increased from 8.6 cents to 10.3 cents.

None of the directors or controlling shareholders of the Company has any interest, direct or indirect, in the appointment of administrators in Salcon Invent.