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SUBSIDIARY BOUSTEAD INTERNATIONAL HEATERS SECURES S\$11 MILLION IN CONTRACTS

Singapore, 20 February 2006

Boustead Singapore Limited ("Boustead" or the "Company") is pleased to announce that the Company's 90%-owned subsidiary, Boustead International Heaters (BIH), has secured three contracts valued at S\$11 million. The contracts are expected to be completed within the next financial year ending 31 March 2007.

Details of the contracts include:

- The supply of critical heater components for a project in Saudi Arabia;
- The design and supply of a reboiler heater for a project in Argentina; and
- The design and supply of three identical hot oil heaters including process controls and instrumentation for an oil refinery project in Saudi Arabia.

Adding significantly to Boustead's strong and growing order book for energy-related engineering services, the latest contracts follow closely after the large S\$11.5 million contract awarded to BIH last month.

Mr Wong Fong Fui, Group Chief Executive Officer of Boustead said, "The steady stream of new contracts secured by BIH since the start of this year is a healthy and positive sign. With our strong global reputation, we expect to continue to benefit from the buoyant conditions in the oil & gas industries."

Mr Wong added, "We are pleased to have secured our first project in Argentina. This will help us to further expand our presence in South America, where BIH already enjoys an excellent reputation in Brazil, Chile and Venezuela. In addition, our two new projects in Saudi Arabia will strengthen our strong position in the Middle East, which continues to be one of our key markets for energy-related engineering services."

Including the new market of Argentina, BIH has undertaken projects in 28 countries globally.

The above contracts are not expected to have a positive material impact on the profitability and earnings per share of the Company in the current financial year ending 31 March 2006, but are expected to have a positive material impact on the next financial year ending 31 March 2007. However, the contracts are not expected to have a material impact on the net asset value per share of the Company for the current or next financial year.

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