

Company Announcement



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

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

ENERGY-RELATED ENGINEERING SUBSIDIARY SECURES S\$40 MILLION IN OIL & GAS CONTRACTS

Singapore, 27 July 2006

The Board of Directors of Boustead Singapore Limited ("Boustead" or the "Company") is pleased to announce that an energy-related engineering subsidiary of the Company has been awarded two contracts totalling S\$40 million in the oil & gas industries. One of the contracts valued at S\$35 million is one of the largest contracts to date for Boustead's energy-related engineering division. 50% of the value of the contracts is expected to be completed within the current financial year ending 31 March 2007.

The contracts involve the design, process engineering and construction of key process equipment for large refineries in the Persian Gulf States for major multinational oil & gas companies.

Mr Wong Fong Fui, Chairman and Group Chief Executive Officer of Boustead said, "We are extremely pleased to have secured these contracts in the oil & gas industries, especially within the mature market of the Persian Gulf. We will continue to utilise our strong branding, in-depth domain expertise and global positioning to capture more opportunities in this buoyant market."

Mr Wong added, "The development efforts over the last two years by our energy-related engineering division have met with commendable success, with the securing of several sizeable contracts since the beginning of this year. Together with the contracts announced one week ago, the new contracts will bring the total energy-related engineering orders secured since the beginning of 2006 to S\$120 million."

The above contracts are 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 2007 and next financial year ending 31 March 2008. However, the contracts are not expected to have a material impact on the net asset value per share of the Company for the current and next financial year.

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