

Company Announcement



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

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BOUSTEAD SUBSIDIARY AWARDED DESIGN, BUILD AND LEASE CONTRACT FOR BERG PROPULSION FACILITY

Singapore, 5 April 2007

Boustead Singapore Limited ("Boustead" or the "Company") is pleased to announce that its 91.7%-owned subsidiary, Boustead Projects Pte Ltd ("Boustead Projects") has secured a contract to design, build and lease a new production facility (the "Facility") to Berg Propulsion in Tuas, Singapore.

Comprising two floors, the Facility will have a gross floor area of approximately 11,000 metres². This will be Berg Propulsion's first production facility in Asia and its main focus will be on the manufacturing of controllable pitch propellers, tunnel thrusters and steerable propellers. The Facility is expected to be completed in December 2007.

Headquartered in Sweden, Berg Propulsion is an internationally-renowned manufacturer of controllable pitch propellers utilised by marine vessels. Since 1928, Berg Propulsion has built more than 5,000 controllable pitch propellers, the majority of which are still in active service today.

Mr Wong Fong Fui, Chairman and Group Chief Executive Officer of Boustead said, "We are pleased to be participating in Berg Propulsion's expansion into Asia through this opportunity to design, build and lease the new production facility to Berg Propulsion over a long-term period. This arrangement is consistent with our strategy to provide value beyond the standard turnkey design and build model for reputable multinational clients."

Mr Thomas Jespersen, General Manager of Berg Propulsion said, "Berg Propulsion's decision to select Boustead Projects was based on the company's extensive track record and capability to engineer a new facility to meet our customised requirements in a short timeframe. This facility will be a springboard for our expansion strategy for Asia and allow us to meet the strong demand of the marine industry regionally." On why Singapore was selected for the Facility, Mr Jespersen said, "We chose Singapore mainly because of its strong Intellectual Property Rights protection. Singapore offers a very strong brand name and we trust that they are able to deliver what we require."

The above contract is not expected to have a material impact on the profitability and earnings per share of the Company in the current financial year ending 31 March 2008. The contract is not expected to have a material impact on the net asset value per share of the Company for the current financial year.

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

About Boustead Singapore Limited

Established in 1828, Boustead Singapore Limited is a progressive global Engineering Services and Geo-Spatial Technology Group listed on the Singapore Exchange. Offering an extensive range of specialised engineering services and geo-spatial solutions, we deliver professional answers customised to meet our clients' specific requirements in a vast array of industries.

Our strong suite of engineering services is geared to fulfil the stringent demands of specialised engineering fields such as:

- Energy-Related Engineering
 - Oil & gas / petrochemicals
 - Solid waste energy recovery
- Water & Wastewater Engineering
- Industrial Real Estate Solutions

Under our geo-spatial technology arm, we provide consulting services and exclusively distribute ESRI geo-spatial technology – the world's leading geographic information systems and geo-spatial solutions – to major markets across Australia, South East Asia and South Asia.

With a vast global network stretching across Asia, Australia, Europe, Africa and the Americas, Boustead is ready to serve the world. Boustead has undertaken projects in 71 countries globally.

Visit us at www.boustead.sg.

About Boustead Projects

Boustead Projects is a leading industrial real estate solutions developer in Singapore, with core engineering expertise in designing, building and developing industrial facilities for multinational corporations and local enterprises. To date, Boustead Projects has developed more than 850,000 square metres of industrial real estate in Singapore including industrial facilities and ramp-up warehousing. Boustead Projects' operations cover Singapore, China, Malaysia and Vietnam.