

Company Announcement



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

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

INCORPORATION OF WHOLLY-OWNED SUBSIDIARY, SALCON BIOTECH PTE LTD

Singapore, 26 June 2007

The Board of Directors of Boustead Singapore Limited (the "Company") wishes to announce that the Company has incorporated a wholly-owned subsidiary in Singapore known as Salcon Biotech Pte Ltd ("Salcon Biotech").

The principal activities of Salcon Biotech are those of technological development in advanced biological treatment processes, and research and development in advanced bioaugmentation for applications in wastewater treatment. The initial paid-up capital of Salcon Biotech is S\$2.

The incorporation of Salcon Biotech is not expected to have any material impact on the Company's earnings per share or net tangible assets per share for the financial year ending 31 March 2008.

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