

Company Announcement



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

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Singapore 408937

ACQUISITION OF ADDITIONAL SHAREHOLDING INTEREST IN ASSOCIATE

Singapore, 30 April 2008

The Board of Directors of Boustead Singapore Limited ("Boustead" or the "Company") wishes to announce that it has today entered into a sale and purchase agreement (the "Agreement") with IFS Capital Assets Pte Ltd ("IFS") for the purchase of IFS's 500,000 shares or 10% shareholding in GBI Realty Pte Ltd ("GBI") and the novation from IFS to the Company of the quasi equity loan of S\$6,810,000 (the "Loan") extended by IFS to GBI (the "Acquisition") at a total aggregate cash consideration of S\$9,250,000 (the "Consideration").

Upon the signing of the Agreement, the Company had paid the sum of S\$9,250,000 as a deposit for the Agreement and against certain documents to be held in escrow by the Company pending completion.

The Consideration was arrived at after arm's length negotiations on a willing buyer-willing seller basis. The Acquisition will be funded from the Company's internal resources.

The principal business activities of GBI are those relating to commercial property development.

Based on the management accounts of GBI as at 29 February 2008, the aggregate of the net book value attributable to the 10% shareholding interest in GBI and the Loan is approximately S\$6,200,000.

Following the completion of the Acquisition, the Company's shareholding interest in GBI will increase from 30% to 40%.

The Acquisition is not expected to have any material impact on the consolidated net tangible asset value per share and the earnings 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 Acquisition.