

Company Announcement



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

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



PROPOSED SALE OF PROPERTY BY ASSOCIATE

Singapore, 25 June 2008

The Board of Directors of Boustead Singapore Limited ("Boustead" or the "Company") is pleased to announce that GBI Realty Pte Ltd ("GBI"), an associate in which the Company holds a 40% interest, has entered into a Sale & Purchase Agreement dated 25 June 2008 with Ubitech Hub Pte Ltd (the "Purchaser") in relation to the sale (the "Proposed Sale") of the building under construction and land at Ubi Avenue 1, Singapore 408937 (the "Property") for a consideration of S\$200 million (the "Sale Price").

The principal business activities of GBI are those relating to commercial property development and the Proposed Sale is in line with GBI's strategy of redeveloping the land at Ubi Avenue 1. The acquisition of the Property by the Purchaser is subject to the satisfaction of certain conditions.

The Sale Price was arrived at through arms length negotiations on a willing seller-willing buyer basis and is to be wholly-satisfied in cash. The proceeds from the Proposed Sale will be used to fund the working capital needs of GBI.

The Proposed Sale is expected to have a positive material impact on the consolidated net tangible asset value per share and the earnings per share of the Company for the current financial year. After taking into account estimated costs of the Proposed Sale and the share attributable to the other shareholder of GBI, the Company is expected to record a gain of S\$26 million from the sale of the Property.

None of the Directors and Controlling Shareholders of the Company has any interest, direct or indirect, in the sale of the Property, save in respect of their shareholdings (if any) in the Company.