

Company Announcement



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

67 Ubi Avenue 1, #02-01
StarHub Green
Singapore 408942

PURCHASE OF ADDITIONAL SHARES IN BOUSTEAD SUBSIDIARY, CONTROLS & ELECTRICS

Singapore, 19 July 2010

1. Introduction

- 1.1 The Board of Directors of Boustead Singapore Limited (the "Company") wishes to announce that its wholly-owned subsidiary, Boustead Salcon Pte Ltd ("BSPL"), had entered into a Share Sale Agreement dated 19 July 2010 (the "Share Sale Agreement") with Vijayalakshmi Rajendran Meenakshi Sundaram ("VRMS") to purchase 120,000 ordinary shares (the "Sale Shares") in the paid-up capital of Controls & Electrics Pte Ltd ("C&E") legally and beneficially-owned by VRMS. Completion took place contemporaneously with the execution of the Share Sale Agreement.
- 1.2 The transaction in the Share Sale Agreement shall be referred to as the "Transaction".
- 1.3 Following the Transaction, BSPL's effective interest in C&E will be increased from 72.75% to 78.75%.

2. Information on Share Sale Agreement

- 2.1 The principal business activities of C&E are those relating to real time process control system design and implementation for process industries and the marketing, distribution and installation of process instruments and calibrators.
- 2.2 The policy of the Company and its subsidiaries (collectively, the "Group") is to enable key employees of a subsidiary in the Group to participate in the profits that such subsidiary makes through the payment of dividends. It is also the Group's policy that following the cessation of an employee's employment with a subsidiary, he would sell the shares owned by him in that subsidiary back to the Group.
- 2.3 The purchase price (the "Purchase Price") to be paid to VRMS by BSPL for the Sale Shares is S\$467,008. The Purchase Price was based on the valuation formula set out in the Shareholders Agreement dated 21 April 2003 entered into between BSPL, VRMS and certain other individuals. In this regard, the valuation formula provides that the Purchase Price be a sum equal to the net tangible asset value of C&E (as at the date of the latest audited accounts of C&E) attributable to the Sale Shares. The acquisition of the Sale Shares will be funded from internal resources.
- 2.4 The material conditions attached to the Share Sale Agreement include, *inter alia*, that VRMS will deliver the duly executed share transfer forms and the share

certificates in respect of the Sale Shares to BSPL.

- 2.5 Based on the audited but unissued accounts of C&E for the year ended 31 March 2010, the net book value attributable to the Sale Shares was S\$467,008.

3. Rationale for Transaction

- 3.1 The acquisition of the Sale Shares is in line with the Group's policy described in paragraph 2.2.

4. Interest of Directors and Shareholders in Transaction

- 4.1 None of the directors or controlling shareholders of the Company has any interest, direct or indirect, in the Transaction.

5. Inspection of Documents

- 5.1 A copy of the Share Sale Agreement is available for inspection during normal business hours at the Company's registered address at 67 Ubi Avenue 1, #02-01, StarHub Green, Singapore 408942 for three months from the date of this announcement.

About Boustead Singapore Limited

Established in 1828, Boustead Singapore Limited is a progressive global Infrastructure-Related Engineering Services and Geo-Spatial Technology Group listed on the Singapore Exchange. Focusing on the engineering and development of key infrastructure supporting economic growth in the public and private sectors of emerging markets, our strong suite of Engineering Services comprises:

- Energy-Related Engineering;
 - Oil & Gas/Petrochemicals;
 - Solid Waste Energy Recovery;
- Water & Wastewater Engineering;
- Real Estate Solutions;
 - Industrial Real Estate Solutions; and
 - New Township.

Under our Geo-Spatial Technology arm, we provide professional services and exclusively distribute ESRI geo-spatial technology – the world’s leading geographic information systems and location intelligence solutions – to major markets across Australia and South East Asia. Our location intelligence solutions are essential to effectively plan, deploy and manage key infrastructure and resources in countries.

With a vast global network stretching across Asia, Australia, Europe, Africa and the Americas, Boustead is ready to serve the world. To date, Boustead has undertaken infrastructure-related projects in 79 countries globally.

In 2008 and 2009, Boustead was recognised in the prestigious Forbes Asia 200 Best Under A Billion as one of the Asia Pacific’s 200 best public-listed corporations under US\$1 billion in revenue. Boustead is also listed on the MSCI Global Small Cap Index for Singapore.

Visit us at www.boustead.sg.

Contact Information

For media and investor enquiries, please contact:

Mr Keith Chu
Vice President – Corporate Marketing & Investor Relations
Tel: +65 6747 0016 ext 112
DID: +65 6242 9362
Fax: +65 6741 8689
Email: keith.chu@boustead.sg