



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

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

JOINT VENTURE TO DEVELOP INTEGRATED DEVELOPMENT IN TONGZHOU DISTRICT, BEIJING, PEOPLE'S REPUBLIC OF CHINA

Singapore, 24 October 2012

1. Introduction

- 1.1 The Board of Directors of Boustead Singapore Limited ("Boustead" or the "Company") is pleased to announce that the Company has on 24 October 2012 entered into a joint venture with a consortium of investors comprising Perennial Real Estate Holdings Pte Ltd ("PREHPL"), Perennial China Retail Pte Ltd ("PCRPL"), Ace Novel Developments Limited ("ANDL"), Imagine Properties Pte Ltd ("IPPL"), Mr Ron Sim ("RS") in his personal capacity, Mr Ronald Ooi ("RO") in his personal capacity and Mr Wong Fong Fui through his controlled entity, Bright Assets Enterprises Limited ("BAEL"), in connection with the development of a mixed-use project (the "Beijing Tongzhou Integrated Development") on three plots of land (the "Land Plots") in Tongzhou District, Beijing, People's Republic of China.
- 1.2 To this effect, the Company has on 24 October 2012 entered into a deed of adherence which is supplemental to an existing joint venture agreement dated 30 September 2012 and as amended and restated by an amendment and restatement agreement dated 23 October 2012 between PREHPL, PCRPL, ANDL, IPPL, RS and RO (collectively the "Amended Joint Venture Agreement"). Pursuant to the Amended Joint Venture Agreement, the Company will subscribe for 20,130 ordinary shares in the capital of Perennial Tongzhou Development Pte Ltd ("PTD") at S\$1,000 per share, with its total investment amount at S\$20,130,000 (the "Proposed Investment").

2. Overview of Proposed Investment

2.1 Information on Beijing Tongzhou Integrated Development

Tongzhou District is situated in the southeast of Beijing and has been earmarked by the Beijing Government as a new central business district. It is approximately 13 kilometres to Beijing's city centre and 16 kilometres to the capital international airport and is expected to become a major financial and commercial hub of Beijing.

The Beijing Tongzhou Integrated Development is a predominantly-retail mixed-used asset, comprising retail, office and residence components, with a total gross floor area, excluding the carpark, of approximately 402,000 square metres. It will be an iconic landmark development in Tongzhou District which enjoys excellent transport connectivity, being directly connected to a future subway

interchange station which will support two train lines and a future bus interchange. Being sited along the Grand Canal (also commonly known as the Beijing-Hangzhou Yun River), the entire frontage of the Beijing Tongzhou Integrated Development enjoys direct waterfront access.

With its significant scale, the Beijing Tongzhou Integrated Development is targeted to serve not just Tongzhou District, but the greater Beijing region. The Beijing Tongzhou Integrated Development is expected to be completed in 2016.

2.2 Information on PTD

PTD is a private company incorporated in Singapore in 2011 as an investment holding company which will indirectly hold 76% of the equity interest in three special purpose companies which will be incorporated in the People's Republic of China to hold the Land Plots. The balance 24% equity interest will be owned by Beijing Mei Rong Jia Investment Co Ltd, the subsidiary of a Beijing-based Chinese real estate developer.

With the proposed investment by the Company and Mr Wong Fong Fui, PTD's investment in the Beijing Tongzhou Integrated Development will be increased from 70% to 76% and the other investors' effective stake in the Beijing Tongzhou Integrated Development will remain the same.

2.3 Information on Proposed Investment

Pursuant to the terms of the Amended Joint Venture Agreement, the Company has agreed to subscribe for 20,130 ordinary shares at S\$1,000 per ordinary share for a total sum of S\$20,130,000 (the "Subscription Amount"), representing 5.27% of the total issued share capital in PTD which translates into an effective stake of 4% of the Beijing Tongzhou Integrated Development.

The Subscription Amount will be paid in cash and will be financed from the Company's internal cash resources.

3. **Rationale for Transaction**

The Directors are of the view that the Proposed Investment presents an excellent opportunity for the Company to expand its expertise and track record and will mark its first foray into commercial/retail developments in China.

4. **Financial Effects of Transaction**

There are no material financial effects of the transaction on the net tangible asset per share and earnings per share of the Company in respect of the financial year ended 31 March 2013.

5. **Interest of Directors and Controlling Shareholders**

Mr Wong Fong Fui, Chairman and Group Chief Executive Officer of the Company, has an interest in the Amended Joint Venture Agreement through his controlled entity, BAEL. By way of a separate deed of adherence dated 24 October 2012, BAEL will subscribe for 10,060 ordinary shares at S\$1,000 per ordinary share for a total sum of S\$10,060,000, representing 2.63% of the total issued share capital in PTD which translates into an effective stake of 2% of the Beijing Tongzhou

Integrated Development. Further to this, Mr Wong also holds S\$2 million in 6.375% fixed rate notes issued by the Perennial China Retail Trust ("PCRT"), the parent entity of PCRPL.

Mr Tong Weng Leong, Executive Director of the Company, holds 100,000 units in PCRPL.

Save as disclosed above, none of the directors or controlling shareholders of the Company has any interest, direct or indirect, in the transaction.

6. Documents for Inspection

Copies of the Amended Joint Venture Agreement may be inspected during the Company's usual business hours (from 9 am to 5 pm) on any business day for a period of three (3) months from the date of this announcement at the registered office of the Company at 67 Ubi Avenue 1, #02-01, StarHub Green, Singapore 408942.

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, Water & Wastewater Engineering and Real Estate Solutions.

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 83 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 and the FTSE ST Small Cap Index.

Visit us at www.boustead.sg.

Contact Information

For media and investor enquiries related to Boustead Singapore Limited, 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
E-mail: keith.chu@boustead.sg

Ms Athena Kang
Corporate Marketing Executive

Tel: +65 6747 0016 ext 109
Fax: +65 6741 8689
E-mail: athena.kang@boustead.sg