

ROTOL SINGAPORE LTD

DISPOSAL OF PROPERTY BY SUBSIDIARY

The Board of Directors of Rotol Singapore Ltd (the "Company") wishes to announce that its wholly-owned subsidiary, Rotol (S) Co., Ltd Jiaxing Factory ("Rotol Jiaxing"), had on 18 February 2004 disposed of the property known as 10/F, No. 388, Main Building, Zhuxing South Road, Zhejiang, the PRC (the "Property") to Zhejiang Youth Investment Group Co., Ltd, an unrelated party, for a consideration of RMB5,080,000 (equivalent to \$1,040,807) (the "Sale Price").

The Disposal

The Property, the tenth floor in a hotel development, was acquired by Rotol Jiaxing as payment in kind for a completed contract, as its client, Zhejiang Youth Investment Group Co., Ltd, was not able to pay in cash. Since then, Rotol Jiaxing had been trying to dispose of the property for cash but to no avail. Rotol Jiaxing was also not able to rent out the Property. As the hotel business and occupancy rate picked up over the last two years, Rotol Jiaxing approached Zhejiang Youth Investment Group Co., Ltd to buy back the Property. The Sale Price was arrived at on a willing buyer and willing seller basis and is wholly satisfied in cash.

There were no material conditions attaching to the disposal of the property.

The net book value of the property as at 31 December 2003 was S\$954,756. No valuation report had been commissioned.

The excess of the sale proceeds over the net book value of the Property was S\$86,501. It is intended that the sale proceeds be utilised as working capital to support the business of the Company.

Relative Figures under Rule 1006

The relative figures computed under the relevant bases of Rule 1006 of the Listing Manual are as follows:-

(a) The net asset value of the assets disposed of, compared with the Group's net asset value: [S\$954,756/S\$22,592,000] x 100 = 4.23%

(b) The net profits attributable to the assets disposed of, compared with the Group's net profit: Not applicable

(c) The aggregate value of the consideration received, compared with the issuer's market capitalisation as at 31 December 2003: [S\$1,040,807/S\$16,400,000] x 100 = 6.34%

(d) The number of equity securities issued by the group as consideration for the acquisition: Not applicable

Financial impact on the Group

Assuming that the Disposal had been effected at the end of the Group's financial year ended 31 December 2003, the net tangible assets per share would have increased from 13.76 cents to 13.81 cents.

Assuming that the Disposal had been effected at the beginning of the Group's financial year ended 31 December 2003, the loss per share would have improved from -3.27 cents to -3.22 cents.

Directors/Controlling Shareholders' Interests

None of the directors or the controlling shareholders of the Company have any interest, direct or indirect, in the Disposal.

BY ORDER OF THE BOARD

TAN KHEE BAK
DIRECTOR
25/08/2004