

CITIRAYA INDUSTRIES LTD
(Company Registration No. 199206445M)

UPDATE

1. The Company had announced, on 2 September 2005, that it had filed a petition in the High Court of Singapore for the appointment of Judicial Managers over it. The Board of Directors ("Board") of the Company wish to disclose certain information that was set out in the aforesaid petition ("the Petition") and affidavits filed on behalf of the Company in support of the Petition.
2. The affairs of the Company are under investigation by the Commercial Affairs Department ("CAD") and Corruption Prevention Investigation Bureau ("CPIB") (collectively the "Authorities Investigations") and by the independent financial advisors appointed by the Company (the "Independent Investigations"). These investigations involve analysis and verification of a myriad of complex transactions that extend over a period of time covering many facets of the Company's key businesses and operations. The findings of these investigations are likely to have a significant impact on the financial information provided in this announcement.
3. As a result of the complexity of these investigations, and the volume and scope of the transactions involved, both the Authorities Investigations and Independent Investigations are still ongoing.
4. Additionally, with respect to the financial information contained at paragraphs 6 to 22 of this announcement, the financial information provided has been extracted from the books and records of the Company and its subsidiaries (the "Group") and have not taken into consideration any diminution in the book values of these assets, or the recoverability of trade and inter-company receivables. The Company is unable to currently determine the extent of claims that may be made by parties affected by the matters under investigation in the Authorities Investigations and/or Independent Investigations, and is therefore unable, at this time, to conclusively determine the extent of the contingent liabilities of the Group.
5. The Company is the holding or ultimate holding company of a number of companies located in a number of jurisdictions. The financial information set out in the following paragraphs was, inter alia, provided in the Petition and/or supporting affidavits with respect to the Company and its subsidiaries.

FINANCIAL POSITION

The Company

6. Based on the Company's unaudited balance sheet as at 30 April 2005 updated for actual material transactions up to 31 July 2005, the Company has a net asset position of approximately S\$110,816,434. The Company has book assets of approximately S\$167,382,816, which comprise, inter alia, approximately S\$20,410,602 in cash and bank balances, approximately S\$11,456,279 of trade receivables, approximately S\$44,083,941 of inter-company receivables from its subsidiaries and associated company, approximately S\$16,476,151 of property, plant and equipment and approximately S\$55,966,330 worth of investment in its subsidiaries. **Annex 1** to this announcement is the unaudited balance sheet of the Company as at 30 April 2005 updated for actual material transactions up to 31 July 2005.
7. The aforesaid financial information is subject to the limitations set out at paragraphs 2 and 4 above.
8. On 15 July 2005, CPIB and CAD issued a joint release stating, inter alia, that:-
 - i) in December 2004, CPIB received information that staff of the Company may have given bribes to staff of its customers to facilitate the diversion of rejected micro processor chips for resale in black markets outside Singapore; and
 - ii) in January 2005, CAD received information that the Company may have inflated its sales through fictitious transactions.
9. Further, on 15 July 2005, CAD proffered charges against the Company's Assistant General Manager and Sales Manager, Mr. Ng Teck Boon, in relation to alleged offences uncovered during the Authorities Investigations. These charges include 97 counts of falsification of accounts of the Company and colluding with private companies under Section 447A of the Penal Code (Chapter 224). In respect of these charges, it was alleged that the Company's sales and purchases were inflated by S\$48,888,556.38 and S\$22,889,856.07 respectively.
10. On 15 July 2005, CPIB also proffered charges against Mr. Ng Teck Boon in relation to, inter alia,
 - i) 84 counts of alleged abetting the Company's former Chief Executive Officer, Mr. Ng Teck Lee, in the commission of alleged offences of corruptly giving gratification totalling S\$1,817,060 to staff of the

Company's customers and staff of the Company for various favours in connection with the process of siphoning the electronic scraps out of the Company for resale in the black markets under Section 6(b) of the Prevention of Corruption Act (Chapter 241) read with Section 109 of the Penal Code (Chapter 224);

- ii) three (3) counts of alleged abetting by intentionally aiding Mr. Ng Teck Lee in committing of the alleged criminal breach of trust as a servant of electronic scraps belonging to the Company under Section 408 read with Section 109 of the Penal Code (Chapter 224);
 - iii) two (2) counts of alleged abetting by intentionally aiding Mr. Ng Teck Lee in committing of the alleged criminal breach of trust of electronic scraps belonging to the clients companies of the Company under Section 406 read with Section 109 of the Penal Code (Chapter 224);
 - iv) one (1) count of alleged abetting by intentionally aiding Mr. Ng Teck Lee in committing the alleged theft as a servant of electronic scraps belonging to the Company under Section 381 read with Section 109 of the Penal Code (Chapter 224); and
 - v) six (6) counts of alleged abetting by way of instigating the production manager of the Company in the commission of alleged offences of cheating by instructing the said production manager to falsify the content of precious metal to a customer of the Company under Section 417 read with Section 109 of the Penal Code (Chapter 224).
11. Certain other employees of the Company and its customers have been charged in Court. CPIB and CAD have stated that they will be prosecuting other persons who were involved in the above alleged irregular transactions.

Citiraya (Singapore) Pte Ltd ("CSPL")

12. CSPL is a wholly owned subsidiary of the Company, and is incorporated in Singapore.
13. Based on CSPL's unaudited balance sheet as at 30 April 2005, updated for actual material transactions up to 31 July 2005, CSPL has a net asset position of approximately S\$6,059,371. CSPL has assets of approximately S\$65,490,199, which comprise, inter alia, S\$28,295,357 of trade receivables, S\$23,533,481 of inventories, i.e. electronic waste and scrap materials collected for recycling and processing, and S\$7,478,592 of property, plant and equipment. CSPL's unaudited balance sheet indicates that its total liabilities are approximately S\$59,430,828, which comprise, inter alia, S\$10,065,799 of trade payables, S\$34,971,379 inter-company payables to the Company and bank loans of S\$8,383,601. These figures are subject to the limitations set out

at paragraphs 2 and 4 above. **Annex 2** of this announcement is the unaudited balance sheet of CSPL as at 30 April 2005, updated for actual material transactions up to 31 July 2005.

P-Com Systems Pte Ltd

14. The Citiraya Group's operations in China are carried out through the Company's wholly-owned subsidiary, P-Com Systems Pte Ltd ("P-Com"), which is a company incorporated in Singapore. P-Com is an intermediary holding company of the Citiraya Group and the Company acquired all its shares in September 2004. P-Com does not carry out business operations but was involved in the sourcing and trading of, inter alia, electronic waste in China through its three (3) subsidiaries, all incorporated in China. These are:-
 - i) Citiraya Environmental (Wuxi) Industrial Ltd ("Citiraya Wuxi");
 - ii) Citiraya Industries (Shanghai) Co Ltd ("Citiraya Shanghai"); and
 - iii) Wuxi Green Bamboo Environmental Services Co. Ltd ("Wuxi Green Bamboo").
15. Based on P-Com's unaudited balance sheet as at 31 May 2005 updated for actual material transactions up to 31 July 2005, P-Com has a net asset position of approximately S\$4,251,146. P-Com has assets of approximately S\$12,956,106, which comprise, inter alia, S\$10,077,351 worth of investments in its subsidiaries. P-Com's total liabilities are approximately S\$8,704,960, which comprise, inter alia, S\$7,833,640 of inter-company payables to the Company. These figures are subject to the limitations set out at paragraphs 2 and 4 above. **Annex 3** of this announcement is the unaudited balance sheet of P-Com as at 31 May 2005, updated for actual material transactions up to 31 July 2005.
16. Based on Citiraya Wuxi's unaudited balance sheet as at 31 May 2005 updated for actual material transactions up to 31 July 2005, Citiraya Wuxi has a net asset position of approximately RMB33,660,056 (S\$6,732,011). Citiraya Wuxi has assets of approximately RMB35,146,007 (S\$7,029,201), which comprise, inter alia, approximately RMB15,658,422 (S\$3,131,684) of construction in progress and RMB14,209,937 (S\$2,841,987) in cash and bank balances. The total liabilities of Citiraya Wuxi stand at approximately RMB1,485,951 (S\$297,190), which comprise, inter alia, approximately RMB1,018,282 (S\$203,656) of trade payables. The figures expressed in S\$ are based on a conversion rate of RMB5: S\$1. The unaudited balance sheet of Citiraya Wuxi as at 31 May 2005 updated for actual material transactions up to 31 July 2005 are subject to the limitations set out at paragraphs 2 and 4 above. **Annex 4** of this announcement is the unaudited balance sheet of

Citiraya Wuxi as at 31 May 2005, updated for actual material transactions up to 31 July 2005.

17. Citiraya Shanghai is a joint venture company in which P-Com holds a 70% stake. However, despite P-Com's majority interest in Citiraya Shanghai, management functions are carried out by its 30% joint venture partner, Shanghai Congge Commerce & Trade Co. Ltd. Citiraya Shanghai serves as a collection centre for electronic waste materials and non-electronic waste materials. Currently, Citiraya Shanghai is engaged only in the collection of non-electronic waste materials.
18. Wuxi Green Bamboo, which is a wholly owned subsidiary of P-Com, serves as a trading arm for Citiraya Wuxi. Currently, Wuxi Green Bamboo's operations are minimal.

GES Global Environmental Solutions Pte Ltd ("GES")

19. The Citiraya Group's operations in the United Kingdom are carried out through the Company's wholly-owned subsidiary, GES Global Environmental Solutions Pte Ltd ("GES"), which is a company incorporated in Singapore. GES was acquired by the Company in September 2004. GES is involved in the business of sourcing and trading electronic waste from Europe through two (2) subsidiaries, both of which are incorporated in the United Kingdom. These are:-
 - i) Citiraya Recycling Technology Ltd ("CRT"); and
 - ii) Citiraya UK Ltd.
20. Based on GES's unaudited balance sheet as at 31 March 2005 updated for actual material transactions up to 31 July 2005, GES has a net asset position of approximately S\$5,541,988. GES has assets of approximately S\$6,963,827, which comprise, inter alia, S\$1,313,825 of trade receivables, S\$2,110,956 inter-company receivables from Citiraya UK Ltd and CRT, S\$1,550,349 of inventories, i.e. electronic waste and scrap materials collected for recycling and processing, and S\$1,306,344 of investments in its subsidiaries. GES's unaudited balance sheet indicate that its total liabilities are approximately S\$1,421,839, which comprise, inter alia, S\$882,243 trade payables and S\$238,062 income tax payable. These figures are subject to the limitations set out at paragraphs 2 and 4 above. **Annex 5** of this announcement is the unaudited balance sheet of GES as at 31 March 2005, updated for actual material transactions up to 31 July 2005.
21. Based on CRT's unaudited balance sheet as at 31 May 2005 updated for actual material transactions up to 31 July 2005, CRT has a net liability position of approximately £325,029 (S\$975,086). CRT has assets of

approximately £730,882 (S\$2,192,646), which comprise, inter alia, £634,436 (S\$1,903,308) of property, plant and equipment. CRT's unaudited balance sheet indicate that its total liabilities are approximately £1,055,911 (S\$3,167,732), which comprise, inter alia, £403,813 (S\$1,211,439) finance leases and £335,500 (S\$1,006,500) and £208,141 (S\$624,422) inter-company payables to GES and Citiraya UK Ltd respectively. These figures are subject to the limitations set out at paragraphs 2 and 4 above. The figures expressed in S\$ are based on a conversion rate of £1: S\$3. **Annex 6** of this announcement is the unaudited balance sheet of CRT as at 31 May 2005, updated for actual material transactions up to 31 July 2005.

22. Citiraya UK Ltd has a collection centre located in Scotland and it ships the electronic waste materials collected to the recycling plant in Singapore for processing. Citiraya UK Ltd is currently in voluntary administration.

PROJECTIONS

23. The Company has prepared a summary of estimated cash payments and receipts for itself and CSPL from September 2005 to May 2006, assuming the Company carries on operations in the context of a Judicial Management. The summary is attached as **Annex 7** to this announcement.
24. The Company has also prepared a summary of estimated cash payments and receipts for CIL and CSPL from September 2005 to May 2006, assuming the Company is in liquidation. The summary is attached as **Annex 8** to this announcement.
25. The Company has prepared a table (attached as **Annex 9** to this announcement) setting out:
 - i) the estimates realizable values of the Company's assets on the following bases:
 - going concern (assuming that while the Company is under judicial management an investor is secured and is willing to invest in the Company at the asset values contained in the table);
 - orderly realization in the context of a judicial management; and
 - liquidation;
 - ii) the liabilities of the Company, excluding the Ancillary Claims defined at Note 1 of the table

26. The aforesaid estimates are based on the projections of the Company's management, and are subject to change. They are also subject to the limitations set out at paragraphs 2 and 4 above.
27. The Petition came on for hearing on 23 September 2005, and was adjourned for 6 weeks. A number of the matters contained in the Petition are contested and therefore in issue. The issues that are in contention are currently live issues before the Court.

CASHFLOW MOVEMENTS

28. The Company has provided details of its cashflow movement for the period from 25 January 2005 to 31 July 2005. A tabulation setting out these details is attached as **Annex 10** of this announcement.
29. The Company has also prepared a bar-chart tabulation of the essential expenses incurred by the Company and of its funding to subsidiaries. A copy of this tabulation is attached as **Annex 11** of this announcement.
30. The Company has paid Ntan Corporate Advisory Pte Ltd ("nTan") S\$2,052,338, Drew & Napier LLC ("Drew & Napier") S\$916,221.80 and Rajah & Tann S\$15,000 all for fees for work carried out from the time of their engagement in January 2005 to 31 May 2005.
31. In January 2005, a sum of S\$5,000,000 was placed to account with Ntan and S\$4,647,500 was placed to account with Drew & Napier. A sum of S\$500,000 was placed to account with Rajah & Tann in March 2005. Funds have been drawn from these funds to meet the bills of the advisors and they are accountable to the Company for the funds that are not expended on their bills.
32. The funds placed to account with the professionals took into account the long drawn process that the investigations and restructuring efforts was likely to involve, and the likely need for a large team of people to work on this matter. With respect to Drew & Napier, the funds to account were also for the purpose of enabling Drew & Napier to engage lawyers, if necessary, in the United States and Europe to defend law suits and commence actions, given the nature of the transactions that appeared to be the subject of the Authorities Investigations.

CLAIMS COMMENCED AGAINST THE COMPANY

33. The following is a tabulation of claims that have been made against the Company, either by way of legal proceedings or letters of demand, as at 1 September 2005. A number of these claims are not admitted.

S/N	Name of Creditor	Sum Claimed
1	3M Singapore Pte Ltd	US\$2,016,994.46 S\$793.24
2	Acer Computer (Singapore) Pte Ltd	S\$3,493.25
3	Advanced Micro Devices (Singapore) Pte Ltd and Advanced Micro Devices Inc.	Claim in damages for at least US\$250,000,000.00
4	Asiapac Distribution Pte Ltd	S\$8,187.90
5	CES Corporate Environmental Solutions Pte Ltd and Citiraya Italia Spa	S\$715,988.45 US\$2,237,041.16
6	Citiraya Holdings (S) Pte Ltd	S\$173,250.00
7	Corporate Travel Services Pte Ltd	S\$42,912.49
8	DBS Bank Ltd	S\$30,184,888.86 US\$5,111,650.10
9	DHL Danzas Air & Ocean (Singapore) Pte Ltd	S\$148,794.22
10	Diamond Consolidators (S) Pte Ltd	S\$14,835.20
11	Engineered Products & Services Pte Ltd	S\$371,623.94
12	EPS Consultants Pte Ltd	S\$3,960.00
13	Film Technical Services	S\$56,980.50
14	Goldbell Leasing Pte Ltd	S\$49,740.50
15	Global Alliance	S\$5,237.50
16	Infineon Technologies Asia Pacific Pte Ltd	S\$143,847.49
17	JanDec HR Services Pte Ltd	S\$5,271.00
18	Karocraft Pte Ltd	S\$9,303.00
19	Komaj USA (Malaysia) Sdn	US\$33,176.35

S/N	Name of Creditor	Sum Claimed
20	Orix Leasing Singapore Limited	S\$3,933.52
21	Recruit Express Pte Ltd	S\$6,048.00
22	Standard Chartered Bank	S\$3,373.14
23	Temp-team Permanent & Temporary Recruitment	S\$6,360.90
24	The Upgrader (99)	S\$990.00
25	U-Freight Singapore Pte Ltd	S\$84,383.56
26	UMF (Singapore) Limited	S\$2,283.79
27	UOB Limited	S\$6,132,024.06
TOTAL SUM		S\$38,178,504.51 and at least US\$259,398,862.07

BY ORDER OF THE BOARD

**TAN SAN-JU
COMPANY SECRETARY**

30 September 2005

ANNEX 1

CITIRAYA INDUSTRIES LTD

Based on unaudited management accounts as at 30 April 2005 updated for actual material transactions up to 31 July 2005
(All amounts are stated in S\$)

Balance Sheet

	Estimated book value
ASSETS	S\$
Cash and bank balances	20,420,602
Trade receivables-external	11,456,279
Other receivables, deposits and prepaid expenses	12,868,685
Receivables - related companies	
Citiraya (Singapore) Pte Ltd	34,981,213
P-Com Systems Pte Ltd	7,868,461
GES Global Environmental Solutions Pte Ltd	484,267
Citiraya Technology Inc	750,000
Property, plant and equipment	16,476,151
Investment in subsidiaries	55,966,330
Investment in an associate	6,110,828
Total assets	167,382,816
LIABILITIES	
Bank loans	36,131,000
Finance leases	316,052
Trade payables-external	8,782,601
Other payables	3,464,253
Payables - related companies	
Citiraya Technology Sdn Bhd	2,017,078
Citiraya Industries (Shanghai) Ltd	36,622
Wuxi Green Bamboo Environmental Services Co Ltd	428
Tax liabilities	5,818,347
Total liabilities	56,566,382
Surplus assets over liabilities	110,816,434

ANNEX 2

CITIRAYA (SINGAPORE) PTE LTD

Based on unaudited management accounts as at 30 April 2005 updated for actual material transactions up to 31 July 2005
(All amounts are stated in S\$)

Balance Sheet

	Estimated book value
ASSETS	S\$
Cash and bank balances	5,874,951
Trade receivables-external	28,295,357
Other receivables, deposits and prepaid expenses	307,818
Property, plant and equipment	7,478,592
Inventories	23,533,481
Total assets	65,490,199
LIABILITIES	
Bank loans	8,383,601
Trade payables-external	10,065,799
Other payables	1,622,187
Payables - related companies	
Citiraya Industries Ltd	34,971,379
Citiraya Technology Sdn Bhd	70,995
P-Corn Systems Pte Ltd	35,569
GES Global Environmental Solutions Pte Ltd	11,444
Citiraya Technology Inc	329,854
Tax liabilities	3,940,000
Total liabilities	59,430,828
Surplus assets over liabilities	6,059,371

ANNEX 3

P-COM SYSTEMS PTE LTD

Based on unaudited management accounts as at 31 May 2005 updated for actual material transactions up to 31 July 2005
(All amounts are stated in S\$)

Balance sheet

	Estimated book value
ASSETS	S\$
Cash and bank balances	139,524
Trade receivables-external	584,662
Investments	10,077,351
Intangibles	2,000,000
Amount due from associated companies	
Citiraya (Singapore) Pte Ltd	85,430
Inventories	69,140
Total assets	12,956,106
LIABILITIES	
Trade payables	110,180
Other payables	393,186
Payables - related companies	
Citiraya Industries Limited	7,833,640
Citiraya Industries (Shanghai) Ltd.	18,713
Provision for taxation	349,241
Total liabilities	8,704,960
Surplus assets over liabilities	4,251,146

ANNEX 4

CITIRAYA ENVIRONMENTAL INDUSTRIAL (WUXI) CO., LTD

Based on unaudited management accounts as at 31 May 2005 updated for actual material transactions up to 31 July 2005

Balance sheet

	Estimated book value	Estimated book value ⁽¹⁾
ASSETS	RMB	S\$
Cash and bank balances	14,209,937	2,841,987
Trade receivables-external	205,914	41,183
Other receivables, deposits and prepaid expenses	2,115,809	423,162
Property, plant and equipment	1,146,795	229,359
Construction in progress	15,658,422	3,131,684
Long-term prepaid assets	27,015	5,403
Inventories	1,782,116	356,423
Total assets	35,146,007	7,029,201
LIABILITIES		
Trade payables	1,018,282	203,656
Other payables	429,601	85,920
Payables - related companies		
Citiraya Industries (Shanghai) Ltd	38,069	7,614
Total liabilities	1,485,951	297,190
Surplus assets over liabilities	33,660,056	6,732,011

(1) Assumes that the exchange rate used is RMB5:S\$1.

ANNEX 5

GES GLOBAL ENVIRONMENTAL SOLUTIONS PTE LTD**Based on unaudited management accounts as at 31 March 2005 updated for actual material transactions up to 31 July 2005****(All amounts are stated in S\$)****Balance Sheet**

	Estimated book value
ASSETS	S\$
Cash and bank balances	80,117
Trade receivables-external	1,313,825
Other receivables, deposits and prepaid expenses	525,502
Receivables - related companies	
Citiraya (Singapore) Pte Ltd	19,296
Citiraya UK Ltd	1,069,530
Citiraya Recycling Technology Ltd	1,041,426
Property, plant and equipment	57,438
Inventories	1,550,349
Investment in subsidiaries	1,306,344
Total assets	6,963,827
LIABILITIES	
Trade payables- external	882,243
Other payables	136,312
Payables - related companies	
Citiraya Industries Ltd	165,222
Income tax payable	238,062
Total liabilities	1,421,839
Surplus assets over liabilities	5,541,988

ANNEX 6

CITIRAYA RECYCLING TECHNOLOGY LTD

Based on unaudited management accounts as at 31 May 2005 updated for actual material transactions up to 31 July 2005

Balance Sheet

	Estimated book value	Estimated book value ⁽¹⁾
ASSETS	£	S\$
Cash and bank balances	4,000	12,000
Trade receivables-external	33,105	99,315
Other receivables, deposits and prepaid expenses	59,341	178,023
Property, plant and equipment	634,436	1,903,308
Total assets	730,882	2,192,646
LIABILITIES		
Finance leases	403,813	1,211,439
Trade payables	71,043	213,128
Other payables	37,414	112,242
Payables - related companies		
GES Global Environmental Solutions Pte Ltd	335,500	1,006,500
Citiraya UK Ltd	208,141	624,422
Total liabilities	1,055,911	3,167,732
Estimated shortfall in total assets as against total liabilities	(325,029)	(975,086)

(1) Assumes that the exchange rate used is £1:S\$3.

ANNEX 7

CITIRAYA INDUSTRIES LTD ("CIL") AND CITIRAYA (SINGAPORE) PTE LTD ("CSPL")

(All amounts are stated in S\$'000)

Summary of estimated cash payments and receipts for CIL and CSPL from September 2005 to May 2006 **Assuming ongoing operations under judicial management scenario**

Estimated monthly cash flow

	Projected Sept 05 S\$'000	Projected Oct 05 S\$'000	Projected Nov 05 S\$'000	Projected Dec 05 S\$'000	Projected Jan 06 S\$'000	Projected Feb 06 S\$'000	Projected Mar 06 S\$'000	Projected Apr 06 S\$'000	Projected May 06 S\$'000	9 months (Sep 05 - May 06) Total S\$'000	Reference
CIL											
Estimated monthly outgoing cash											
Operational expenses	(346)	(254)	(254)	(421)	(263)	(254)	(254)	(254)	(254)	(2,557)	Appendix A
Professional fees											Appendix B
Investigation	(300)	(300)	(300)	(250)	(250)	-	-	-	-	(1,400)	
- Accountants	(100)	(100)	(100)	(100)	(100)	-	-	-	-	(500)	
- Lawyers	-	-	-	-	-	-	-	-	-	-	
Financial advisory	-	-	-	-	-	-	-	-	-	-	
Legal	-	-	-	-	-	-	-	-	-	-	
Judicial managers - professional fees	(150)	(160)	(150)	(150)	(150)	(150)	(150)	(150)	(150)	(1,350)	
Judicial managers - other costs (including legal)	(80)	(60)	(50)	(60)	(60)	(60)	(50)	(50)	(50)	(480)	
Funding of Citiraya Recycling Technology Ltd ("CRT") ⁽²⁾⁽³⁾	(150)	(150)	(150)	(150)	-	-	-	-	-	(600)	
Total outgoing cash	(1,126)	(1,004)	(1,004)	(1,121)	(813)	(454)	(454)	(454)	(454)	(6,887)	
Estimated monthly incoming cash⁽⁵⁾											
Recharge of expenses to CSPL by CIL	222	144	144	241	144	144	144	144	144	1,472	
Net cash burn rate	(907)	(860)	(860)	(880)	(669)	(310)	(310)	(310)	(310)	(5,415)	
Accrue by CSPL for the benefit of CIL	328	591	443	277	676	676	733	343	(204)	3,893	
Net burn rate	(579)	(269)	(417)	(603)	7	365	423	33	(514)	(1,552)⁽⁴⁾	
CSPL											
Estimated monthly incoming cash											
Realisation of existing inventory	1,028	1,380	1,006	1,035	1,502	1,502	1,802	837	-	10,082	Appendix C
Estimated monthly outgoing cash											
Operational expenses	(246)	(235)	(202)	(323)	(212)	(214)	(216)	(211)	(201)	(2,082)	Appendix C
Payment of expenses recharged by CIL to CSPL	(222)	(144)	(144)	(241)	(144)	(144)	(144)	(144)	(144)	(1,472)	
Net cash generated	557	1,001	750	470	1,148	1,144	1,242	552	(346)	5,548	
Accrue by CSPL for the benefit of CIL	(328)	(591)	(443)	(277)	(676)	(675)	(733)	(343)	204	(3,893)	

Assumption notes:-

- (1) Assumes that the realisation of certain of CSPL's existing waste inventory will be processed by April 06.
- (2) Assumes that the exchange rates used is S\$1.853 and that the maximum amount of funding to CRT is S\$150K based on the Court's Validation Order of 12 July 2005. This funding is to preserve and enhance the value of the assets in CRT for the benefit of the Company's stakeholders and particularly for DBS which holds shares in GES Global Environmental Solutions Pte Ltd, CRT's parent, as security. Additional funding to CRT of some S\$1.6 million may be required to fund additional essential expenses. The Company intends to make the necessary applications to Court to seek the Court's validation for the additional payments to CRT. A decision will be made by December 2005 on the continued funding of CRT.
- (3) Assumes that CIL does not receive cash or have to fund any other entities in the group.
- (4) Funding to CRT is one of the primary causes of cash outflow for the 9 months from Sep 05 to May 06. This has not taken into consideration the higher values realizable from the Company's remaining assets when disposed off in an orderly manner in a judicial management.
- (5) Assumes that estimated monthly incoming cash for CIL does not include any sums recovered by CIL from any legal claims or otherwise that may be brought by CIL against any of CIL's employees, officers and/or former directors and staff arising out of or in relation to the matters under investigation by the Company's advisors. The investigations are likely to give rise to information and evidence that can be used to pursue claims against individuals and/or entities that may have been involved in the irregular activities that appear to have taken place at the Company. Any recovery from such claims will be for the benefit of the Company and its stakeholders, particularly its creditors.

CITIRAYA INDUSTRIES LTD

(All amounts are stated in S\$'000)

Estimated monthly expenses

Assuming ongoing operations under judicial management scenario

Appendix A

	Projected Sept 05 S\$'000	Projected Oct 05 S\$'000	Projected Nov 05 S\$'000	Projected Dec 05 S\$'000	Projected Jan 06 S\$'000	Projected Feb 06 S\$'000	Projected Mar 06 S\$'000	Projected Apr 06 S\$'000	Projected May 06 S\$'000
Estimated monthly outgoing									
Recurring expenses ⁽¹⁾:									
Salaries / CPF / FWL	166	166	166	332	166	166	166	166	166
Telecommunications	7	7	7	7	7	7	7	7	7
Property tax	10	10	10	10	10	10	10	10	10
Land rental to JTC	5	5	5	5	5	5	5	5	5
Staff welfare									
Food catering	4	4	4	4	4	4	4	4	4
Bus transport	2	2	2	2	2	2	2	2	2
Accommodation	2	2	2	2	2	2	2	2	2
Medical	1	1	1	1	1	1	1	1	1
Others	2	2	2	2	2	2	2	2	2
Essential admin expenses									
Copier charges	1	1	1	1	1	1	1	1	1
Stationery	3	3	3	3	3	3	3	3	3
Corporate secretarial fees	10	10	10	10	10	10	10	10	10
Petrol	2	2	2	2	2	2	2	2	2
Leasing of copiers (Orix)	2	2	2	2	2	2	2	2	2
Travelling	8	8	8	8	8	8	8	8	8
Others	-	-	-	-	-	-	-	-	-
Critical operational expenses									
Equipment leases (van)	1	1	1	1	1	1	1	1	1
EHS Safety Officer	2	2	2	2	2	2	2	2	2
Listing fees	-	-	-	-	9	-	-	-	-
Interest to UOB	27	27	27	27	27	27	27	27	27
Interest to DBS	-	-	-	-	-	-	-	-	-
Sub-total	254	254	254	421	263	254	254	254	254
Once-off expenses:									
Insurance									
Directors and Officers	34	-	-	-	-	-	-	-	-
Operational risks and liability	61	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-
Sub-total	95	-	-	-	-	-	-	-	-
Total estimated monthly outgoing	349	254	254	421	263	254	254	254	254

Notes:-

(1) The Company currently occupies a property at 18 Tuas South Street belonging to Citiraya Holdings (S) Pte Ltd ("CHPL"). CHPL is co-owned by the Company's founding shareholders, Ng Teck Lee and Raymond Ng Ah Hua. CHPL has not made demand for rental payments for some four months.

Appendix B

CITIRAYA INDUSTRIES LTD

(All amounts are stated in S\$'000)

Estimated monthly professional fees

Assuming ongoing operations under judicial management scenario

	Projected Sept 05 S\$'000	Projected Oct 05 S\$'000	Projected Nov 05 S\$'000	Projected Dec 05 S\$'000	Projected Jan 06 S\$'000	Projected Feb 06 S\$'000	Projected Mar 06 S\$'000	Projected Apr 06 S\$'000	Projected May 06 S\$'000
Professional fees:									
Investigation (1), (2)									
- Accountants	300	300	300	250	250	-	-	-	-
- Lawyers	100	100	100	100	100	-	-	-	-
Financial advisory	-	-	-	-	-	-	-	-	-
Legal	-	-	-	-	-	-	-	-	-
Judicial managers - professional fees	150	150	150	150	150	150	150	150	150
Judicial managers - other costs (including legal)	80	50	50	50	50	50	50	50	50
Total	630	600	600	550	550	200	200	200	200

Notes:-

- (1) Investigative work in compliance with the requirements of SGX and work done in collaboration with other regulatory authorities. The scope of work depends on the requirements of SGX and the relevant regulatory authorities.
- (2) The investigations are likely to give rise to information and evidence that can be used to pursue claims against individuals and/or entities that may have been involved in the irregular activities that appear to have taken place at the Company. Any recovery from such claims will be for the benefit of the Company and its stakeholders, particularly its creditors.

ANNEX 8

CITIRAYA INDUSTRIES LTD ("CIL") AND CITIRAYA (SINGAPORE) PTE LTD ("CSPL")

(All amounts are stated in S\$'000)

Summary of estimated cash payments and receipts for CIL and CSPL from September 2005 to May 2006

Assuming the Company is in liquidation

Estimated monthly cash flow	Projected Sept 05 S\$'000	Projected Oct 05 S\$'000	Projected Nov 05 S\$'000	Projected Dec 05 S\$'000	Projected Jan 06 S\$'000	Projected Feb 06 S\$'000	Projected Mar 06 S\$'000	Projected Apr 06 S\$'000	Projected May 06 S\$'000	9 months (Sep 05 - May 06) total S\$'000	Reference
CIL											
Estimated monthly outgoing cash											
Operational expenses	(422)	(133)	(133)	(165)	(162)	(50)	(50)	(25)	(25)	(1,165) (1)	Appendix A
Professional fees											Appendix B
Investigation											
- Accountants	(300)	(300)	(300)	(250)	(250)	-	-	-	-	(1,400) (2)	
- Lawyers	(100)	(100)	(100)	(100)	(100)	-	-	-	-	(500) (2)	
Financial advisory	-	-	-	-	-	-	-	-	-	-	
Legal	-	-	-	-	-	-	-	-	-	-	
Liquidator - professional fees	(400)	(300)	(300)	(250)	(250)	(200)	(200)	(200)	(200)	(2,300)	
Liquidator - other costs (including legal)	(150)	(100)	(80)	(80)	(80)	(50)	(50)	(50)	(50)	(590)	
Funding of Citiraya Recycling Technology Ltd ("CRT")	-	-	-	-	-	-	-	-	-	-	
Total outgoing cash	(1,372)	(933)	(913)	(845)	(842)	(300)	(300)	(275)	(275)	(6,055)	
Estimated monthly incoming cash											
Recharge of expenses to CSPL by CIL	-	-	-	-	-	-	-	-	-	-	
Net cash burn rate	(1,372)	(933)	(913)	(845)	(842)	(300)	(300)	(275)	(275)	(6,055)	
CSPL											
Estimated monthly incoming cash											
Realisation of existing inventory	338	-	-	3,778	-	-	-	-	-	4,116	Appendix C
Estimated monthly outgoing cash											
Operational expenses	(505)	(300)	(300)	(300)	(300)	(150)	(150)	(125)	(125)	(2,255)	Appendix C
Payment of expenses recharged by CIL to CSPL	-	-	-	-	-	-	-	-	-	-	
Net cash generated/ (used)	(167)	(300)	(300)	3,478	(300)	(150)	(150)	(125)	(125)	1,861	

Assumption notes:-

(1) Assumes that the liquidator needs to incur certain charges when carrying out its duties, e.g. rental of storage space (arising from the need to vacate from CIL's premises), utility expenses and others.

(2) The liquidator may choose not to continue with the Independent Investigation and if so, this amount would not be incurred.

CITIRAYA INDUSTRIES LTD

(All amounts are stated in S\$'000)

Estimated monthly cash flow

Assuming the Company is in liquidation

Appendix A

	Projected Sept 05 S\$'000	Projected Oct 05 S\$'000	Projected Nov 05 S\$'000	Projected Dec 05 S\$'000	Projected Jan 06 S\$'000	Projected Feb 06 S\$'000	Projected Mar 06 S\$'000	Projected Apr 06 S\$'000	Projected May 06 S\$'000
Estimated monthly outgoing									
Recurring expenses:									
Salaries / CPF / FWL	166	33	33	65	33	-	-	-	-
Termination costs	73	-	-	-	30	-	-	-	-
Telecommunications	7	-	-	-	-	-	-	-	-
Property tax	10	-	-	-	-	-	-	-	-
Land rental to JTC	5	-	-	-	-	-	-	-	-
Staff welfare									
Food catering	4	-	-	-	-	-	-	-	-
Bus transport	2	-	-	-	-	-	-	-	-
Accommodation	2	-	-	-	-	-	-	-	-
Medical	1	-	-	-	-	-	-	-	-
Others	2	-	-	-	-	-	-	-	-
Essential admin expenses									
Copier changes	1	-	-	-	-	-	-	-	-
Stationery	3	-	-	-	-	-	-	-	-
Corporate secretarial fees	10	-	-	-	-	-	-	-	-
Petrol	2	-	-	-	-	-	-	-	-
Leasing of copiers (Orix)	2	-	-	-	-	-	-	-	-
Travelling	8	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-
Critical operational expenses									
Equipment leases (van)	1	-	-	-	-	-	-	-	-
EHS Safety Officer	2	-	-	-	-	-	-	-	-
Listing fees	-	-	-	-	-	-	-	-	-
Interest to UOB	27	-	-	-	-	-	-	-	-
Interest to DBS	-	-	-	-	-	-	-	-	-
Liquidator's miscellaneous costs ⁽¹⁾	-	100	100	100	100	50	50	25	25
Sub-total	327	133	133	165	162	50	50	25	25
Once-off expenses:									
Insurance									
Directors and Officers	34	-	-	-	-	-	-	-	-
Operational risks and liability	61	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-
Sub-total	95	-	-	-	-	-	-	-	-
Total estimated monthly outgoing	422	133	133	165	162	50	50	25	25

Notes:-

(1) Assumes that the liquidator needs to incur certain charges when carrying out its duties, e.g. rental of storage space (arising from the need to vacate from current premises), utility expenses and others.

CITIRAYA INDUSTRIES LTD

(All amounts are stated in S\$'000)

Estimated monthly professional fees

Assuming the Company is in liquidation

Appendix B

	Projected Sept 05 S\$'000	Projected Oct 05 S\$'000	Projected Nov 05 S\$'000	Projected Dec 05 S\$'000	Projected Jan 06 S\$'000	Projected Feb 06 S\$'000	Projected Mar 06 S\$'000	Projected Apr 06 S\$'000	Projected May 06 S\$'000
Professional fees:									
Investigation (1), (2)									
- Accountants	300	300	300	250	250	-	-	-	-
- Lawyers	100	100	100	100	100	-	-	-	-
Financial advisory	-	-	-	-	-	-	-	-	-
Legal	-	-	-	-	-	-	-	-	-
Liquidator - professional fees	400	300	300	250	250	200	200	200	200
Liquidator - other costs (including legal)	150	100	80	80	80	50	50	50	50
Total	950	800	780	680	680	250	250	250	250

Notes:-

(1) Investigative work in compliance with the requirements of SGX and work done in collaboration with other regulatory authorities. The scope of work depends on the requirements of SGX and the relevant regulatory authorities.

(2) The investigations are likely to give rise to information and evidence that can be used to pursue claims against individuals and/or entities that may have been involved in the irregular activities that appear to have taken place at the Company. Any recovery from such claims will be for the benefit of the Company and its stakeholders, particularly its creditors.

CITIRAYA (SINGAPORE) PTE LTD

(All amounts are stated in S\$'000)

Estimated monthly cash flow

Assuming the Company is in liquidation

Appendix C

Estimated monthly incoming	Projected Sept 05 S\$'000	Projected Oct 05 S\$'000	Projected Nov 05 S\$'000	Projected Dec 05 S\$'000	Projected Jan 06 S\$'000	Projected Feb 06 S\$'000	Projected Mar 06 S\$'000	Projected Apr 06 S\$'000	Projected May 06 S\$'000
Cash inflow from existing operations									
Sale of burnt filters & wipes sheets ⁽¹⁾	-	-	-	1,037	-	-	-	-	-
Sale of return filters & wipes materials ⁽¹⁾	-	-	-	573	-	-	-	-	-
Sale of existing segregated materials (with high gold content) ⁽¹⁾	-	-	-	844	-	-	-	-	-
Sale of gold ingots from existing inventory	338	-	-	-	-	-	-	-	-
Sale of crushed chips / other materials ⁽²⁾	-	-	-	120	-	-	-	-	-
Sale of platinum powder ⁽³⁾	-	-	-	1,404	-	-	-	-	-
Total estimated monthly incoming	338	-	-	3,778	-	-	-	-	-
Estimated monthly outgoing									
Recurring expenses:									
Salaries / CPF / FVL	101	-	-	-	-	-	-	-	-
Termination costs	101	-	-	-	-	-	-	-	-
Utilities	21	-	-	-	-	-	-	-	-
Telecommunications	2	-	-	-	-	-	-	-	-
Office/ warehouse rental	-	-	-	-	-	-	-	-	-
Staff welfare									
Food catering	6	-	-	-	-	-	-	-	-
Bus transport	3	-	-	-	-	-	-	-	-
Accommodation	2	-	-	-	-	-	-	-	-
Medical	2	-	-	-	-	-	-	-	-
Others	1	-	-	-	-	-	-	-	-
Essential admin expenses									
Stationery	1	-	-	-	-	-	-	-	-
Corporate secretarial fees	2	-	-	-	-	-	-	-	-
Critical operational expenses									
Security services	9	-	-	-	-	-	-	-	-
Cleaning services	3	-	-	-	-	-	-	-	-
Maintenance	5	-	-	-	-	-	-	-	-
Equipment leases (trucks & forklifts)	6	-	-	-	-	-	-	-	-
Chemicals & other consumables	37	-	-	-	-	-	-	-	-
Diesel	3	-	-	-	-	-	-	-	-
Liquidator's fees	150	150	150	150	150	75	75	75	75
Liquidator - legal fees	50	50	50	50	50	25	25	25	25
Liquidator's miscellaneous costs ⁽⁴⁾	-	100	100	100	100	50	50	25	25
Sub-total	505	300	300	300	300	150	125	125	125
One-off expenses:									
Capex	-	-	-	-	-	-	-	-	-
Sub-total	-	-	-	-	-	-	-	-	-
Total estimated monthly outgoing	505	300	300	300	300	150	125	125	125
Net cash inflow/ (outflow)	(167)	(300)	(300)	(3,478)	(300)	(150)	(125)	(125)	(125)

Notes:-

(1) Assumes that in liquidation, realizable value is 40% of underlying gold content value.

(2) Assumes that in liquidation, realizable value is 20% of going concern's value.

(3) Assumes that in liquidation, realizable value is 40% of platinum content value.

(4) Assumes that the liquidator needs to incur certain charges when carrying out its duties, e.g. rent of storage space (arising from the need to vacate from CIL's premises), utility expenses and others.

ANNEX 9

CITIRAYA INDUSTRIES LTD ("CIL")

FINANCIAL INFORMATION

Appendix A

The table below sets out:

- a) the estimated realizable values of the Company's assets on the following bases:
 - going concern (assuming that while the Company is under judicial management an investor is secured and is willing to invest in the Company at these assets' values);
 - orderly realization under judicial management; and
 - liquidation; and
- b) the liabilities of the Company which exclude Ancillary Claims as defined in Note 1

Based on the Company's unaudited management accounts as at 30 April 2005 updated for actual material transactions up to 31 July 2005

			Estimated realizable value		
	Notes	Estimated book value S\$'000	Going concern ¹ S\$'000	Orderly realization ² S\$'000	Liquidation ³ S\$'000
Assets					
Cash and bank balances	4	20,421	8,471	8,471	8,471
Trade receivables	5	11,456	-	-	-
Other receivables, deposits and prepaid expenses	6	12,869	4,451	4,149	4,149
Receivables from subsidiaries and associated company	7	44,084	19,251	11,678	4,994
Property, plant and equipment	8	16,476	11,880	9,920	7,449
Investment in subsidiaries	9	55,966	1,617	475	-
Investment in associated company	9	6,111	-	-	-
Estimated total assets		167,383	45,670	34,694	25,063
Liabilities					
Bank loans	10	36,131	30,000	30,000	30,000
Finance leases	11	316	316	316	316
Trade payables	11	8,783	8,783	8,783	8,783
Other payables	12	3,464	1,743	1,743	1,743
Payables to subsidiaries	13	2,054	2,054	2,054	2,054
Tax liabilities	14	5,818	-	-	-
Bank facility utilized by a subsidiary	15	-	8,384	8,384	8,384
Contingent Claims	16	-	3,094	3,094	3,094
Estimated total liabilities		56,566	54,373	54,373	54,373

Notes:

The key assumptions adopted in the preparation of the table as shown at Appendix A are as follows:-

1) *Going concern assumption*

Assumes that the Company is continuing in business for the foreseeable future under judicial management with neither the intention nor the necessity of liquidation or ceasing trading. This assumption assumes that an investor is secured and is willing to invest in the Company at these assets' values. Accordingly, assets and liabilities under this assumption are recorded on the basis that the Company will be able to realize its assets and discharge its liabilities in the normal course of business once a potential investor is secured.

The estimated realizable values of the Company's assets computed under this assumption have not taken into account judicial managers' fees, realization costs and net present values.

The computation under the going concern assumption has not taken into consideration any Ancillary Claims (defined as claims which are not known to the Company). Should Ancillary Claims be taken into account, the estimated shortfall in the Company's total assets as against the Company's total liabilities under the going concern assumption under various Ancillary Claims scenarios based on the Company's unaudited management accounts as at 30 April 2005 updated for actual material transactions up to 31 July 2005 is set out in Appendix B.

2) *Orderly realization assumption*

Assumes that the Company will carry out an orderly realization of the Company's assets under judicial management basis.

The estimated realizable values of the Company's assets computed under this assumption have not taken into account judicial managers' fees, realization costs and net present values.

The computation under the orderly realization assumption has not taken into consideration any Ancillary Claims. Should Ancillary Claims be taken into account, the estimated recovery for creditors pursuant to an orderly realization of the Company's assets under judicial management basis under various Ancillary Claims scenarios based on the Company's unaudited management accounts as at 30 April 2005 updated for actual material transactions up to 31 July 2005 is set out in Appendix C.

3) Liquidation assumption

Assumes that the Company will carry out realization of the Company's assets under liquidation basis.

The estimated realizable values of the Company's assets computed under this assumption have not taken into account liquidator's fees, realization costs and net present values.

The computation under the liquidation assumption has not taken into consideration any Ancillary Claims. Should Ancillary Claims be taken into account, the estimated recovery for the creditors pursuant to realization of the Company's assets under liquidation basis under various Ancillary Claims scenarios based on the Company's unaudited management accounts as at 30 April 2005 updated for actual material transactions up to 31 July 2005 is set out in Appendix D.

4) Cash and bank balances

Assumes that payments of S\$6.1m will be made to United Overseas Bank Limited ("UOB"), a secured creditor, for the redemption of the security pledged to UOB (See Note 10) and payments of S\$5.8m are made to the Inland Revenue Authority of Singapore ("IRAS"), a preferential creditor (See Note 14).

5) Trade receivables

Assumes that trade receivables greater than 90 days are not recoverable.

6) Other receivables, deposits and prepaid expenses

Assumes that amounts that will be utilized or are in dispute are not recoverable.

7) Receivables from subsidiaries and associated company

Assumes that the realizable values are computed based on estimated net realizable values of the assets and liabilities of these entities adopting assumptions similar to those adopted herein.

8) Property, plant and equipment

Computed based on estimated realizable values of property, plant and equipment.

9) Investments in subsidiaries and associated company

Assumes that the realizable values are computed based on estimated net realizable values of the assets and liabilities of these entities adopting assumptions similar to those adopted herein.

10) Bank loans

Assumes that payment of S\$6.1m will be made to UOB, a secured creditor, for the redemption of the security pledged to UOB (see Note 4).

11) Finance leases and trade payables

Assumes that all these amounts qualify as claims payable by the Company.

12) Other payables

Assumes that certain accruals and provisions are not payable.

13) Payables to subsidiaries

Assumes that these amounts qualify as claims payable by the Company.

14) Tax liabilities

Assumes that payments of S\$5.8m are made to IRAS, a preferential creditor (see Note 4). As there may have been an overstatement of the Company's revenue and profit, the final amount of tax liabilities payable to IRAS may differ.

15) Bank facility utilized by a subsidiary

Assumes that a DBS's trade facility made available to the Company but utilized by CSPL qualifies as a claim payable by the Company.

If the amount due pursuant to the aforesaid trade facility qualifies as a claim payable by the Company, this may result in the Company having a claim against CSPL for the same amount. Recovery, if any, from this potential claim has not been taken into consideration in the computations under the going concern, orderly realization and liquidation bases respectively (see Note 17).

16) Contingent Claims

Assumes that corporate guarantees given by the Company will be crystallized.

In particular, the Company has issued a corporate guarantee covering facilities granted to its subsidiary, Citiraya Technology Sdn Bhd ("CTSB"), by United Overseas Bank (Malaysia) Bhd. In the event that the obligations under this corporate guarantee crystallize, and qualify as a claim payable by the Company, the Company may have a claim against CTSB. Recovery, if any, from this potential claim has not been taken into consideration in the computations under the going concern, orderly realization and liquidation bases respectively (see Note 17).

17) *Cash Receivables and Contingent Assets*

Any recoveries from Cash Receivables (defined as the sums, if any, recovered by the judicial managers from any legal claim or otherwise that may be brought by the judicial managers against any of the Company's employees, officers and/or former directors and staff arising out of or in relation to the matters under investigations by CAD and/or CPIB), and Contingent Assets (defined as any possible assets that arise from past events and whose evidence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company) have not been taken into consideration in the computations under the going concern, orderly realization and liquidation bases respectively (see Notes 15 and 16 for examples).

FINANCIAL INFORMATION

Appendix B

Estimated shortfall in the Company's total assets as against the Company's total liabilities under the going concern assumption under various Ancillary Claims scenarios

Based on the Company's unaudited management accounts as at 30 April 2005 updated for actual material transactions up to 31 July 2005

	Estimated realisable value based on going concern assumption ⁽¹⁾	Estimated shortfall in Company's total assets as against Company's total liabilities under the going concern assumption under various Ancillary Claims scenarios				
		S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Assets						
Cash and bank balances	8,471					
Trade receivables	-					
Other receivables, deposits and prepaid expenses	4,451					
Receivables from subsidiaries and associated company	19,251					
Property, plant and equipment	11,880					
Investment in subsidiaries	1,617					
Investment in an associated company	-					
Estimated total assets	45,670					
Liabilities						
Bank loans	30,000					
Finance leases	316					
Trade payables	8,783					
Other payables	1,743					
Payables to subsidiaries	2,054					
Tax liabilities	-					
Bank facility used by a subsidiary	8,384					
Contingent Claims	3,094					
Ancillary Claims	-					
Estimated total liabilities	54,373	10,000	20,000	40,000	60,000	80,000
		64,373	74,373	94,373	114,373	134,373
		(18,704)	(28,704)	(48,704)	(68,704)	(88,704)
Estimated shortfall	(8,704)	(18,704)	(28,704)	(48,704)	(68,704)	(88,704)
Estimated recovery for creditors ⁽²⁾	84%	71%	61%	48%	40%	34%
						30%
						(108,704)

Notes:

- See Appendix A
- The above computations have not taken into consideration:
 - the amounts to be set aside for the judicial managers' fees, realization costs and net present values; and
 - any recoveries in respect of Cash Receivables and Contingent Assets (see Note 18 at Appendix A).

FINANCIAL INFORMATION

Appendix C

Estimated recovery for creditors pursuant to an orderly realization of the Company's assets under judicial management basis under various Ancillary Claims scenarios

Based on the Company's unaudited management accounts as at 30 April 2005 updated for actual material transactions up to 31 July 2005

	Estimated realisable value based on orderly realization assumption ⁽¹⁾	Estimated recovery for creditors pursuant to an orderly realization of the Company's assets under judicial management basis under various Ancillary Claims scenarios					
		S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Assets							
Cash and bank balances	8,471						
Trade receivables	-						
Other receivables, deposits and prepaid expenses	4,149						
Receivables from subsidiaries and associated company	11,678						
Property, plant and equipment	9,920						
Investment in subsidiaries	475						
Investment in an associated company	-						
Estimated total assets	34,694						
Liabilities							
Bank loans	30,000						
Finance leases	316						
Trade payables	8,783						
Other payables	1,743						
Payables to subsidiaries	2,054						
Tax liabilities	-						
Bank facility used by a subsidiary	8,384						
Contingent Claims	3,094						
Ancillary Claims	-						
Estimated total liabilities	54,373						
Estimated shortfall	(19,680)	(29,680)	(39,680)	(59,680)	(79,680)	(99,680)	(119,680)
Estimated recovery for creditors ⁽²⁾	64%	54%	47%	37%	30%	26%	22%

Notes:

- See Appendix A
- The above computations have not taken into consideration:
 - the amounts to be set aside for the judicial managers' fees, realization costs and net present values; and
 - any recoveries in respect of Cash Receivables and Contingent Assets (see Note 18 at Appendix A).

FINANCIAL INFORMATION

Appendix D

Estimated recovery for creditors pursuant to realization of the Company's assets under liquidation basis under various Ancillary Claims scenarios

Based on the Company's unaudited management accounts as at 30 April 2005 updated for actual material transactions up to 31 July 2005

	Estimated realisable value based on liquidation assumption ⁽¹⁾	Estimated recovery for creditors pursuant to realization of the Company's assets under liquidation basis under various Ancillary Claims scenarios				
		S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Assets						
Cash and bank balances	8,471					
Trade receivables	-					
Other receivables, deposits and prepaid expenses	4,149					
Receivables from subsidiaries and associated company	4,994					
Property, plant and equipment	7,449					
Investment in subsidiaries	-					
Investment in an associated company	-					
Estimated total assets	25,063					
Liabilities						
Bank loans	30,000					
Finance leases	316					
Trade payables	8,783					
Other payables	1,743					
Payables to subsidiaries	2,054					
Tax liabilities	-					
Bank facility used by a subsidiary	8,384					
Contingent Claims	3,094					
Ancillary Claims	-					
Estimated total liabilities	54,373	10,000	20,000	40,000	60,000	80,000
		64,373	74,373	94,373	114,373	134,373
						100,000
						154,373
Estimated shortfall	(29,310)	(39,310)	(49,310)	(69,310)	(89,310)	(109,310)
Estimated recovery for creditors ⁽²⁾	46%	39%	34%	27%	22%	19%
						16%

Notes:

- See Appendix A
- The above computations have not taken into consideration:
 - the amounts to be set aside for the liquidator's fees, realization costs and net present values; and
 - any recoveries in respect of Cash Receivables and Contingent Assets (see Note 18 at Appendix A).

ANNEX 10

CITIRAYA INDUSTRIES LTD ("CIL")

(All amounts are stated in S\$'000)

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Cashflow movements for the period from 25 January 2005 to 31 July 2005

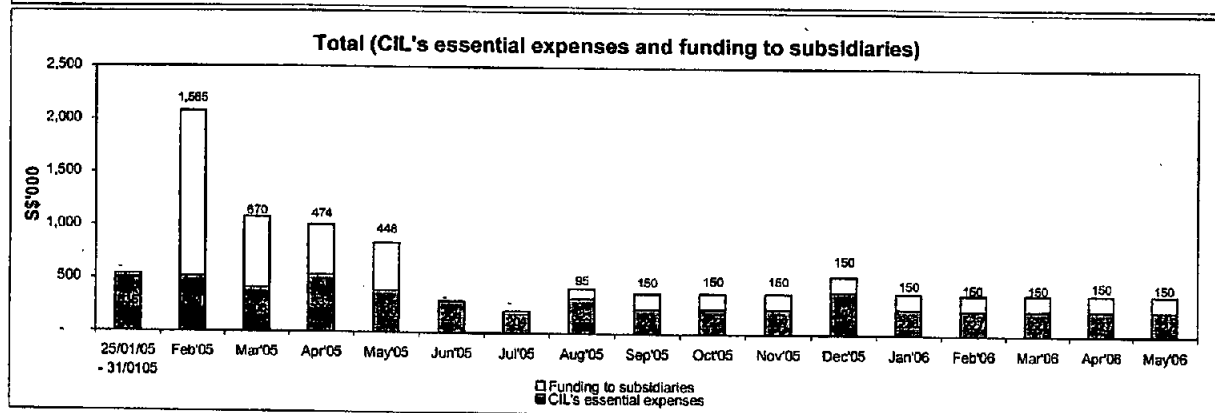
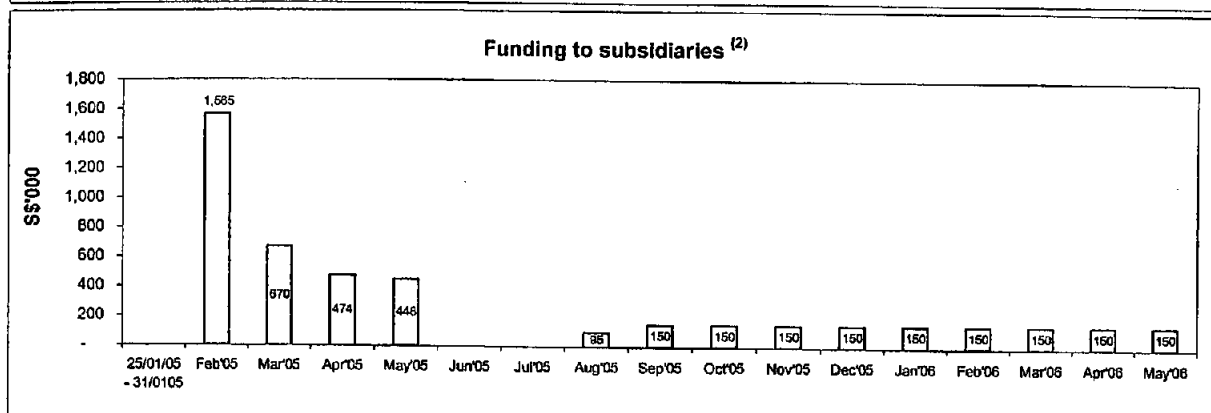
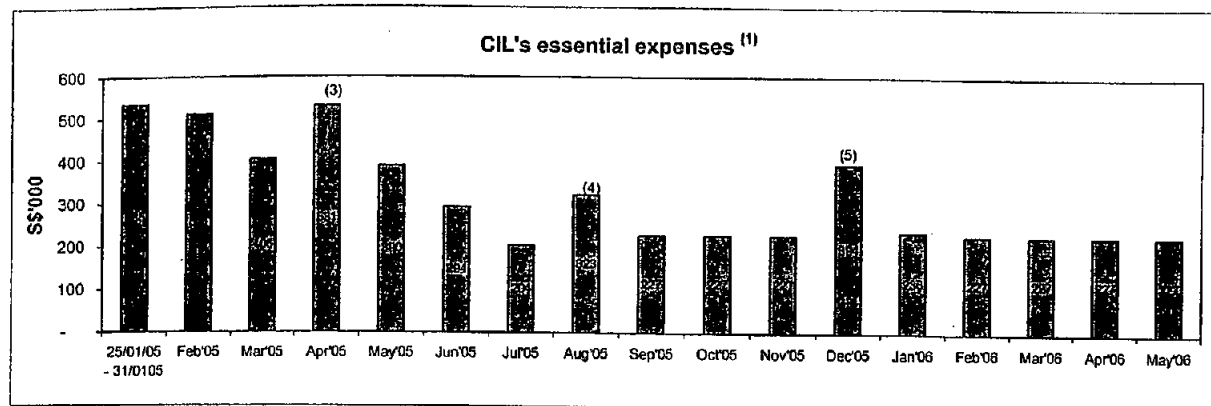
	25Jan'05-31Jul'05 Total	
	S\$'000	S\$'000
Cash balance as at 24 January 2005 (per bank statements)		35,418
Add: Cash receipts		
a) From CSPL ⁽¹⁾ (for inter-company transactions)	4,156	
b) Other cash receipts	19	
Total cash receipts	<hr/>	4,175
Less: Cash payments		
Essential expenses for CIL:		
a) Salaries and related expenses	(1,890)	
b) Essential administrative and operational expenses	(559)	
c) Payments to suppliers	(422)	
Sub-total	<hr/>	(2,871)
Funding to subsidiaries⁽²⁾		
a) To CSPL (for inter-company transactions)	(1,289)	
b) Payments to GES/CUK/CRT ⁽¹⁾ for funding operations	(1,866)	
Sub-total	<hr/>	(3,155)
Other payments:		
a) Bank balances offset against bank liabilities by the following:		
- United Overseas Bank Limited	(4,191)	
- DBS Bank Limited	(2,370)	
- Hongkong & Shanghai Banking Corporation	(1,560)	
b) Deposits with advisors	(5,140)	
Sub-total	<hr/>	(13,260)
Total cash payments		(19,287)
Reconciling items due to timing differences in recording transactions in bank statements and cash book		114
Cash balance as at 31 July 2005 (per bank statements and per Annex 12 of the Judicial Management petition)		20,421

Notes:**(1) Abbreviations used:**

- CSPL means Citiraya (Singapore) Pte Ltd
- GES means Global Environmental Solutions Pte Ltd
- CUK means Citiraya (UK) Limited
- CRT means Citiraya Recycling Technology Limited

- (2) Funding to subsidiaries are mainly for payments of these subsidiaries' essential expenses such as salaries and related expenses and other essential administrative and operational expenses.

ANNEX 11



Note:

(1) CIL's essential expenses include:

- (a) Salaries and related expenses
- (b) Essential administrative and operational expenses
- (c) Deposits with and payments to suppliers

(2) Funding to subsidiaries include:

- (a) To CSPL (for inter-company transactions)
- (b) Payments to GES/CUK/CRT for funding operations

(3) The increase in essential expenses in April 05 was due to the payment of salaries to two representatives of Venture One Finance Limited, who took up Chief Executive Officer and President positions of the Company, for the period from February to April 2005

(4) The increase in essential expenses in August 05 was due to payments for the following:

- (a) Corporate secretarial fees of some S\$25k
- (b) Goods & Services Tax of some S\$34k
- (c) Equipment leases of some S\$15k
- (d) Deposits arising from leasing of photocopiers of some S\$5k
- (e) Deposits arising from the appointment of new tax agent of some S\$32k

(5) The projected increase in essential expenses in December 05 is due to payment of 13th month annual wage supplement