

OFFER INFORMATION STATEMENT DATED 24 MAY 2006
(Lodged with the Monetary Authority of Singapore on 24 May 2006)

THIS OFFER INFORMATION STATEMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR LEGAL, FINANCIAL, TAX OR OTHER PROFESSIONAL ADVISER.

A copy of this offer information statement (the “**Offer Information Statement**”), together with copies of the Provisional Allotment Letter (the “**PAL**”), the Application Form for the Rights Shares and Excess Rights Shares (the “**ARE**”) and the Application Form for Rights Shares (the “**ARS**”), have been lodged with the Monetary Authority of Singapore (the “**Authority**”). The Authority assumes no responsibility for the contents of this Offer Information Statement, the PAL, the ARE and the ARS. Lodgement of this Offer Information Statement with the Authority does not imply that the Securities and Futures Act, Chapter 289 of Singapore, or any other legal or regulatory requirements, have been complied with. The Authority has not, in any way, considered the merits of the Rights Shares (as defined herein) being offered for investment.

Approval in-principle has been obtained from the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) for the listing of and quotation for the Rights Shares on the Official List of the SGX-ST. The Rights Shares will be admitted to the Official List of the SGX-ST after all certificates relating thereto have been issued and the allotment letters from The Central Depository (Pte) Limited (“**CDP**”) have been despatched.

The SGX-ST assumes no responsibility for the accuracy of any statements made, reports contained and opinions expressed in this Offer Information Statement. Approval in-principle granted by the SGX-ST for the Rights Issue (as defined herein) and listing of and quotation for the Rights Shares on the Official List of the SGX-ST is not to be taken as an indication of the merits of the Company and its subsidiaries, the Rights Issue or the Rights Shares.

No Rights Shares shall be allotted or allocated on the basis of this Offer Information Statement later than six (6) months after the lodgement of this Offer Information Statement.



FHTK HOLDINGS LTD

(Incorporated in the Republic of Singapore)
(Company Registration Number: 198304656K)

RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE OF UP TO 4,923,852,668 NEW ORDINARY SHARES IN THE CAPITAL OF FHTK HOLDINGS LTD (THE “COMPANY”) AT AN ISSUE PRICE OF S\$0.005 FOR EACH RIGHTS SHARE, ON THE BASIS OF FOUR (4) RIGHTS SHARES FOR EVERY ONE (1) EXISTING ORDINARY SHARE IN THE CAPITAL OF THE COMPANY HELD BY THE ENTITLED SHAREHOLDERS (AS DEFINED HEREIN) AS AT THE BOOKS CLOSURE DATE TO BE DETERMINED, FRACTIONAL ENTITLEMENTS TO BE DISREGARDED

Manager of the Rights Issue



PhillipCapital

PHILLIP SECURITIES PTE LTD

(Incorporated in the Republic of Singapore on 18 June 1975)
(Company Registration No. 197501035Z)

IMPORTANT DATES AND TIMES

Last date and time for splitting	:	6 June 2006 at 4.45 p.m.
Last date and time for acceptance and payment*	:	9 June 2006 at 4.45 p.m.
Last date and time for renunciation and payment	:	9 June 2006 at 4.45 p.m.
Last date and time for excess application and payment*	:	9 June 2006 at 4.45 p.m.

* The last date and time for acceptance and/or excess application and payment through an ATM (as defined herein) of a Participating Bank (as defined herein) is 9 June 2006 at 9.30 p.m.

Capitalised terms used beneath which are not otherwise defined herein shall have the same meaning as ascribed to them under “Definitions” of this Offer Information Statement.

For Entitled Depositors (as defined herein), acceptances of the Rights Shares and/or (if applicable) applications for excess Rights Shares may be made through CDP or by way of Electronic Application (as defined herein) at any ATM of a Participating Bank.

For Entitled Scripholders (as defined herein), acceptances of the Rights Shares and (if applicable) applications for excess Rights Shares may be made through the Share Registrar, B.A.C.S. Private Limited.

The existing Shares (as defined herein) of the Company are quoted on the Official List of the SGX-ST.

Persons wishing to subscribe for the Rights Shares offered by this Offer Information Statement should, before deciding whether to subscribe, carefully read this Offer Information Statement in its entirety in order to make an informed assessment of the assets and liabilities, profits and losses, financial position, performance and prospects of the Company and the Group (as defined herein), and the rights and liabilities attaching to the Rights Shares. They should also make their own independent enquiries and investigations of any bases and assumptions, upon which financial projections, if any, are made or based, and carefully consider this Offer Information Statement in the light of their personal circumstances (including financial and taxation affairs). It is recommended that such persons seek professional advice from their accountant, stockbroker, bank manager, solicitor and/or other professional advisers before deciding whether to acquire the Rights Shares or invest in the Company.

No person has been authorised to give any information or to make any representations other than those contained in this Offer Information Statement in connection with the Rights Issue or the issue of the Rights Shares and, if given or made, such information or representations must not be relied upon as having been authorised by the Company or the Manager (as defined herein). Save as expressly stated in this Offer Information Statement, nothing contained herein is, or may be relied upon as, a promise or representation as to the future performance or policies of the Company or the Group. Neither the delivery of this Offer Information Statement nor the issue of the Rights Shares shall, under any circumstances, constitute a continuing representation, or give rise to any implication, that there has been no material change in the affairs of the Company or the Group, or any of the information contained herein since the date hereof. Where such changes occur after the date hereof, the Company may make an announcement of the same to the SGX-ST and, if required, lodge a supplementary or replacement document with the Authority. All Entitled Shareholders and their renounees should take note of any such announcement and, upon the release of such announcement or lodgement of such supplementary or replacement document, as the case may be, shall be deemed to have notice of such changes.

Neither the Company nor the Manager is making any representation to any person regarding the legality of an investment in the Rights Shares and/or the Shares by such person under any investment or any other laws or regulations. No information in this Offer Information Statement should be considered to be business, legal or tax advice. Each prospective investor should consult his own professional or other advisors for business, legal or tax advice regarding an investment in the Rights Shares and/or the Shares.

The Manager makes no representation, warranty or recommendation whatsoever as to the merits of the Rights Issue, the Rights Shares, the Shares, the Company, the Group or any other matter related thereto or in connection therewith. Nothing in this Offer Information Statement or the accompanying documents shall be construed as a recommendation to accept or purchase the Rights Shares. Prospective subscribers of the Rights Shares should rely on their own investigation of the financial condition and affairs, appraisal and determination of the merits of investing in the Company and the Group and shall be deemed to have done so.

This Offer Information Statement and the accompanying documents have been prepared solely for the purpose of the acceptance and subscription of the Rights Shares under the Rights Issue, and may not be relied upon by any persons other than Entitled Shareholders (and their renounees and purchasers of the provisional allotments of Rights Shares) to whom these documents are despatched by the Company, or for any other purpose.

This Offer Information Statement, including the PAL, the ARE and the ARS, may not be used for the purpose of, and do not constitute, an offer, invitation to or solicitation by or on behalf of the Company to subscribe for any Rights Shares and/or may not be used for the purpose of, and do not constitute, an offer, invitation to or solicitation to anyone in any jurisdiction or in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorised or to any person to whom it is unlawful to make such an offer, invitation or solicitation.

The distribution of this Offer Information Statement and/or its accompanying documents may be prohibited or restricted by law (either absolutely or subject to various securities requirements, whether legal or administrative, being complied with) in certain jurisdictions. Shareholders or any other person having possession of this Offer Information Statement and/or its accompanying documents are advised to keep themselves informed of and observe such prohibitions and restrictions.

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DEFINITIONS

For the purpose of this Offer Information Statement, the PAL, the ARE and the ARS, the following definitions apply throughout unless the context otherwise requires or unless otherwise stated:-

- “ARE”* : Application and acceptance form for Rights Shares and excess Rights Shares issued to Entitled Depositors in respect of the provisional allotments of Rights Shares of such Entitled Depositors under the Rights Issue
- “ARS”* : Application and acceptance form for Rights Shares issued to purchasers in respect of the provisional allotments of Rights Shares under the Rights Issue traded on the SGX-ST through the book-entry (scripless) settlement system
- “ATM”* : Automated teller machine
- “Authority” or “MAS”* : Monetary Authority of Singapore
- “Board”* : The board of Directors of the Company as at the date of this Offer Information Statement
- “Books Closure Date”* : 5.00 p.m. on 23 May 2006, being the time and date at and on which the Register of Members and Share Transfer Books of the Company are closed to determine the provisional allotments of Rights Shares of Entitled Shareholders under the Rights Issue and, in the case of Entitled Depositors, at and on which their provisional allotments under the Rights Issue were determined
- “CDP”* : The Central Depository (Pte) Limited
- “Closing Date”* : 4.45 p.m. on 9 June 2006 (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company), being the last time and date for acceptance and/or excess application and payment, or renunciation and payment, of the Rights Shares under the Rights Issue through CDP or the Share Registrar; or 9.30 p.m. on 9 June 2006, being the last time and date for acceptance and/or excess application and payment of the Rights Shares under the Rights Issue through an ATM of a Participating Bank
- “Companies Act”* : Companies Act, Chapter 50 of Singapore, as amended or modified from time to time
- “Company”* : FHTK Holdings Ltd
- “CPF”* : Central Provident Fund
- “Directors”* : The directors of the Company as at the date of this Offer Information Statement
- “Electronic Application”* : Acceptance of the Rights Shares and (if applicable) application for the excess Rights Shares made through an ATM of one of the Participating Banks in accordance with the terms and conditions of this Offer Information Statement

<i>“Entitled Depositors”</i>	:	Entitled Shareholders with Shares entered against their names in the Depository Register as at the Books Closure Date
<i>“Entitled Scripholders”</i>	:	Entitled Shareholders with Shares registered in their own names as at the Books Closure Date
<i>“Entitled Shareholders”</i>	:	Entitled Depositors and Entitled Scripholders whose registered addresses with CDP or the Company, as the case may be, are in Singapore or who have, at least five (5) Market Days prior to the Books Closure Date, provided to CDP or the Company, as the case may be, addresses in Singapore for the service of notices and documents
<i>“Foreign Shareholders”</i>	:	Shareholders with registered addresses outside Singapore as at the Books Closure Date, and who have not, at least five (5) Market Days prior to the Books Closure Date, provided CDP or the Company, as the case may be, addresses in Singapore for the service of notices or documents
<i>“FP”</i>	:	The nine (9) months ended or ending 31 March, as the case may be
<i>“FY”</i>	:	Financial year ended or ending 30 June, as the case may be
<i>“Group”</i>	:	The Company and its subsidiaries
<i>“Investors”</i>	:	Messrs Tong Wang Chow (“TWC”), Ip Chi Ming (“ICM”), Lim Chye Huat @ Bobby Lim Chye Huat (“LCH”), Harmony Holdings Limited (“HHL”) and Lim Ewe Ghee (“LEG”) who have separately agreed to grant loans for an aggregate principal amount of S\$6.5 million to the Company
		HHL is an investment holding company incorporated in Samoa on 5 January 2006. As at the Latest Practicable Date, the shareholders of HHL are Messrs Liang Chun Ming, Liang Zhi Rui and Li Li Ming, each holding equal shareholdings in HHL
<i>“Issue Price”</i>	:	Issue price of the Rights Shares, being S\$0.005 per Rights Share
<i>“Latest Practicable Date”</i>	:	16 May 2006, being the latest practicable date prior to the printing of this Offer Information Statement
<i>“Listing Manual”</i>	:	Listing manual of the SGX-ST, as amended or modified from time to time
<i>“Loans”</i>	:	The loans granted separately by the Investors to the Company for an aggregate principal amount of S\$6.5 million
<i>“Manager”</i>	:	Phillip Securities Pte Ltd
<i>“Market Day”</i>	:	A day on which the SGX-ST is open for trading in securities
<i>“NTA”</i>	:	Net tangible assets
<i>“Offer Information Statement”</i>	:	This document together with (where the context requires) the PAL, the ARE, the ARS and all the other accompanying documents, including any supplementary or replacement document which may be issued by the Company in connection with the Rights Issue

“PAL”	:	Provisional allotment letter issued to Entitled Shareholders, setting out the provisional allotments of Rights Shares under the Rights Issue
“Participating Banks”	:	DBS Bank Ltd (including POSB), Oversea-Chinese Banking Corporation Limited and United Overseas Bank Limited and its subsidiary, Far Eastern Bank Limited
“Record Date”	:	In relation to any dividends, rights, allotments or other distributions, the date as at the close of business (or such other time as may have been notified by the Company) on which Shareholders must be registered with the Company or with CDP, as the case may be, in order to participate in such dividends, rights, allotments or other distributions
“Rights Issue”	:	The renounceable non-underwritten rights issue by the Company of the Rights Shares at an issue price of S\$0.005 for each Rights Share, on the basis of four (4) Rights Shares for every one (1) existing Share held by Entitled Shareholders as at the Books Closure Date, fractional entitlements to be disregarded
“Rights Shares”	:	Up to 4,923,852,668 new Shares to be allotted and issued by the Company pursuant to the Rights Issue
“RMB”	:	Renminbi
“Securities Account”	:	A securities account maintained by a Depositor with CDP (but does not include a securities sub-account maintained with a Depository Agent)
“SFA”	:	Securities and Futures Act, Chapter 289 of Singapore, as amended or modified from time to time
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“Shareholders”	:	Registered holders of Shares, except that where the registered holder is CDP, the term “Shareholders” shall, in relation to such Shares and where the context admits, mean the persons named as Depositors in the Depository Register maintained by CDP whose Securities Accounts are credited with those Shares
“Share Registrar”	:	B.A.C.S. Private Limited
“Shares”	:	Ordinary shares in the capital of the Company
“S\$” and “cents”	:	Singapore dollars and cents, respectively
“US\$”	:	United States dollars
“%” or “per cent.”	:	Percentage or per centum

The terms “*Depositor*”, “*Depository Agent*” and “*Depository Register*” shall have the meanings ascribed to them respectively in Section 130A of the Companies Act.

The term “*subsidiary*” shall have the meaning ascribed to it by Section 5 of the Companies Act.

Words importing the singular shall, where applicable, include the plural and *vice versa*, and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*. References to persons shall, where applicable, include corporations.

Any reference in this Offer Information Statement, the PAL, the ARE or the ARS to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act, the SFA or the Listing Manual or any statutory modification thereof, and used in this Offer Information Statement, the PAL, the ARE or the ARS shall, where applicable, have the meaning ascribed to it under the Companies Act, the SFA or the Listing Manual or such statutory modification thereof, as the case may be, unless otherwise provided.

Any reference to a time of day and date in this Offer Information Statement, the PAL, the ARE or the ARS shall be a reference to Singapore time and date unless otherwise stated.

Any discrepancies in figures included in this Offer Information Statement between the amounts listed and the totals thereof are due to rounding. Accordingly, figures shown as totals in this Offer Information Statement may not be an arithmetic aggregation of the figures that precede them.

ELIGIBILITY OF SHAREHOLDERS TO PARTICIPATE IN THE RIGHTS ISSUE

(a) ENTITLED SHAREHOLDERS

Entitled Shareholders are entitled to participate in the Rights Issue and to receive this Offer Information Statement together with the ARE or the PAL, as the case may be, at their respective Singapore addresses. Entitled Depositors who do not receive this Offer Information Statement and the AREs may obtain them from CDP during the period up to the Closing Date. Entitled Scripholders (not being Entitled Depositors) who do not receive this Offer Information Statement and the PALs may obtain them from the Share Registrar during the period up to the Closing Date.

Entitled Shareholders have been provisionally allotted the Rights Shares on the basis of their shareholdings as at the Books Closure Date. Entitled Shareholders are at liberty to accept, decline, renounce or trade on the SGX-ST during the trading period prescribed by the SGX-ST their provisional allotments of the Rights Shares and are eligible to apply for additional Rights Shares in excess of their provisional allotments under the Rights Issue.

All dealings in and transactions of the provisional allotments of Rights Shares through the SGX-ST will be effected under the book-entry (scripless) settlement system. Accordingly, the PALs which are issued to Entitled Shareholders (not being Entitled Depositors) will not be valid for delivery pursuant to trades done on the SGX-ST.

(b) FOREIGN SHAREHOLDERS

This Offer Information Statement and its accompanying documents relating to the Rights Issue have not been and will not be registered or lodged in any jurisdiction other than in Singapore. The distribution of this Offer Information Statement and its accompanying documents may be prohibited or restricted (either absolutely or subject to various securities requirements, whether legal or administrative, being complied with) in certain jurisdictions under the relevant securities laws of these jurisdictions. For practical reasons and in order to avoid any violation of the relevant securities legislation applicable in countries other than Singapore where Shareholders may have their registered addresses, this Offer Information Statement and its accompanying documents have not been and will not be despatched to Foreign Shareholders.

Accordingly, Foreign Shareholders will not be entitled to participate in the Rights Issue. No provisional allotment of the Rights Shares will be made to Foreign Shareholders and no purported acceptance thereof or application therefore by Foreign Shareholders will be valid.

This Offer Information Statement and its accompanying documents will also not be despatched to persons purchasing the provisional allotments of Rights Shares through the book-entry (scripless) settlement system if their registered addresses with CDP are outside Singapore (the "Foreign Purchasers"). Foreign Purchasers who wish to accept the provisional allotment of the Rights Shares credited to their Securities Accounts should make the necessary arrangements with their Depository Agents or stockbrokers in Singapore.

The Company further reserves the right to reject any acceptances of Rights Shares and/or applications for excess Rights Shares where it believes, or has reason to believe, that such acceptances and/or applications may violate the applicable legislation of any jurisdiction. The Company reserves the right to treat as invalid any ARE, ARS or PAL which (i) appears to the Company or its agents to have been executed in any jurisdiction outside Singapore which may violate the applicable legislation of such jurisdiction, (ii) provides an address outside Singapore for the receipt of the share certificate(s) for the Rights Shares or which requires the Company to despatch the share certificate(s) to an address in any jurisdiction outside Singapore, or (iii) purports to exclude any deemed representation or warranty.

If it is practicable to do so, the Company may, in its absolute discretion, arrange for the provisional allotments of Rights Shares which would otherwise have been provisionally allotted to Foreign Shareholders to be sold “nil-paid” on the SGX-ST as soon as practicable after dealings in the provisional allotments of Rights Shares commence. Such sales may, however, only be effected if the Company, in its absolute discretion, determines that a premium can be obtained from such sales, after taking into account expenses to be incurred in relation thereto.

The net proceeds from all such sales, after deduction of all expenses therefrom, will be pooled and thereafter distributed to Foreign Shareholders in proportion to their respective shareholdings or, as the case may be, the number of Shares entered against their names in the Depository Register as at the Books Closure Date and sent to them at their own risk by ordinary post. If the amount of net proceeds to be distributed to any single Foreign Shareholder is less than S\$10.00, such amount shall be retained or dealt with as the Directors may, in their absolute discretion, deem fit in the interests of the Company and no Foreign Shareholder shall have any claim whatsoever against the Company, the Manager or CDP in connection therewith.

Where such provisional allotments of Rights Shares are sold “nil-paid” on the SGX-ST, they will be sold at such price or prices as the Company may, in its absolute discretion, decide and no Foreign Shareholder shall have any claim whatsoever against the Company, the Manager or CDP in respect of such sales or the proceeds thereof, the provisional allotments of Rights Shares or the Rights Shares represented by such provisional allotments.

If such provisional allotments of Rights Shares cannot be sold or are not sold on the SGX-ST as aforesaid for any reason by such time as the SGX-ST shall have declared to be the last day for trading in the provisional allotments of Rights Shares, the Rights Shares represented by such provisional allotments will be allotted and issued to satisfy excess applications or disposed of or dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company and no Foreign Shareholder shall have any claim whatsoever against the Company, the Manager or CDP in connection therewith.

Shareholders should note that the special arrangements described above will apply only to Foreign Shareholders.

Notwithstanding the above, Shareholders and any other person having possession of this Offer Information Statement and/or its accompanying documents are advised to inform themselves of and to observe any legal requirements applicable thereto. No person in any territory outside Singapore receiving this Offer Information Statement and/or its accompanying documents may treat the same as an offer, invitation, or solicitation to subscribe for any Rights Shares unless such an offer, invitation, or solicitation could lawfully be made without violating any regulatory or legal requirements in such territory.

The Rights Shares which are not otherwise taken up or allotted for any reason shall be used to satisfy excess Rights Shares applications as the Directors may, in their absolute discretion, deem fit in the interests of the Company. In the allotment of excess Rights Shares, preference will be given to the rounding of odd lots, and substantial Shareholders and Directors will rank last in priority.

The procedures for, and the terms and conditions applicable to, acceptance, renunciation and/or sale of the provisional allotments of Rights Shares and for the application for excess Rights Shares including the different modes of acceptance or application and payment are contained in Appendices A to D to this Offer Information Statement and in the PAL, the ARE and the ARS.

TRADING

Upon listing of and quotation on the Official List of the SGX-ST, the Rights Shares will be traded under the book-entry (scripless) settlement system. All dealings in and transactions (including transfers) of the Rights Shares effected through the SGX-ST and/or CDP shall be made in accordance with CDP's "Terms and Conditions for Operation of Securities Accounts with CDP", as the same may be amended from time to time. Copies of the above are available from CDP.

To facilitate scripless trading, Entitled Scripholders and their renounees who wish to accept the Rights Shares provisionally allotted to them and (if applicable) apply for excess Rights Shares and who wish to trade the Rights Shares issued to them on the SGX-ST under the book-entry (scripless) settlement system should open and maintain Securities Accounts with CDP in their own names if they do not already maintain such Securities Accounts in order that the number of Rights Shares and, if applicable, the excess Rights Shares that may be allotted to them may be credited by CDP into their Securities Accounts. Entitled Scripholders and their renounees who wish to accept the Rights Shares and/or apply for excess Rights Shares and have their Rights Shares credited into their Securities Accounts must fill in their Securities Account numbers and/or National Registration Identity Card ("NRIC")/passport numbers (for individuals) or registration numbers (for corporations) in the relevant forms comprised in the PAL. Entitled Scripholders and their renounees who fail to fill in their Securities Account numbers and/or NRIC/passport numbers (for individuals) or registration numbers (for corporations) or who have provided incorrect or invalid Securities Account numbers and/or NRIC/passport numbers (for individuals) or registration numbers (for corporations) or whose particulars provided in the forms comprised in the PAL differ from those particulars in their Securities Accounts currently maintained with CDP will be issued physical certificates in their own names for the Rights Shares allotted to them and if applicable, the excess Rights Shares allotted to them. Such physical share certificates, if issued, will not be valid for delivery pursuant to trades done on the SGX-ST under the book-entry (scripless) settlement system, although they will continue to be *prima facie* evidence of legal title.

If an Entitled Scripholder's address stated in the PAL is different from his address registered with CDP, he must inform CDP of his updated address promptly, failing which the notification letter on successful allotment and other correspondence will be sent to his address last registered with CDP.

A holder of physical share certificates, or an Entitled Scripholder who has not deposited his share certificates with CDP but wishes to trade on the SGX-ST, must deposit his share certificates with CDP, together with the duly executed instruments of transfer in favour of CDP, and have his Securities Account credited with the number of Rights Shares or existing Shares, as the case may be, before he can effect the desired trade.

Shareholders should note that most counters on the SGX-ST trade in lot sizes of 1,000 shares.

Following the Rights Issue, Shareholders who hold odd lots of the Rights Shares (i.e. less than 1,000 Shares) and who wish to trade in odd lots on the SGX-ST should note that the Unit Share Market has been set up to allow trading of odd lots.

CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS

All statements contained in this Offer Information Statement, statements made in press releases and oral statements that may be made by the Company or its officers, Directors or employees acting on its behalf, that are not statements of historical fact, constitute “forward-looking statements”. Some of these statements can be identified by words that have a bias towards the future or, are forward-looking such as “anticipate”, “believe”, “could”, “estimate”, “expect”, “forecast”, “if”, “intend”, “may”, “plan”, “possible”, “probable”, “project”, “should”, “will” and “would” or similar words. However, these words are not the exclusive means of identifying forward-looking statements. All statements regarding the Group’s expected financial position, business strategy, plans and future prospects are forward-looking statements. These forward-looking statements, including statements as to the Group’s revenue and profitability, prospects, future plans and other matters discussed in this Offer Information Statement regarding matters that are not historical facts, are only predictions. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the Group’s actual results, performance or achievements to be materially different from any future results, performance or achievements expected, expressed or implied by such forward-looking statements.

Given the risks and uncertainties that may cause the Group’s actual future results, performance or achievements to be materially different from that expected, expressed or implied by the forward-looking statements in this Offer Information Statement, undue reliance must not be placed on these statements. The Group’s actual results, performance or achievements may differ materially from those anticipated in these forward-looking statements. Neither the Company, the Manager nor any other person represents or warrants that the Group’s actual future results, performance or achievements will be as discussed in those statements.

Further, the Company and the Manager disclaim any responsibility to update any of those forward-looking statements or publicly announce any revisions to those forward-looking statements to reflect future developments, events or circumstances for any reason, even if new information becomes available or other events occur in the future. Where such developments, events or circumstances occur and are material, or are required to be disclosed by law and/or the SGX-ST, the Company may make an announcement of the same to the SGX-ST and, if required, lodge a supplementary or replacement document with the Authority. The Company is also subject to the provisions of the Listing Manual regarding corporate disclosure.

**DISCLOSURE REQUIREMENTS UNDER THE
SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS
OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS**

IDENTITY OF DIRECTORS, ADVISERS AND AGENTS

1. Provide the names and addresses of each of the directors or equivalent persons of the relevant entity.
 2. Provide the names and addresses of (a) the issue manager to the offer, if any; (b) the underwriter to the offer, if any; and (c) the legal adviser for or in relation to the offer, if any.
 3. Provide the names and addresses of the relevant entity's registrars, transfer agents and receiving bankers for the securities being offered, where applicable.
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BOARD OF DIRECTORS

Names of Directors	Address
Lee Ying Cheun	8 Holland Grove Walk, Singapore 278757
Lim Soo Peng	16 Leedon Park, Singapore 267892
Chee Wai Pong	36A Dunearn Road, #01-05 Chancery Court, Singapore 309426
Ee Tai Ting	No. 115 West Coast Grove, Singapore 126896
Manuel J Sanchez Ortega	AV. Kennedy 5682-Vitacura, Santiago De Chile
Lim How Teck	144 Upper Bukit Timah Road, #20-03 Bukit View, Singapore 588177

COMPANY SECRETARY	:	Chia Lay Beng
REGISTERED OFFICE	:	20 Harbour Drive, #06-02 PSA Vista, Singapore 117612
SHARE REGISTRAR AND SHARE TRANSFER OFFICE	:	B.A.C.S. Private Limited 63 Cantonment Road Singapore 089758
MANAGER OF THE RIGHTS ISSUE	:	Phillip Securities Pte Ltd 250 North Bridge Road #06-00 Raffles City Tower Singapore 179101
SOLICITORS OF THE RIGHTS ISSUE	:	Shook Lin & Bok 1 Robinson Road #18-00 AIA Tower Singapore 048542
RECEIVING BANKER	:	DBS Bank Ltd 6 Shenton Way DBS Building Tower One Singapore 068809

OFFER STATISTICS AND TIMETABLE

1. For each method of offer, state the number of the securities being offered.

Method of Offer : Renounceable non-underwritten rights issue

Number of Rights Shares : 4,923,852,668 Rights Shares (assuming that the Rights Issue is fully subscribed)

2. Provide the information referred to in paragraphs 3 to 7 of this Part to the extent applicable to the offer procedure.

See below.

3. State the time at, date on, and period during which the offer will be kept open, and the name and address of the person to whom the purchase or subscription applications are to be submitted. If the exact time, date or period is not known on the date of lodgement of the offer information statement, describe the arrangements for announcing the definitive time, date or period. State the circumstances under which the offer period may be extended or shortened, and the duration by which the period may be extended or shortened. Describe the manner in which any extension or early closure of the offer period shall be made public.

Entitled Shareholders will receive this Offer Information Statement together with the ARE or the PAL, as the case may be, at their respective Singapore addresses.

Entitled Shareholders will be provisionally allotted the Rights Shares and are at liberty to accept, decline, renounce or trade their provisional allotments on the SGX-ST. The offer will open from 26 May 2006. The important dates and times for the Rights Issue are as follows:-

Last date and time for splitting : 6 June 2006 at 4.45 p.m.

Last date and time for acceptance and payment* : 9 June 2006 at 4.45 p.m.

Last date and time for renunciation and payment : 9 June 2006 at 4.45 p.m.

Last date and time for excess application and payment* : 9 June 2006 at 4.45 p.m.

* The last date and time for acceptance and/or excess application and payment through an ATM of a Participating Bank is 9 June 2006 at 9.30 p.m.

The above timetable may be subject to such modifications as the Company may, in consultation with the Manager and with the approval of the SGX-ST, decide, subject to any limitation under any applicable laws. As at the Latest Practicable Date, the Company does not expect the timetable to be modified.

The Company will publicly announce any changes in the Closing Date through a SGXNET announcement to be posted on the internet at the SGX-ST website <http://www.sgx.com.sg>.

Please refer to Appendices A to D of this Offer Information Statement for details of the procedures for acceptance and/or application of, and payment for, the Rights Shares under the Rights Issue.

4. State the method and time limit for paying up for the securities and, where payment is to be partial, the manner in which, and dates on which, amounts due are to be paid.

Please refer to Appendices A to D of this Offer Information Statement for details of the procedures for acceptance and/or application of, and payment for, the Rights Shares under the Rights Issue.

5. State, where applicable, the methods of and time limits for —

- (a) the delivery of the documents evidencing title to the securities being offered (including temporary documents of title, if applicable) to subscribers or purchasers; and**
 - (b) the book-entry transfers of the securities being offered in favour of subscribers or purchasers.**
-

The Rights Shares will be provisionally allotted to Entitled Shareholders on or about 25 May 2006 by crediting the provisional allotments to Entitled Depositors or through the despatch of the relevant PALs to Entitled Scripholders.

After the receipt of valid acceptances, excess applications and payments for the Rights Shares before the Closing Date, the Rights Shares will be registered in the name of CDP and held by CDP for and on behalf of Shareholders who maintain, either directly or through Depository Agents, Securities Accounts with CDP. CDP will send to the relevant subscriber a notification letter stating the number of Rights Shares credited to the relevant subscriber's Securities Account.

In the case of Entitled Scripholders who apply for Rights Shares and excess Rights Shares, if, *inter alia*, an incorrect or invalid Securities Account number is furnished to CDP, physical share certificates will be despatched to such subscribers.

It is expected that the issuance of the share certificates as described above will take place on 16 June 2006, but the Company will make an announcement on the date on which (a) the share certificates will be despatched; and (b) the crediting of the relevant Securities Account (as the case may be) will take place.

6. In the case of any pre-emptive rights to subscribe for or purchase the securities being offered, state the procedure for the exercise of any right of pre-emption, the negotiability of such rights and the treatment of such rights which are not exercised.

Not applicable.

7. Provide a full description of the manner in which results of the allotment or allocation of the securities are to be made public and, where appropriate, the manner for refunding excess amounts paid by applicants (including whether interest will be paid).

The Company will publicly announce the results of the allotment or allocation of the Rights Shares, as soon as it is practicable after the Closing Date, through a SGXNET announcement to be posted on the internet at the SGXNET website <http://www.sgx.com.sg>.

Please refer to Appendices A to C of this Offer Information Statement for details of refunding excess amounts paid by applicants.

KEY INFORMATION

1. **In the same section, provide the information set out in paragraphs 2 to 7 of this Part.**
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See below.

2. **Disclose the estimated amount of the proceeds from the offer (net of the estimated amount of expenses incurred in connection with the offer) (referred to in this paragraph and paragraph 3 of this Part as the net proceeds). Where only a part of the net proceeds will go to the relevant entity, indicate the amount of the net proceeds that will be raised by the relevant entity. If none of the proceeds will go to the relevant entity, provide a statement of that fact.**
-

Assuming that there is no change to the issued share capital of the Company between the Latest Practicable Date and the Books Closure Date, the estimated net proceeds of the Rights Issue (after deducting estimated expenses of approximately S\$1.0 million as at the Latest Practicable Date) are expected to be approximately S\$23.6 million if the Rights Issue is fully subscribed.

3. **Disclose how the net proceeds raised by the relevant entity from the offer will be allocated to each principal intended use. If the anticipated proceeds will not be sufficient to fund all of the intended uses, disclose the order of priority of such uses, as well as the amount and sources of other funds needed. Disclose also how the proceeds will be used pending their eventual utilisation for the proposed uses. Where specific uses are not known for any portion of the proceeds, disclose the general uses for which the proceeds are proposed to be applied. Where the offer is not fully underwritten on a firm commitment basis, state the minimum amount which, in the reasonable opinion of the directors or equivalent persons of the relevant entity, must be raised by the offer of securities.**
-

Assuming full subscription of the Rights Issue, the net proceeds from the issue of the 4,923,852,668 Rights Shares are estimated to be approximately S\$23.6 million. The net proceeds represent the amount that the Group will receive after deducting approximately S\$1.0 million, being expenses incurred in connection with the Rights Issue.

The Group intends to utilise the net proceeds of the Rights Issue as follows:-

- (a) approximately S\$6.5 million to repay the Loans;
- (b) approximately S\$3.5 million to repay certain bank loans; and
- (c) the balance to fund the Group's working capital.

Although the Rights Issue will not be underwritten, in the reasonable opinion of the Directors, there is no minimum amount which must be raised by the Rights Issue.

The Company will make periodic announcements as and when the proceeds from the Rights Issue are materially deployed and to provide status report(s) on the use of the said proceeds in its annual report.

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4. **For each dollar of the proceeds from the offer that will be raised by the relevant entity, state the estimated amount that will be allocated to each principal intended use and the estimated amount that will be used to pay for expenses incurred in connection with the offer.**
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See above.

5. **If any of the proceeds to be raised by the relevant entity will be used, directly or indirectly, to acquire or refinance the acquisition of an asset other than in the ordinary course of business, briefly describe the asset and state its purchase price. If the asset has been or will be acquired from an interested person of the relevant entity, identify the interested person and state how the cost to the relevant entity is or will be determined.**
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Not applicable.

6. **If any of the proceeds to be raised by the relevant entity will be used to finance or refinance the acquisition of another business, briefly describe the business and give information on the status of the acquisition.**
-

Not applicable.

7. **If any material part of the proceeds to be raised by the relevant entity will be used to discharge, reduce or retire the indebtedness of the relevant entity or, if the relevant entity is the holding company or holding entity of a group, of the group, describe the maturity of such indebtedness and, for indebtedness incurred within the past year, the uses to which the proceeds giving rise to such indebtedness were put.**
-

The net proceeds of the Rights Issue will be used to repay the Loans, certain bank loans and for the Group's working capital.

The Loans are repayable within 6 months after each drawdown date. The Loans have been fully disbursed on 13 January 2006.

The Group is currently negotiating with its principal banker in China to repay secured bank loans amounting to approximately S\$32.5 million in monthly instalments over a period of five (5) to ten (10) years. The Group is also in the midst of negotiations with another Chinese banker for a roll-over of a secured bank loan of approximately S\$2.7 million.

As and when the net proceeds are materially deployed, the Company will make the necessary announcements and subsequently provide a status report on the use of such proceeds in its annual report. Pending the deployment of the net proceeds for the purposes mentioned above, the proceeds may be deposited with banks and/or financial institutions, invested in short-term money markets and/or marketable securities, and/or used for any other purposes on a short-term basis, as the Directors may, in their absolute discretion, deem fit.

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8. In the section containing information referred to in paragraphs 2 to 7 of this Part or in an adjoining section, disclose the amount of discount or commission agreed upon between the underwriters or other placement or selling agents in relation to the offer and the person making the offer. If it is not possible to state the amount of discount or commission, the method by which it is to be determined must be explained.
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Not applicable.

9. (a) State the address and telephone and facsimile numbers of the relevant entity's registered office and principal place of business (if different from those of its registered office);
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Registered Office/ Principal Place of Business : 20 Harbour Drive #06-02
PSA Vista
Singapore 117612

General Line : 65-6779 5688

Facsimile : 65-6777 3960

9. (b) State the nature of the operations and principal activities of the relevant entity or, if it is the holding company or holding entity of a group, of the group;
-

The Company is incorporated in Singapore and the principal activity of the Company is that of investment holding. The Group is in the fresh produce business, specialising in fruits and vegetables. The Group owns its own brands and has worldwide network to procure, process and distribute fruits and vegetables globally. It also owns fruit plantations in China with facilities for high technology plant tissue culturing and greenhouse acclimatisation and nurturing to produce high quality plant seedlings.

9. (c) State the general development of the business from the beginning of the period comprising the three (3) most recent completed financial years to the latest practicable date, indicating any material change in the affairs of the relevant entity or the group, as the case may be, since —

(i) the end of the most recent completed financial year for which financial statements of the relevant entity have been published; or

(ii) the end of any subsequent period covered by interim financial statements, if interim financial statements have been published;

The list of significant developments in chronological order since 1 July 2002 is set out below:-

FY2003

The Group acquired 400 acres of new plantations at Anqiu, Shandong, China.

In September 2002, a second line of dehydration equipment was commissioned in the Taian factory. This was to enable the Group to double production capacity for dehydrated garlic and onions and hence increasing the revenue potential for the Group.

In FY2003, the Group started to develop the Asian pears market in Canada.

In October 2002, the Group set up the Micro-propagation Department in Longkou to provide high technology plant tissue culturing and greenhouse acclimatisation and nurturing to produce high quality plant seedlings.

FY2004

On 31 July 2003, the Group acquired United Garlic Company Ltd, an associated company in the United States of America. This will provide the infrastructure needed by the Group to develop the United States market.

In November 2003, the Group started to develop the Fuji apples market in Canada.

In this year, the Group developed the Asian pears market in Australia.

To enhance efficiency, state-of-the-art information technology system was installed to link up the various plantations.

FY2005

Commencing from August 2004, the Group developed the stone fruit market in Malaysia and Thailand.

FY2005 was a year of consolidation and restructuring with the appointment of nTan Corporate Advisory Pte Ltd as the Group's independent financial advisor in that year.

The first phase of corporate restructuring was completed on 13 June 2005 with the completion of a capital reduction exercise to reduce the par value of the ordinary shares of the Company from S\$0.05 to S\$0.005 each. The purpose of the capital reduction exercise was to write-off the full amount of the accumulated losses and to reduce the par value of the ordinary shares of the Company to facilitate future equity-related fund raising by the Company.

Material Changes Between 1 July 2005 to the Latest Practicable Date

The Directors, Mr Lim Soo Peng and Mr Ee Tai Ting, have agreed to waive their claims against the Company unconditionally (as disclosed in the Company's annual report for 2005), and have signed deeds of acknowledgement on 22 September 2005 and 16 September 2005 respectively to facilitate the corporate restructuring and future fund raising by the Company.

On 11 January 2006, as part of the fund raising exercise implemented by the Company, the Investors have separately agreed to lend an aggregate principal sum of S\$6.5 million to the Company as evidenced by the agreements dated 11 January 2006, 17 March 2006 and 21 March 2006. These loans are repayable either in cash or through the allotment and issue of new Shares at the discretion of the Company.

On 15 May 2006, the Company received two (2) invoices dated 8 May 2006 from Radica Reviva Associates (S) Pte. Ltd. (formerly known as Arthur Andersen Associates (S) Pte Ltd ("AA")) for an aggregate sum of S\$3.47 million for unpaid professional services rendered by AA around the period 2000 to 2002 in connection with the Company's earlier debt restructuring exercise. The Company objected to a certain portion of the fees charged. On 15 May 2006, the Company offered in writing to settle the invoices at S\$1.0 million on a without prejudice basis. As at the Latest Practicable Date, the Company has not received a reply to its offer.

9. (d) State the equity capital and the loan capital of the relevant entity as at the latest practicable date, showing —
- (i) in the case of the equity capital, the issued capital; or
- (ii) in the case of the loan capital, the total amount of the debentures issued and outstanding, together with the rate of interest payable thereon;

As at the Latest Practicable Date, the equity capital and loan capital of the Company comprise:-

Share Capital : S\$6,154,816 divided into 1,230,963,167 Shares.

Loan Capital : No loan capital has been issued.

9. (e) State, where —
- (i) the relevant entity is a corporation, the number of shares of the relevant entity owned by each substantial shareholder as at the latest practicable date; or
- (ii) the relevant entity is not a corporation, the amount of equity interests in the relevant entity owned by each substantial interest-holder as at the latest practicable date;

The interests of the substantial Shareholders in the Shares as at the Latest Practicable Date, based on information in the Register of Substantial Shareholders of the Company as maintained pursuant to Section 88 of the Companies Act, were as follows:-

Name of Shareholders	Direct Interest		Indirect Interest	
	No. of Shares	%	No. of Shares	%
Lim Soo Peng	62,052,628	5.04	50,254,170 ⁽¹⁾	4.08
Ee Tai Ting	79,248,173	6.44	—	—
Manuel J Sanchez Ortega	—	—	82,500,000 ⁽²⁾	6.70
Ramon L Guerrero Ferroggiaro	—	—	82,500,000 ⁽³⁾	6.70
Century Private Equity Holdings (S) Pte Ltd	82,234,279	6.68	—	—
Temasek Holdings (Pte) Ltd	—	—	82,234,279	6.68
Oversea-Chinese Banking Corporation Limited	145,002,959	11.78	—	—
Standard Chartered Bank	126,770,448	10.30	—	—

Notes:-

- (1) Lim Soo Peng is deemed to be interested in 50,254,170 Shares held by Eastern Rubber Company (Malaya) Pte Ltd.
- (2) Manuel J Sanchez Ortega is deemed to be interested in 33,000,000 Shares held by Summer Associates Inc. Panama, 22,500,000 Shares held by Orense Development Inc. Panama, and 27,000,000 Shares held by Sherman Consulting Inc. Panama.
- (3) Ramon L. Guerrero Ferroggiaro is deemed to be interested in 33,000,000 Shares held by Summer Associates Inc. Panama, 22,500,000 Shares held by Orense Development Inc. Panama, and 27,000,000 Shares held by Sherman Consulting Inc. Panama.

-
9. (f) **Disclose any legal or arbitration proceedings, including those which are pending or known to be contemplated, which may have, or which have had in the 12 months immediately preceding the date of lodgement of the offer information statement, a material effect on the financial position or profitability of the relevant entity or, where the relevant entity is a holding company or holding entity of a group, of the group;**
-

As disclosed in the Company's annual report for 2004, the Company had contingent liabilities arising from potential claims which two (2) Directors, Mr Lim Soo Peng and Mr Ee Tai Ting, may bring against the Company in connection with (i) the deeds of irrevocable undertaking which were given by them in favour of Citibank N.A.; and (ii) the letter of undertaking/indemnity executed by them in favour of United Overseas Bank Limited. Subsequently in September 2005, both Mr Lim Soo Peng and Mr Ee Tai Ting have signed separate deeds of acknowledgement agreeing to unconditionally and irrevocably waive such claims and undertake that they will not sue the Company in respect of the claims.

As at the Latest Practicable Date, the Company owes eleven (11) separate trade creditors in China RMB13.5 million (approximately S\$2.8 million equivalent) in aggregate. The individual debts range from RMB414,000 (approximately S\$85,000 equivalent) to RMB3.2 million (approximately S\$668,000 equivalent), and were incurred separately over a period of time. The creditors have taken separate legal action against the Company and negotiations are already underway to settle the debts out of court.

The Group had also won a legal case against a trade debtor which is a Chinese state enterprise. Judgement for RMB35.1 million was awarded on 1 February 2002. The Group is in the process of enforcing the judgement.

The Group has taken legal action against a customer for US\$549,000. The Group's solicitors have served a complaint on the debtor on 12 October 2005.

Save as disclosed above, as at the date of lodgement of this Offer Information Statement, the Directors are not aware of any legal or arbitration proceedings to which the Company or any of its subsidiaries is a party, including those which are pending or known to be contemplated, which may have or have had in the twelve (12) months before the date of lodgement of this Offer Information Statement, a material effect on the Group's financial position or profitability.

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9. (g) **Where any securities or equity interests of the relevant entity have been issued within the 12 months immediately preceding the latest practicable date —**
- (i) **if the securities or equity interests have been issued for cash, state the prices at which the securities have been issued and the number of securities or equity interests issued at each price; or**
 - (ii) **if the securities or equity interests have been issued for services, state the nature and value of the services and give the name and address of the person who received the securities or equity interests;**
-

The Company has not issued any securities or equity interests within the twelve (12) months immediately preceding the Latest Practicable Date.

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9. (h) Provide a summary of each material contract, other than a contract entered into in the ordinary course of business, to which the relevant entity or, if the relevant entity is the holding company or holding entity of a group, any member of the group is a party, for the period of 2 years immediately preceding the date of lodgement of the offer information statement, including the parties to the contract, the date and general nature of the contract, and the amount of any consideration passing to or from the relevant entity or any other member of the group, as the case may be.
-

The dates of, parties to and general nature of, the material contracts (not being contracts entered into in the ordinary course of business) entered into by the Company or its subsidiaries during the two (2) years preceding the date of lodgement of this Offer Information Statement are as follows:-

- (a) the agreements¹ (the “**Facility Agreements**”) separately entered into between each investor and the Company pursuant to which the Investors have agreed to grant loans (the “**Loans**”) for an aggregate principal sum of S\$6.5 million to the Company on the terms and subject to the conditions therein;
- (b) the subordination agreements dated 11 January 2006 and 17 April 2006 separately entered into between the Investors, Fook Huat Tong Kee Pte Ltd (“**FHTKPL**”) and the Company pursuant to which the Company has agreed not to demand or receive payment of any loan which it has made prior to the date of the agreement to FHTKPL on or before the date on which the Loan is repaid or satisfied in full to each Investor;
- (c) the deed of charge dated 17 April 2006 entered into between each of the Investors, Corporate Management Services Pte Ltd and the Company pursuant to which the debt which the Company owes to each Investor under the Facility Agreements is secured by a charge over the shares which the Company owns in FHTKPL;
- (d) the option agreements dated 11 January 2006 and 17 April 2006 separately entered into between the Investors and the Company pursuant to which the Company has agreed to grant the options (the “**Options**”) to the Investors to subscribe for an aggregate 26 million Options Shares at a subscription price of S\$0.005 for each Option Share on the terms and subject to the conditions therein;
- (e) the termination agreement dated 17 April 2006 between Tantivorawong Vorathep and the Company to terminate the option agreement dated 11 January 2006 entered into between themselves; and
- (f) the irrevocable undertakings given separately by Messrs Ee Tai Ting, Manuel J Sanchez Ortega and Ramon L Guerrero Ferroggiaro² to the Company on 8 December 2005 to vote, or procure the voting of, the Shares in which they have an interest (direct or indirect, as the case may be) in favour of the resolutions to approve the grant of the Options, the Rights Issue and the allotment of unsubscribed rights entitlements to certain persons at a general meeting to be convened.

¹ On 11 January 2006, each of TWC, ICM, LCH, LEG and another investor (the “**Assigning Investor**”) entered into separate facility agreements with the Company for the grant of loans amounting to \$6.5 million in aggregate. On 17 March 2006 and 21 March 2006, the Assigning Investor notified the Company in writing of his assignment of all rights and obligations under the facility agreement entered into with the Company for the loan of \$1.5 million in favour of TWC, ICM and HHL. Consequently, the loan of S\$1.5 million which the Company previously owed to the Assigning Investor has been assigned in favour of TWC (S\$375,000), ICM (S\$375,000) and HHL (S\$750,000). The Company has agreed to the aforesaid assignment.

² Messrs Ee Tai Ting and Manuel J Sanchez Ortega are Directors and substantial Shareholders in the Company. Mr Ramon L Guerrero Ferroggiaro is a substantial Shareholder in the Company. Messrs Manuel J Sanchez Ortega and Ramon L Guerrero Ferroggiaro are deemed to be interested in 33,000,000 Shares held by Summer Associates Inc. Panama, 22,500,000 Shares held by Orense Development Inc. Panama, and 27,000,000 Shares held by Sherman Consulting Inc. Panama.

OPERATING AND FINANCIAL REVIEW AND PROSPECTS

1. Provide selected data from —
 - (a) the audited income statement of the relevant entity or, if the relevant entity is the holding company or holding entity of a group, the audited consolidated income statement of the relevant entity or the audited combined income statement of the group, for each financial year (being one of the three (3) most recent completed financial years) for which that statement has been published; and
 - (b) any interim income statement of the relevant entity or, if the relevant entity is the holding company or holding entity of a group, any interim consolidated income statement of the relevant entity or interim combined income statement of the group, for any subsequent period for which that statement has been published.

2. The data referred to in paragraph 1 of this Part shall include the line items in the audited income statement, audited consolidated income statement, audited combined income statement, interim income statement, interim consolidated income statement or interim combined income statement, as the case may be, and shall in addition include the following items:-
 - (a) dividends declared per share in both the currency of the financial statements and the Singapore currency, including the formula used for any adjustment to dividends declared;
 - (b) earnings or loss per share; and
 - (c) earnings or loss per share, after any adjustment to reflect the sale of new securities.

Please refer to the following page.

The audited consolidated profit and loss statements of the Group for the past three (3) financial years ended 30 June 2005 and unaudited consolidated profit and loss statement of the Group for the nine (9) months ended 31 March 2006 are set out below:-

(S\$'000)	← Audited →			Unaudited FP2006
	FY2003	FY2004	FY2005	
Revenue	95,161	99,277	85,996	52,880
Costs of sales	(73,238)	(86,902)	(74,151)	(51,336)
Gross profit	21,923	12,375	11,845	1,544
Other operating income	713	1,181	502	5,576
Other operating expenses	(1,606)	(677)	(636)	(240)
Selling and distribution expenses	(7,430)	(9,501)	(6,888)	(4,429)
Administrative expenses	(13,724)	(15,383)	(16,643)	(10,532)
Write back of / (allowance for) inventories	(3,657)	(352)	1,047	472
(Allowance for) / write back of doubtful debts – net	(802)	77	(1,227)	(1,482)
Profit/(Loss) from operations	(4,583)	(12,280)	(12,000)	(9,091)
Finance costs (interest expense)	(2,201)	(2,980)	(4,141)	(2,377)
Profit/(Loss) before share of results of associates	(6,784)	(15,260)	(16,141)	(11,468)
Share of profits/(losses) of associates	(415)	(709)	(774)	(372)
Profit/(Loss) before tax	(7,199)	(15,969)	(16,915)	(11,840)
Income tax expense	(83)	128	(2)	(1)
Profit/(Loss) attributable to shareholders of the Company	(7,282)	(15,841)	(16,917)	(11,841)
Profit/(Loss) per Share (cents)	(0.59)	(1.29)	(1.37)	(0.96)

Effects of the Rights Issue on consolidated loss per Share

Assuming full subscription of the Rights Issue and the issuance of 4,923,852,668 Rights Shares at the beginning of each of the financial years ended 30 June 2003, 30 June 2004 and 30 June 2005 respectively and at the beginning of the nine (9) months ended 31 March 2006, the adjusted consolidated loss per Share are as follows:-

(cents)	Before the Rights Issue ⁽¹⁾	Adjusted for the Rights Issue ⁽²⁾
FY2003	0.59	0.12
FY2004	1.29	0.26
FY2005	1.37	0.27
FP2006	0.96	0.19

Notes:-

(1) The consolidated loss per Share was calculated based on 1,230,963,167 Shares.

(2) The consolidated loss per Share was calculated based on 6,154,815,835 Shares.

3. In respect of —

(a) each financial year (being one of the three (3) most recent completed financial years) for which financial statements have been published; and

(b) any subsequent period for which interim financial statements have been published,

provide information regarding any significant factor, including any unusual or infrequent event or new development, which materially affected profit or loss before tax of the relevant entity or, if it is the holding company or holding entity of a group, of the group, and indicate the extent to which such profit or loss before tax of the relevant entity or the group, as the case may be, was so affected. Describe any other significant component of revenue or expenditure necessary to understand the profit or loss before tax for each of these financial periods.

A summary of the operations, business and financial performance of the Group for FY2003, FY2004, FY2005 and FP2006 is as follows:-

FY2003

The revenue of the Group in FY2003 was S\$95.2 million, representing a decrease of S\$14.3 million or 13.0% over the Group revenue in FY2002. This was mainly attributable to lower sales of fresh garlic to Europe and Chilean fruits, reflecting the effort of the Group to reduce the sales of low margin items.

Gross profit of the Group in FY2003 was S\$21.9 million compared to S\$21.3 million in the preceding year. This was mainly due to a one-time favourable adjustment of S\$3.9 million on accruals of purchases and freight charges in FY2003.

Other operating income in FY2003 was S\$0.7 million compared to S\$4.3 million in the preceding year. The reduction was mainly due to a one-time profit on disposal of a leasehold land and building of S\$3.9 million in FY2002.

In line with our higher inventory on hand in FY2003, the allowance for inventory was S\$3.7 million compared to S\$0.9 million in FY2002.

FY2004

The Group achieved revenue of S\$99.3 million in FY2004 compared to S\$95.2 million in FY2003, representing an increase of S\$4.1 million or 4.3%. This increase in revenue was mainly derived from higher sales of garlic and onions.

Gross margin of the Group in FY2004 was 12.5% compared to 23.0% in the preceding year. This was mainly due to lower selling prices of Fuji apples as a result of "storage scald".

Selling, distribution and administration expenses in FY2004 were S\$24.9 million compared to S\$21.2 million in FY2003. The higher expenses were a result of the inclusion in the group accounts of the expenses of United Garlic Company Ltd when it became a subsidiary of the Group in July 2003, and there was also a one-time write-back of provision of staff pension of S\$2.2 million in FY2003.

Other operating income in FY2004 was S\$1.2 million compared to S\$0.7 million in FY2003, representing an increase of S\$0.5 million or 65.6%. This was mainly attributable to exchange gain of S\$0.2 million and a profit on disposal of certain packaging materials of S\$0.2 million in FY2004.

Other operating expenses in FY2004 were S\$0.7 million compared to S\$1.6 million in FY2003, representing a decrease of S\$0.9 million or 57.8%. This was mainly due to exchange loss of S\$1.6 million in FY2003 and a one-time contribution of S\$0.5 million to the construction of the road leading to Longkou Industrial Park in FY2004.

The loss after tax in FY2004 was S\$15.8 million compared to S\$7.3 million in FY2003. The larger loss in FY2004 was mainly due to the reduced gross margin as a result of lower selling prices of Fuji apples caused by “storage scald”.

FY2005

The revenue of the Group in FY2005 was S\$86.0 million, representing a decrease of S\$13.3 million or 13.4% over the Group revenue for FY2004. This was mainly attributable to the following:-

- reduced level of sales of premium Fuji apples in the premium export market as the Group had limited cash flow to source for premium Fuji apples; and
- lower level of sales of Fuji apples to other export markets as a result of increased competition from other exporters of Chinese Fuji apples.

Gross profit of the Group in FY2005 was S\$11.9 million compared to S\$12.4 million in FY2004. This was mainly due to lower sales made by the Group.

Administrative expenses in FY2005 were S\$16.6 million compared to S\$15.4 million in FY2004. This was mainly due to the following:-

- provision of consultancy fees and legal fees of S\$0.4 million relating to the appointment of independent financial advisor for the corporate restructuring of the Group.
- Write-off of fixed assets of S\$0.4 million arising from a full assets count and write-off of biological assets of S\$0.6 million in FY2005.

Other operating income in FY2005 was S\$0.5 million compared to S\$1.2 million in FY2004. The reduction was mainly due to exchange gain of S\$0.2 million and a one-time profit on sale of packaging materials of S\$0.3 million in FY2004.

The loss after tax for FY2005 was S\$16.9 million compared to S\$15.8 million in FY2004. The larger loss in FY2005 was mainly due to the lower level of sales made by the Group and the higher interest expenses incurred.

FP2006

The revenue of the Group for FP2006 was S\$52.9 million compared to S\$69.4 million in the previous corresponding period. This represented a decrease of S\$16.5 million or 23.8%. This was mainly attributable to lower level of sales of Fuji apples.

Gross profit for the Group in FP2006 was S\$1.5 million compared with S\$10.1 million in FP2005. This was mainly due to the following:-

- unabsorbed plantation expenses for grapes and pears as their yield was low, arising from cold weather which affected their growth during the flowering period; and
- lower profit margin from the sales of Fuji apples in the first quarter of FY2006.

Other operating income in FP2006 was S\$5.6 million compared to S\$0.3 million in the previous corresponding period. This was mainly due to a one-off profit on sale of plastic containers of S\$3.1 million and foreign exchange gain of S\$2.2 million, arising from the revaluation of the Renminbi.

Provision for doubtful debts for FP2006 was S\$1.5 million compared to S\$1.2 million in the previous corresponding period. Due processes had been put in place to recover such debts, and credit control was also further tightened.

The loss after tax for FP2006 was S\$11.8 million compared to S\$11.1 million in the previous corresponding period. This was mainly attributable to the lower level of sales but these were partly offset by the foreign exchange gain of S\$2.2 million and a one-off profit from the sale of plastic containers of S\$3.1 million in FP2006.

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- 4. Provide selected data from the balance sheet of the relevant entity or, if it is the holding company or holding entity of a group, the group as at the end of —**
- (a) the most recent completed financial year for which audited financial statements have been published; or**
 - (b) if interim financial statements have been published for any subsequent period, that period.**
- 5. The data referred to in paragraph 4 of this Part shall include the line items in the audited or interim balance sheet of the relevant entity or the group, as the case may be, and shall in addition include the following items:-**
- (a) number of shares after any adjustment to reflect the sale of new securities;**
 - (b) net assets or liabilities per share; and**
 - (c) net assets or liabilities per share after any adjustment to reflect the sale of new securities.**
-

Please refer to the following page.

The audited consolidated balance sheet of the Group as at 30 June 2005 and the unaudited consolidated balance sheet of the Group as at 31 March 2006 are set out below:-

(\$'000)	As at 30 June 2005 (audited)	As at 31 March 2006 (unaudited)
ASSETS		
Current assets		
Cash and bank balances	2,887	2,333
Trade receivables	11,379	8,448
Other receivables and prepayments	4,805	5,463
Inventories	16,373	13,608
Total current assets	35,444	29,852
Non-current assets		
Goodwill arising on acquisition of a subsidiary	800	400
Subsidiaries	–	–
Associates	1,789	1,417
Other Investments	68	68
Property, plant & equipment	56,543	51,404
Biological assets – plantations	37,520	34,070
Total non-current assets	96,720	87,359
Total assets	132,164	117,211
LIABILITIES AND EQUITY		
Current liabilities		
Bank loans-secured	35,633	40,538
Trade payables	14,762	10,317
Other payables	12,110	20,609
Income tax payables	690	686
Current portion of financial leases	34	17
Total current liabilities	63,229	72,167
Non-current liabilities		
Finance leases	12	3
Long term bank loans-secured	9,158	–
Total non-current liabilities	9,170	3
Capital and reserves		
Issued capital	6,155	6,155
Share premium	54,443	54,443
Capital reserve	944	944
Capital reduction reserve	18,384	18,384
Foreign currency translation reserve	10,549	7,664
General reserve	2,201	2,201
Accumulated profits/(losses)	(32,911)	(44,750)
Total equity	59,765	45,041
Total liabilities and equity	132,164	117,211

Effects of the Rights Issue on consolidated net assets per Share

Assuming full subscription of the Rights Issue and the issuance of 4,923,852,668 Rights Shares as at 30 June 2005 and 31 March 2006, the adjusted number of Shares and the adjusted consolidated net assets per Share are as follows:-

Number of Shares	Before the Rights Issue	After the Rights Issue ⁽¹⁾
As at 30 June 2005	1,230,963,167	6,154,815,835
As at 31 March 2006	1,230,963,167	6,154,815,835

Net assets per Share (cents)	Before the Rights Issue	After the Rights Issue ⁽¹⁾
As at 30 June 2005	4.86	1.35
As at 31 March 2006	3.66	1.12

Note:-

(1) This does not include the exercise of any of the 26 million option shares granted to the Investors pursuant to the option agreements (please see the announcement dated 12 January 2006 for more details).

-
- 6. Provide an evaluation of the material sources and amounts of cash flows from operating, investing and financing activities in respect of —**
- (a) the most recent completed financial year for which financial statements have been published; and**
 - (b) if interim financial statements have been published for any subsequent period, that period.**
-

Please refer to the following page.

The consolidated cash flow statements for the Group for FY2005 and FP2006 are as follows:-

(\$'000)	FY2005 (audited)	FP2006 (unaudited)
Cash flows from operating activities		
Loss before share of losses of associates	(16,141)	(11,468)
Adjustment for:-		
Interest expense	4,141	2,377
Interest income	(20)	14
Dividend income	(5)	-
Fixed assets written off	376	-
Biological assets written off	1,280	1,166
Depreciation expenses	11,340	10,605
Loss on disposal of property, plant and equipment	27	-
Allowance for inventories/ inventory written off	(930)	(472)
Allowance for doubtful debts – trade receivables	1,176	1,482
Allowance for doubtful debts – other receivables	64	-
Amortisation of goodwill	-	400
Operating profit/(loss) before working capital changes	1,308	4,104
Trade receivables	1,112	1,532
Other receivables and prepayments	1,462	(649)
Inventories	3,527	4,321
Trade payables	4,911	(4,447)
Other payables	2,745	8,499
Cash generated from operations	15,065	13,360
Interest paid	(4,141)	(2,377)
Interest received	20	(14)
Dividends received	5	-
Net cash from operating activities	10,949	10,969
Cash flows from investing activities		
Purchase of property, plant and equipment	(2,250)	(809)
Additions of biological assets	(10,021)	(5,486)
Proceeds from disposal of property, plant and equipment	159	-
Net cash used in investing activities	(12,112)	(6,295)
Cash flows from financing activities		
Bank loans	4,963	4,905
Long-term bank loans	(8,505)	(9,158)
Repayment of finance leases	(31)	(26)
Net cash used in financing activities	(3,573)	(4,279)
Net effect of exchange rate changes in consolidating subsidiaries	982	(949)
Net decrease in cash and bank balances	(3,754)	(554)
Cash and bank balances at beginning of year	6,641	2,887
Cash and bank balances at year end	2,887	2,333

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- 7. Provide a statement by the directors or equivalent persons of the relevant entity as to whether, in their reasonable opinion, the working capital available to the relevant entity or, if it is the holding company or holding entity of a group, to the group, as at the date of lodgement of the offer information statement, is sufficient for present requirements and, if insufficient, how the additional working capital considered by the directors or equivalent persons to be necessary is proposed to be provided.**
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All the Group's loan facilities are with banks in China. There has been a strain on the Group's working capital primarily due to credit squeeze by local Chinese banks since late 2004 and operating losses sustained over the past years. As part of the Group's on-going corporate restructuring exercise (which involves, amongst others, sourcing for new investors, restructuring of loan repayments and taking steps to divest of certain non-core assets), the Group is currently negotiating with its principal banker in China to repay secured bank loans amounting to approximately S\$32.5 million in monthly instalments over a period of five (5) to ten (10) years. The Group is also in the midst of negotiations with another Chinese banker for a roll-over of a secured bank loan of approximately S\$2.7 million.

As at the date of lodgement of this Offer Information Statement, the Directors are of the opinion that, after taking into consideration the Group's internal resources and the Loans, and assuming successful outcome of current negotiations with the Chinese banks to restructure loan repayments and the sale of certain non-core assets (as mentioned above) as well as full subscription for the Rights Issue, the working capital available to the Group is sufficient to meet its present requirements.

- 8. If the relevant entity or any other entity in the group is in breach of any of the terms and conditions or covenants associated with any credit arrangement or bank loan which could materially affect the relevant entity's financial position and results or business operations, or the investments by holders of securities in the relevant entity, provide —**
- (a) a statement of that fact;**
 - (b) details of the credit arrangement or bank loan; and**
 - (c) any action taken or to be taken by the relevant entity or other entity in the group, as the case may be, to rectify the situation (including the status of any restructuring negotiations or agreement, if applicable).**
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Not applicable.

- 9. Discuss, for at least the current financial year, the business and financial prospects of the relevant entity or, if it is the holding company or holding entity of a group, the group, as well as any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on net sales or revenues, profitability, liquidity or capital resources, or that would cause financial information disclosed in the offer information statement to be not necessarily indicative of the future operating results or financial condition. If there are no such trends, uncertainties, demands, commitments or events, provide an appropriate statement to that effect.**
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Please refer to the following page.

BUSINESS AND FINANCIAL PROSPECTS OF THE GROUP

For the remaining of FY2006, the Group will continue to operate under difficult market conditions. The environment in which the Group's core businesses operate will continue to be competitive. This will improve with the injection of the proceeds of the Rights Issue. The factors that will affect the business and financial prospects of the Group are as follows:-

- the ability to have adequate working capital which is dependent on the outcome of the Group's proposed recapitalisation schemes, including the proposed Rights Issue;
- the continued tightening of credit by the local Chinese banks in the People's Republic of China. The Group has no borrowings with any banks in Singapore;
- the increased level of competition from substantial new entrants to the industry;
- the rising price of crude oil and related raw materials; and
- the strengthening of the Renminbi against the US Dollar.

RISK FACTORS

To the best knowledge and belief of the Directors, all risk factors that are material to prospective investors in making an informed judgement on the Rights Issue and/or the Rights Shares are set out below. Prospective investors should carefully consider and evaluate each of the following considerations and all other information contained in this Offer Information Statement before deciding whether to invest in the Rights Shares. The Group could be affected by a number of risks that may relate to the industry and countries in which the Group operates as well as those that may generally arise from, *inter alia*, economic, business, market and political factors, including the risks set out herein. The risks described below are not intended to be exhaustive. There may be additional risks not presently known to the Group, or that the Group may currently deemed not material, which could affect its operations. If any of the following considerations and uncertainties develops into actual events, the business, results of operations, financial condition and prospects of the Group could be materially and adversely affected. In that event, the trading price of the Shares and/or Rights Shares could decline, and investors may lose all or part of their investment in the Shares and/or Rights Shares.

RISKS RELATING TO THE INDUSTRIES AND BUSINESSES IN WHICH THE GROUP OPERATES

The Group may experience problems raising funds

The Group requires additional funds for working capital purposes. There is no assurance that the Group would be able to generate sufficient internal funds to finance its operations. The Group has plans to dispose of certain non-core assets to generate additional cash flow. There is no assurance that such sales can be achieved promptly and at the targeted prices set by the Group. Failure to obtain additional financing where such financing is required on acceptable terms, will adversely affect the Group's business, financial performance and financial position as well as the Group's ability to pursue its growth plans.

The Group operates in a highly competitive industry

The fruit and agricultural products industry is highly competitive and the Group will continue to face intense global competition including the possibility of substantial new entrants into the industry. Such intense competition could have an adverse effect on the Group's revenue and financial performance.

The Group's business can be adversely affected by weather and the spread of any severe diseases

The fruit and agricultural products industry can be adversely affected by weather and disease which the Group has no or little control of. Such risk is unique to the fruit and agricultural products industry and could have an adverse impact on the Group's operations, revenue and financial performance.

The Group is dependant on a few principal suppliers

The Group is, to a large extent, dependent on a few principal suppliers although it procures its fruit and agricultural products from various sources. We are unable to assure you that our key suppliers will continue to supply us with fruits and agricultural products in the future. In the event that we cannot procure such produce from our key suppliers, and we are unable to find alternative suppliers who can provide us with such produce at the price and quality acceptable to us, our operations and financial performance may be adversely affected.

The Group is exposed to the credit risks of our customers

The Group sells to various customers across the globe and extends certain credit terms to these customers. The Group is exposed to credit risks due to the inherent uncertainties in our customers' business environment. These include political, social, legal, economic and foreign exchange risks, as well as those arising from unanticipated events or circumstances. As such, the Group is unable to assure you that the amount of bad debts written off will not increase materially in the future. A delay or default in payment and/or significant increase in the amount of bad debts will have a material and adverse impact on our financial position and performance.

The Group is dependent on a certain product mix

The Group's revenue is dependent on the contribution from sales of Fuji apples and dehydrated garlic. Any decline in the demand or a reduction in the prices of Fuji apples and dehydrated garlic will adversely affect the Group's growth and in turn may adversely impact its revenue and financial performance.

The Group is subject to risks associated with fluctuations in foreign currencies

The export sales of the Group are mainly dominated in US dollar. Hence, the Group is subjected to foreign exchange exposure resulting from fluctuations in the US dollar.

The Group's operations may be susceptible to changes in the political, economic and social conditions of those countries that it operates in

The Group has operations outside Singapore, in particular the People's Republic of China. The Group's operations may be adversely affected by significant changes in the political, economic and social conditions in those countries that it operates in. Any changes in policies and tax laws, which may not be favourable to businesses in those countries, may adversely affect the Group's operations, revenue and financial performance.

A decline in general economic conditions could lead to reduced consumer demand for the Group's products

Consumer spending patterns for fruits and agricultural products are influenced by, among other things, prevailing economic conditions, wage rates, inflation, consumer confidence and consumer perception of economic conditions. A general slowdown in the economy or an uncertain economic outlook in our major markets could adversely affect the Group's revenue and financial performance.

The Group's success depends on its ability to attract and retain key personnel

The Group's success depends, to a significant extent, upon a number of key employees and senior management. The loss of the service of one or more of these key employees, who are not bound by a long-term employment agreement in writing, could have an adverse effect on the Group.

RISKS RELATING TO THE OWNERSHIP OF THE SHARES

The market price of the Shares may be affected by various factors

The market price of the Shares may be significantly affected by, among others, the following factors:-

- the Group's actual or anticipated results of operations;
- announcements by the Group or its competitors of significant contracts, acquisitions, joint ventures or capital commitments;
- general broad fluctuations on share prices;
- involvement in major litigations;
- fluctuations on the net assets or the equity investment of its subsidiaries;
- shares may face dilution due to issue of new ordinary shares in the Company relating to mergers and acquisitions or to provide fresh funds for the Group; and
- additions or departures of key personnel.

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- 10. Where a profit forecast is disclosed, state the extent to which projected sales or revenues are based on secured contracts or orders, and the reasons for expecting to achieve the projected sales or revenues and profit, and discuss the impact of any likely change in business and operating conditions on the forecast.**
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Not applicable.

- 11. Where a profit forecast or profit estimate is disclosed, state all principal assumptions, if any, upon which the directors or equivalent persons of the relevant entity have based their profit forecast or profit estimate, as the case may be.**
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Not applicable.

- 12. Where a profit forecast is disclosed, include a statement by an auditor of the relevant entity as to whether the profit forecast is properly prepared on the basis of the assumptions referred to in paragraph 11 of this Part, is consistent with the accounting policies adopted by the relevant entity, and is presented in accordance with the accounting standards adopted by the relevant entity in the preparation of its financial statements.**
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Not applicable.

- 13. Where the profit forecast disclosed is in respect of a period ending on a date not later than the end of the current financial year of the relevant entity, provide in addition to the statement referred to in paragraph 12 of this Part —**

- (a) a statement by the issue manager to the offer, or any other person whose profession or reputation gives authority to the statement made by him, that the profit forecast has been stated by the directors or equivalent persons of the relevant entity after due and careful enquiry and consideration; or

- (b) a statement by an auditor of the relevant entity, prepared on the basis of his examination of the evidence supporting the assumptions referred to in paragraph 11 of this Part and in accordance with the Singapore Standards on Auditing or such other auditing standards as may be approved in any particular case by the Authority, to the effect that no matter has come to his attention which gives him reason to believe that the assumptions do not provide reasonable grounds for the profit forecast.
-

Not applicable.

14. Where the profit forecast disclosed is in respect of a period ending on a date after the end of the current financial year of the relevant entity, provide in addition to the statement referred to in paragraph 12 of this Part —

- (a) a statement by the issue manager to the offer, or any other person whose profession or reputation gives authority to the statement made by him, prepared on the basis of his examination of the evidence supporting the assumptions referred to in paragraph 11 of this Part, to the effect that no matter has come to his attention which gives him reason to believe that the assumptions do not provide reasonable grounds for the profit forecast; or
- (b) a statement by an auditor of the relevant entity, prepared on the basis of his examination of the evidence supporting the assumptions referred to in paragraph 11 of this Part and in accordance with the Singapore Standards on Auditing or such other auditing standards as may be approved in any particular case by the Authority, to the effect that no matter has come to his attention which gives him reason to believe that the assumptions do not provide reasonable grounds for the profit forecast.
-

Not applicable.

15. Disclose any event that has occurred from the end of —

- (a) the most recent completed financial year for which financial statements have been published; or
- (b) interim financial statements have been published for any subsequent period,

that period, to the latest practicable date which may have a material effect on the financial position and results of the relevant entity or, if it is the holding company or holding entity of a group, the group, or, if there is no such event, provide an appropriate negative statement.

Save as disclosed in paragraph 9 of the section entitled “Operating and Financial Review and Prospects” of this Offer Information Statement, the Directors are not aware of any event which has occurred since 31 March 2006 up to the Latest Practicable Date which may have a material effect on the financial position and results of the Group provided in the financial statements for the nine (9) months ended 31 March 2006 published by the Company on 9 May 2006.

THE OFFER AND LISTING

1. Indicate the price at which the securities are being offered and the amount of any expense specifically charged to the subscriber or purchaser. If it is not possible to state the offer price at the date of lodgement of the offer information statement, the method by which the offer price is to be determined must be explained.
 2. If there is no established market for the securities being offered, provide information regarding the manner of determining the offer price, the exercise price or conversion price, if any, including the person who establishes the price or is responsible for the determination of the price, the various factors considered in such determination and the parameters or elements used as a basis for determining the price.
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Issue Price

S\$0.005 for each Rights Share, payable in full on acceptance and/or application.

The issue price of S\$0.005 for each Rights Share is at a discount of approximately 80% to the last transacted price of S\$0.025 per Share on 12 January 2006, being the last trading day of the Shares on SGX-ST prior to the date of announcement of the Rights Issue, and a discount of approximately 67% to the last transacted price of S\$0.015 per Share as at the Latest Practicable Date.

3. If —
 - (a) any of the relevant entity's shareholders or equity interest-holders have pre-emptive rights to subscribe for or purchase the securities being offered; and
 - (b) the exercise of the rights by the shareholder or equity interest-holder is restricted, withdrawn or waived,

indicate the reasons for such restriction, withdrawal or waiver, the beneficiary of such restriction, withdrawal or waiver, if any, and the basis for the offer price.

Not applicable.

4. If securities of the same class as those securities being offered are listed for quotation on any securities exchange —
 - (a) in a case where the first-mentioned securities have been listed for quotation on the securities exchange for at least 12 months immediately preceding the latest practicable date, disclose the highest and lowest market prices of the first-mentioned securities —
 - (i) for each of the 12 calendar months immediately preceding the calendar month in which the latest practicable date falls; and
 - (ii) for the period from the beginning of the calendar month in which the latest practicable date falls to the latest practicable date; or
 - (b) disclose any significant trading suspension that has occurred on the securities exchange during the 3 years immediately preceding the latest practicable date or, if the securities have been listed for quotation for less than 3 years, during the period from the date on which the securities were first listed to the latest practicable date; and

- (c) disclose information on any lack of liquidity, if the securities are not regularly traded on the securities exchange.

The price range and volume of the Shares traded on the SGX-ST over the last twelve (12) months immediately preceding the Latest Practicable Date are as follows:-

Month	Price Range		Share Volume ('000)
	High (\$)	Low (\$)	
May 2005	0.020	0.015	1,807
June 2005	0.020	0.015	809
July 2005	0.020	0.015	1,948
August 2005	0.020	0.015	747
September 2005	0.025	0.015	2,718
October 2005	0.030	0.020	2,006
November 2005	0.025	0.020	3,031
December 2005	0.025	0.015	866
January 2006	0.025	0.020	3,029
February 2006	0.025	0.015	20,775
March 2006	0.020	0.015	4,570
April 2006	0.020	0.015	41,212
1 May 2006 to 16 May 2006 (being the Latest Practicable Date)	0.015	0.010	97,549

Source: Bloomberg

There is no significant trading suspension that has occurred on the SGX-ST during the three (3) years immediately preceding the Latest Practicable Date.

Based on the information set out in the table on "Price Range" above, the Shares are regularly traded on the Official List of the SGX-ST.

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5. **Where the securities being offered are not identical to the securities already issued by the relevant entity, provide —**
- (a) **a statement of the rights, preferences and restrictions attached to the securities being offered; and**
 - (b) **an indication of the resolutions, authorisations and approvals by virtue of which the relevant entity may create or issue further securities, to rank in priority to or *pari passu* with the securities being offered.**

Not applicable.

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6. **Indicate the amount, and outline briefly the plan of distribution, of the securities that are to be offered otherwise than through underwriters. If the securities are to be offered through the selling efforts of any broker or dealer, describe the plan of distribution and the terms of any agreement or understanding with such entities. If known, identify each broker or dealer that will participate in the offer and state the amount to be offered through each broker or dealer.**
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Not applicable.

7. **Provide a summary of the features of the underwriting relationship together with the amount of securities being underwritten by each underwriter.**
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Not applicable.

ADDITIONAL INFORMATION

1. **Where a statement or report attributed to a person as an expert is included in the offer information statement, provide such person's name, address and qualifications.**
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Not applicable.

2. **Where the offer information statement contains any statement (including what purports to be a copy of, or extract from, a report, memorandum or valuation) made by an expert —**

- (a) **state the date on which the statement was made;**
 - (b) **state whether or not it was prepared by the expert for the purpose of incorporation in the offer information statement; and**
 - (c) **include a statement that the expert has given, and has not withdrawn, his written consent to the issue of the offer information statement with the inclusion of the statement in the form and context in which it is included in the offer information statement.**
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Not applicable.

3. **The information referred to in paragraphs 1 and 2 of this Part need not be provided in the offer information statement if the statement attributed to the expert is a statement to which the exemption under regulation 26(2) or (3) applies.**
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Not applicable.

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4. **Where a person is named in the offer information statement as the issue manager or underwriter (but not a sub-underwriter) to the offer, include a statement that the person has given, and has not withdrawn, his written consent to being named in the offer information statement as the issue manager or underwriter, as the case may be, to the offer.**
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The Manager has given, and has not withdrawn, its written consent to the issue of this Offer Information Statement with the inclusion of its name and all references thereto, in the form and context in which it appears in this Offer Information Statement. The Manager does not make, or purport to make, any statement in this Offer Information Statement and is not aware of any statement in this Offer Information Statement which purports to be based on a statement made by it and it makes no representation, expressed or implied regarding, and subject to applicable laws and regulations, and takes no responsibility for, any statements in or omissions from this Offer Information Statement.

The Manager has not authorised or caused the issue of this Offer Information Statement.

5. **Include particulars of any other matters not disclosed under any other paragraph of this Schedule which could materially affect, directly or indirectly —**
- (a) the relevant entity's business operations or financial position or results; or**
 - (b) investments by holders of securities in the relevant entity.**
-

Save as disclosed in this Offer Information Statement, the Directors are not aware of any other matter not disclosed under any other paragraph of this Offer Information Statement which could materially affect, directly or indirectly:-

- (a) the Company's business operations or financial position or results; or
 - (b) investments by holders of securities in the Company.
-

**ADDITIONAL INFORMATION
REQUIRED FOR OFFER OF SECURITIES BY WAY OF RIGHTS ISSUE**

1. **Provide:-**
- (a) the particulars of the rights issue;**
 - (b) the last day and time for splitting of the provisional allotment of the securities to be issued pursuant to the rights issue;**
 - (c) the last day and time for acceptance of and payment for the securities to be issued pursuant to the rights issue;**
 - (d) the last day and time for renunciation of and payment by the renounee for the securities to be issued pursuant to the rights issue;**
 - (e) the terms and conditions of the offer of securities to be issued pursuant to the rights issue;**
-

Please refer to the following page.

- Number of Rights Shares to be issued : Up to 4,923,852,668 Rights Shares.
- Issue Price : S\$0.005 for each Rights Share, payable in full on acceptance and/or application.
- Basis of Provisional Allotment : Four (4) Rights Shares for every one (1) existing Share held by Entitled Shareholders as at the Books Closure Date, fractional entitlements to be disregarded.
- Status of the Rights Shares : The Rights Shares, when allotted and issued, will rank *pari passu* in all respects with the then existing Shares save for any dividends, rights, allotments or other distributions, the Record Date for which falls on or after the date of issue of the Rights Shares.
- Eligibility to participate in the Rights Issue : Please refer to the section entitled “Eligibility of Shareholders to Participate in the Rights Issue” of this Offer Information Statement.
- Acceptance, excess application and payment procedures : The procedures for acceptance, excess application and payment by Entitled Shareholders are set out in Appendices A to D of this Offer Information Statement.
- Arrangements for excess Rights Shares which are not taken up by the other Entitled Shareholders : Disregarded fractional entitlements of Rights Shares will be aggregated with entitlements of Rights Shares which are not taken up or allotted for any reason, and shall be used to satisfy excess applications for Rights Shares or otherwise disposed of or dealt with in such manner and on such terms and conditions as the Directors may, in their absolute discretion, deem fit in the interests of the Company.

To improve the Group’s cash flow, as well as to ensure that the Rights Issue is subscribed to the fullest extent, it is proposed that the Directors shall allot and issue any Rights Shares which remain unsubscribed by Shareholders or their renounees at an issue price of S\$0.005 for each Rights Share under the Rights Issue to:

- (a) the Investors up to the aggregate value of the principal sum of S\$6.5 million and interest accrued as repayment of the respective Loans in full or partially on a proportionate basis, depending on the level of acceptances received for the subscription of the Rights Shares; and/or
- (b) creditors of the Company who are agreeable to accept such Rights Shares as repayment of the debts owed to them by the Company; and/or
- (c) any investor(s) who propose to invest in the Company and who are unrelated to the Directors or substantial Shareholders of the Company,

in such manner and on such terms and conditions as the Directors may, in their absolute discretion, deem fit in the interests of the Company.

The Directors will take steps to ensure that Rule 812(1) of the Listing Manual is complied with if they exercise the discretion to allot and issue any Rights Shares which remain unsubscribed by Shareholders or their renounees to the persons described in sub-paragraphs (a) to (c) above.

If the Rights Issue is fully subscribed, the Company has the discretion, if it decides to do so, to repay the Investors and the creditors in cash instead using the proceeds from the Rights Issue.

In the allotment of excess Rights Shares, preference will be given to the rounding of odd lots, and substantial Shareholders and Directors will rank last in priority.

To the best of the Company's knowledge, the Investors are not related to one another nor are they related to:-

- (a) any Director or any substantial Shareholder of the Company;
- (b) any immediate family members of a Director; or
- (c) any corporations in whose shares a Director has an aggregate interest of at least 10%.

Conditions for the Rights Issue : The Rights Issue is subject to the following conditions:-

- (a) the in-principle approval of the SGX-ST for the listing of and quotation for the Rights Shares on the Official List of SGX-ST; and
- (b) the lodgement of the Offer Information Statement in respect of the Rights Issue with the MAS.

In respect of:-

- (i) condition (a) above, the SGX-ST has granted approval in-principle for the listing of and quotation for the Rights Shares on the Main Board of the SGX-ST (subject to certain conditions); and
- (ii) condition (b) above, this Offer Information Statement together with all accompanying documents have been lodged by the Company with the MAS.

Listing of the Rights Shares : Approval in-principle for the listing of and quotation for the Rights Shares on the Mainboard of the SGX-ST has been granted by the SGX-ST on 16 March 2006.

Trading of the Rights Shares : Upon the listing of and quotation for the Rights Shares on the Mainboard of the SGX-ST, the Rights Shares will be traded on the SGX-ST under the book-entry (scripless) settlement system.

Use of CPF Funds : Approval has been obtained from the CPF Board for those of its members under the CPF Investment Scheme – Ordinary Account to use their CPF Account savings (“**CPF Funds**”) for the payment of the Issue Price to subscribe for the Rights Shares. Such members who wish to accept the provisional allotments of Rights Shares and (if applicable) apply for excess Rights Shares using CPF Funds will need to instruct their respective approved banks, where they hold their CPF Investment Accounts, to accept and (if applicable) apply for the Rights Shares on their behalf in accordance with this Offer Information Statement. CPF Funds may not, however, be used for the purchase of the provisional allotments of the Rights Shares directly from the market.

Governing Law : Laws of the Republic of Singapore.

The important dates and times for the Rights Issue are as follows:-

Last date and time for splitting : 6 June 2006 at 4.45 p.m.

Last date and time for acceptance and payment* : 9 June 2006 at 4.45 p.m.

Last date and time for renunciation and payment : 9 June 2006 at 4.45 p.m.

Last date and time for excess application and payment* : 9 June 2006 at 4.45 p.m.

* The last date and time for acceptance and/or excess application and payment through an ATM of a Participating Bank is 9 June 2006 at 9.30 p.m.

The terms and conditions of the Rights Issue are set out in this Offer Information Statement.

(f) the particulars of any undertaking from the substantial shareholders or substantial equity interest-holders, as the case may be, of the relevant entity to subscribe for their entitlements; and

(g) if the rights issue is or will not be underwritten, the reason for not underwriting the issue.

As described in paragraph 3 under the section entitled “Key Information” and in paragraph 1 under the section entitled “Additional Information Required For Offer Of Securities By Way Of Rights Issue”, the Company has the discretion, if it decides to do so, to allot and issue the Rights Shares to the Investors up to the aggregate value of the principal sum of S\$6.5 million and interest accrued for the repayment of the Loans as well as to certain creditors of the Group. In addition, the Issue Price is at a discount of approximately 80% to the last transacted price of S\$0.025 per Share on 11 January 2006, being the last trading day of the Shares on the SGX-ST prior to the date of the announcement of the Rights Issue, and a discount of approximately 67% to the last transacted price of S\$0.015 per Share as at the Latest Practicable Date.

For the above reasons, and weighed against the cost of appointing an underwriter to the Rights Issue, the Company has decided to proceed with the Rights Issue on a non-underwritten basis.

As the Rights Issue is not and will not be underwritten, Shareholders are advised to carefully evaluate their individual investment positions and if they are in doubt as to the same, to consult their own financial or other adviser.

DISCLOSURE REQUIREMENTS UNDER APPENDIX 8.2 OF THE LISTING MANUAL

A review of the working capital for the last three (3) financial years and the latest half year, if applicable.

The working capital of the Group for the past three (3) financial years ended 30 June 2005 and for the nine (9) months ended 31 March 2006 are as follows:-

(S\$'000)	←———— Audited —————→			Unaudited As at 31 March 2006
	As at 30 June 2003	As at 30 June 2004	As at 30 June 2005	
Total current assets	52,731	45,062	35,444	29,852
Total current liabilities	40,923	50,620	63,229	72,167
Working capital	11,808	(5,558)	(27,785)	(42,315)

Except for FY2003, the Group has negative working capital for FY2004, FY2005 and FP2006.

A statement by the issue manager that, to the best of its knowledge and belief, the document constitutes full and true disclosure of all material facts about the issue, the issuer and its subsidiaries, and that the issue manager is not aware of any facts the omission of which would make any statement in the document misleading; and where the document contains a profit forecast, that it is satisfied that the profit forecast has been stated by the directors after reasonable enquiry.

The Manager confirms that, having made all reasonable enquiries and to the best of its knowledge and belief, based on the information furnished to it by the Company, this Offer Information Statement constitutes full and true disclosure of all material facts about the Rights Issue, the Company and its subsidiaries, and that it is not aware of any material facts the omission of which would make any statement in this Offer Information Statement misleading in any material respect.

PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

Entitled Depositors are entitled to receive this Offer Information Statement and the ARE, which form part of this Offer Information Statement.

The provisional allotment of Rights Shares is governed by the terms and conditions of this Offer Information Statement and the ARE. The number of Rights Shares provisionally allotted to each Entitled Depositor is indicated in the ARE (fractional entitlements, if any, having been disregarded). The Securities Accounts of Entitled Depositors have been credited by CDP with the number of Rights Shares provisionally allotted to them as indicated in the ARE. Entitled Depositors may accept their provisional allotments of Rights Shares in whole or in part. Full instructions for the acceptance of and payment for the provisional allotment of Rights Shares are set out in this Offer Information Statement and the ARE.

Approval has been obtained from the CPF Board for those of its members participating in its investment scheme (collectively, the “**IS Shareholders**”) to use, subject to applicable CPF rules and regulations, monies standing to the credit of their respective CPF Investment Accounts (the “**CPF Funds**”) to pay for the Rights Shares. IS Shareholders who wish to accept the provisional allotments of Rights Shares and (if applicable) apply for excess Rights Shares using CPF Funds will need to instruct the respective approved banks, where such IS Shareholders hold their CPF Investment Accounts, to accept and (if applicable) apply for the Rights Shares on their behalf in accordance with this Offer Information Statement. CPF Funds may not, however, be used for the purchase of the provisional allotments of Rights Shares directly from the market.

If an Entitled Depositor wishes to accept his provisional allotment of Rights Shares specified in the ARE, in full or in part, and (if applicable) apply for excess Rights Shares, he may do so by completing the relevant portions of the ARE or by way of an Electronic Application (as described below). An Entitled Depositor should ensure that the ARE is accurately and correctly completed, failing which the acceptance of his provisional allotment of Rights Shares and (if applicable) application for excess Rights Shares may be rejected.

Entitled Depositors may accept their provisional allotments of Rights Shares and (if applicable) apply for excess Rights Shares either through CDP or by way of an Electronic Application through an ATM of a Participating Bank.

Unless expressly provided to the contrary in this Offer Information Statement, the ARE or ARS with respect to enforcement against Entitled Depositors or their renounees, a person who is not a party to any contracts made pursuant to this Offer Information Statement, the ARE or ARS has no rights under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore to enforce any term of such contracts. Notwithstanding any term contained herein, the consent of any third party is not required for any subsequent agreement by the parties hereto to amend or vary (including any release or compromise of any liability) or terminate such contracts. Where third parties are conferred rights under such contracts, those rights are not assignable or transferable.

(i) **Acceptance/Application through CDP**

To accept the provisional allotment of Rights Shares and (if applicable) apply for excess Rights Shares through CDP, the duly completed ARE must be accompanied by a **SINGLE REMITTANCE** for the full amount payable for the relevant number of Rights Shares accepted and (if applicable) the excess Rights Shares applied for and submitted by hand to **THE CENTRAL DEPOSITORY (PTE) LIMITED at 4 SHENTON WAY #02-01, SGX CENTRE 2, SINGAPORE 068807** or by post

in the self-addressed envelope provided, at the Entitled Depositor's own risk, to **THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD, P.O. BOX 1597, SINGAPORE 903147** so as to arrive not later than **4.45 p.m. on 9 June 2006** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

The payment must be made in Singapore dollars in the form of a Cashier's Order or Banker's Draft drawn on a bank in Singapore and made payable to "**THE CENTRAL DEPOSITORY (PTE) LIMITED – FHTK RIGHTS ISSUE ACCOUNT**" and crossed "**NOT NEGOTIABLE, A/C PAYEE ONLY**" with the name and Securities Account number of the Entitled Depositor clearly written on the reverse side.

NO COMBINED CASHIER'S ORDER OR BANKER'S DRAFT FOR DIFFERENT SECURITIES ACCOUNTS OR OTHER FORM OF PAYMENT (INCLUDING THE USE OF POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.

(ii) **Acceptance/Application by way of Electronic Application through an ATM of a Participating Bank**

Instructions for Electronic Applications through ATMs to accept the Rights Shares provisionally allotted or (if applicable) to apply for excess Rights Shares will appear on the ATM screens of the respective Participating Banks. Please refer to Appendix B for additional terms and conditions for Electronic Applications through an ATM of a Participating Bank.

An Entitled Depositor may choose to accept his provisional allotment of Rights Shares specified in the ARE in full or in part. An Entitled Depositor who wishes to accept part of his provisional allotment of Rights Shares and trade the balance of his provisional allotment of Rights Shares on the SGX-ST should:-

- (a) complete the ARE for the number of Rights Shares provisionally allotted which he wishes to accept and submit the ARE together with payment in the prescribed manner as described above to CDP; or
- (b) accept and subscribe for that part of his provisional allotment of Rights Shares by way of an Electronic Application in the prescribed manner as described above.

The balance of his provisional allotment of Rights Shares may be sold as soon as dealings therein commence on the SGX-ST.

Entitled Depositors who wish to trade all or part of their provisional allotments of Rights Shares on the SGX-ST during the provisional allotment trading period should note that the provisional allotments of Rights Shares will be tradable in board lots, each board lot comprising a provisional allotment of 1,000 Rights Shares, or any other board lot size which the SGX-ST may require. Such Entitled Depositors may start trading their provisional allotments of Rights Shares as soon as dealings therein commence on the SGX-ST.

The ARE need not be forwarded to the purchasers of the provisional allotments of Rights Shares (the "**Purchasers**") as arrangements will be made by CDP for a separate ARS to be issued to the Purchasers. Purchasers should note that CDP will, on behalf of the Company, send the ARS accompanied by this Offer Information Statement by ordinary post and at the Purchaser's own risk, to their respective Singapore addresses as registered with CDP. Purchasers should ensure that the ARS is accurately and correctly completed, failing which the acceptance of the provisional allotments of Rights Shares may be rejected.

This Offer Information Statement and its accompanying documents will not be despatched to Purchasers whose registered addresses with CDP are not in Singapore (the "**Foreign Purchasers**"). Foreign Purchasers who wish to accept the provisional allotments or Rights Shares credited to their Securities Accounts should make the necessary arrangements with their Depository Agents or stockbrokers in Singapore.

Purchasers who do not receive the ARS accompanied by this Offer Information Statement may obtain the same from CDP, the Share Registrar or any stock broking firm which is a member company of the SGX-ST in Singapore for the period up to the close of the Rights Issue at **4.45 p.m. on 9 June 2006** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

Purchasers should inform their finance companies or Depository Agents if their purchases of such provisional allotments of Rights Shares are settled through the abovementioned intermediaries. In such instances, if Purchasers wish to accept the Rights Shares represented by the provisional allotments purchased, they will need to go through these intermediaries who will then accept the provisional allotments of Rights Shares on their behalf.

As an illustration, if an Entitled Depositor has 1,000 Shares in his Securities Account as at the Books Closure Date, the Entitled Depositor will be provisionally allotted 4,000 Rights Shares in his Securities Account, as set out in his ARE, and the Entitled Depositor's alternative courses of action, and the necessary procedures to be taken under each course of action, are summarised below:-

Alternatives

- (a) Accept his entire provisional allotment of Rights Shares and (if applicable) apply for excess Rights Shares

Procedures to be taken

- (i) Accept his entire provisional allotment of 4,000 Rights Shares and (if applicable) apply for excess Rights Shares by way of an Electronic Application through an ATM of a Participating Bank as described herein not later than **9.30 p.m. on 9 June 2006** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or
- (ii) Complete and sign the ARE in accordance with the instructions contained therein for the full provisional allotment of 4,000 Rights Shares and (if applicable) the number of excess Rights Shares applied for and forward the ARE together with a single remittance for S\$20 (or, if applicable, such higher amount in respect of the total number of Rights Shares accepted and excess Rights Shares applied for) by way of a Cashier's Order or Banker's Draft drawn on a bank in Singapore and made payable to **"THE CENTRAL DEPOSITORY (PTE) LIMITED – FHTK RIGHTS ISSUE ACCOUNT"** and crossed **"NOT NEGOTIABLE, A/C PAYEE ONLY"** to **THE CENTRAL DEPOSITORY (PTE) LIMITED**, by hand at **4 SHENTON WAY #02-01, SGX CENTRE 2, SINGAPORE 068807** or by post at his own risk in the self-addressed envelope provided to **THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD, P.O. BOX 1597, SINGAPORE 903147** so as to arrive not later than **4.45 p.m. on 9 June 2006** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company) and with the name and Securities Account number of the Entitled

Depositor written on the reverse side. **NO COMBINED CASHIER'S ORDER OR BANKER'S DRAFT FOR DIFFERENT SECURITIES ACCOUNTS OR OTHER MODE OF PAYMENT (INCLUDING THE USE OF A POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.**

(b) Accept a portion of his provisional allotment of Rights Shares, for example, his provisional allotment of 1,000 Rights Shares and reject the balance

(i) Accept the provisional allotment of 1,000 Rights Shares by way of an Electronic Application through an ATM of a Participating Bank as described herein not later than **9.30 p.m. on 9 June 2006** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or

(ii) Complete the ARE in accordance with the instructions contained therein for the provisional allotment of 1,000 Rights Shares and forward the ARE together with a single remittance for S\$5 in the prescribed manner described in alternative (a)(ii) above to CDP so as to arrive no later than **4.45 p.m. on 9 June 2006** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

The balance of the provisional allotment of 3,000 Rights Shares which are not accepted by the Entitled Depositor will automatically cease to be available for acceptance by that Entitled Depositor if an acceptance is not made through an ATM of a Participating Bank by **9.30 p.m. on 9 June 2006** or if an acceptance is not made through CDP by **4.45 p.m. on 9 June 2006** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

(c) Accept a portion of his provisional allotment of Rights Shares, for example, his provisional allotment of 1,000 Rights Shares and trade the balance on the SGX-ST

(i) Accept the provisional allotment of 1,000 Rights Shares by way of an Electronic Application through an ATM of a Participating Bank as described herein not later than **9.30 p.m. on 9 June 2006** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or

(ii) Complete the ARE in accordance with the instructions contained therein for the provisional allotment of 1,000 Rights Shares and forward the ARE together with a single remittance for S\$5 in the prescribed manner described in alternative (a)(ii) above to CDP so as to arrive no later than **4.45 p.m. on 9 June 2006** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

The balance of the provisional allotment of the 3,000 Rights Shares may be traded on the SGX-ST during the provisional allotment trading period.

During the provisional allotment trading period, Entitled Depositors should note that the provisional allotments of Rights Shares will be tradable in board lots, each board lot comprising provisional allotments of 1,000 Rights Shares, or any other board lot size which the SGX-ST may require. Entitled Depositors who wish to trade in lot sizes other than mentioned above may do so in the Unit Share Market during the provisional allotment trading period.

If acceptance and payment for the Rights Shares in the prescribed manner as set out in this Offer Information Statement and the ARE/ARS (as the case may be) is not received through CDP by **4.45 p.m. on 9 June 2006** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company) or through an ATM of a Participating Bank by **9.30 p.m. on 9 June 2006** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company) from any Entitled Depositor or Purchaser, the Rights Shares provisionally allotted to that Entitled Depositor or Purchaser shall be deemed to have been declined and shall forthwith lapse and become void. Such provisional allotments of Rights Shares not so accepted by Entitled Depositors or Purchasers will be used to satisfy excess applications (if any) or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company. **If any Entitled Depositor or Purchaser is in any doubt as to the action he should take, he should consult his stockbroker, bank manager, solicitor, accountant or any other professional adviser immediately.**

The excess Rights Shares are available for application subject to the terms and conditions contained in this Offer Information Statement, the ARE and (if applicable) the Memorandum and Articles of Association of the Company. Applications for excess Rights Shares will, at the Directors' absolute discretion, be satisfied from such Rights Shares that are not validly taken up by the Entitled Depositors, the original allottee(s) or their respective renouncee(s) or the Purchaser(s) of the provisional allotments of Rights Shares, together with those from the aggregated fractional entitlements, the unsold "nil-paid" provisional allotments of Rights Shares (if any) of Foreign Shareholders and any Rights Shares that are otherwise not allotted for whatever reason in accordance with the terms and conditions contained in this Offer Information Statement and the ARE. In the event that applications are received by the Company for more excess Rights Shares than are available, the excess Rights Shares available will be allotted in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company. CDP takes no responsibility for any decisions that the Directors may make. The Company reserves the right to refuse any application for excess Rights Shares, in whole or in part, without giving any reason whatsoever therefor.

If no excess Rights Shares are allotted or if the number of excess Rights Shares allotted is less than that applied for, the amount paid on application or the surplus application monies, as the case may be, will be refunded by CDP, on behalf of the Company, to such Entitled Depositors, without interest or any share of revenue or other benefit arising therefrom within 14 days after the Closing Date, by crediting their accounts with the relevant Participating Banks (if they apply by way of an Electronic Application) at their own risk, the receipt by such bank being a good discharge to the CDP, the Company and the Manager for their obligations, if any, hereunder, or by means of a crossed cheque drawn on a bank in Singapore and sent to them at their mailing addresses in Singapore BY ORDINARY POST (if they apply through CDP) at their own risk.

THE FINAL TIME AND DATE FOR ACCEPTANCES AND (IF APPLICABLE) EXCESS APPLICATIONS AND PAYMENT FOR THE RIGHTS SHARES IS:-

- (A) 9.30 P.M. ON 9 JUNE 2006 (OR SUCH OTHER TIME(S) AND/OR DATE(S) AS MAY BE ANNOUNCED FROM TIME TO TIME BY OR ON BEHALF OF THE COMPANY) IF AN ACCEPTANCE AND (IF APPLICABLE) EXCESS RIGHTS SHARES APPLICATION AND PAYMENT IS MADE THROUGH AN ATM OF A PARTICIPATING BANK; OR**
- (B) 4.45 P.M. ON 9 JUNE 2006 (OR SUCH OTHER TIME(S) AND/OR DATE(S) AS MAY BE ANNOUNCED FROM TIME TO TIME BY OR ON BEHALF OF THE COMPANY) IF AN ACCEPTANCE AND (IF APPLICABLE) EXCESS RIGHTS SHARES APPLICATION AND PAYMENT IS MADE THROUGH CDP.**

It should be particularly noted that unless:-

- (i) acceptance and payment in Singapore dollars by Cashier's Order or Banker's Draft drawn on a bank in Singapore and made out in favour of **"THE CENTRAL DEPOSITORY (PTE) LIMITED – FHTK RIGHTS ISSUE ACCOUNT"** and crossed **"NOT NEGOTIABLE, A/C PAYEE ONLY"** for the full amount of the provisionally allotted Rights Shares due on acceptance and with the names and Securities Account numbers of the Entitled Depositors or the Purchasers (as the case may be) clearly written on the reverse side is submitted by hand to **THE CENTRAL DEPOSITORY (PTE) LIMITED AT 4 SHENTON WAY #02-01, SGX CENTRE 2, SINGAPORE 068807** or by post at the Entitled Depositor's or the Purchaser's (as the case may be) own risk, in the self-addressed envelope provided to reach **THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD, P.O. BOX 1597, SINGAPORE 903147** by **4.45 p.m. on 9 June 2006** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or
- (ii) acceptance of the provisionally allotted Rights Shares is made by the Entitled Depositors or the Purchasers (as the case may be) by way of Electronic Applications through the ATM of a Participating Bank and payment of the full amount payable for such Rights Shares is effected by **9.30 p.m. on 9 June 2006** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company),

the provisional allotment of Rights Shares will be deemed to have been declined and shall forthwith lapse and become void. All monies received will be returned to the Entitled Depositors or the Purchasers (as the case may be) without interest or any share of revenue or other benefit arising therefrom, BY ORDINARY POST (where acceptance is through CDP) or by crediting their accounts with the relevant Participating Banks (where acceptance is by way of Electronic Applications through the ATMs of the Participating Banks), and at the Entitled Depositors' or the Purchasers' (as the case may be) own risk within 14 days after the Closing Date.

ACCEPTANCES ACCOMPANIED BY ANY OTHER FORM OF PAYMENT (INCLUDING THE USE OF POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL NOT BE ACCEPTED.

ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATION THROUGH ATMS OF PARTICIPATING BANKS

The procedures for Electronic Applications at ATMs of the Participating Banks are set out on the ATM screens of the relevant Participating Banks (the “**Steps**”). Please read carefully the terms and conditions of this Offer Information Statement, the instructions set out on the ATM screens of the relevant Participating Banks and the terms and conditions for Electronic Applications set out in this Offer Information Statement before making an Electronic Application. An ATM card issued by one Participating Bank cannot be used in respect of the acceptance of and (if applicable) the application for excess Rights Shares at an ATM belonging to other Participating Banks. Any Electronic Application which does not strictly conform to the instructions set out on the screens of the ATM through which the Electronic Application is made will be rejected.

Any reference to the “Applicant” in the terms and conditions for Electronic Applications and the Steps shall mean the Entitled Shareholder or his renounee or the purchaser of the provisional allotment who accepts or (as the case may be) who applies for the Rights Shares through an ATM of the Participating Banks. An Applicant must have an existing bank account with and be an ATM cardholder of one of the Participating Banks before he can make an Electronic Application at the ATM of that Participating Bank.

The actions that the Applicant must take at ATMs of the Participating Banks are set out on the ATM screens of the relevant Participating Banks. Upon the completion of his Electronic Application transaction, the Applicant will receive an ATM transaction slip (the “**Transaction Record**”), confirming the details of his Electronic Application. The Transaction Record is for retention by the Applicant and should not be submitted with any ARE/ARS.

An Applicant, including one who has a joint bank account with a Participating Bank, must ensure that he enters his own Securities Account number when using the ATM card issued to him in his own name. Using his own Securities Account number with an ATM card which is not issued to him in his own name will render his acceptance or (as the case may be) application liable to be rejected.

The Electronic Application shall be made in accordance with, and subject to, the terms and conditions of this Offer Information Statement including but not limited to the terms and conditions appearing below:-

1. In connection with his Electronic Application for the Rights Shares, the Applicant is required to confirm statements to the following effect in the course of activating the ATM for his Electronic Application:-
 - (a) that he has received a copy of this Offer Information Statement and has read, understood and agreed to all the terms and conditions of acceptance of and (if applicable) application for the Rights Shares under the Rights Issue and this Offer Information Statement prior to effecting the Electronic Application and agrees to be bound by the same; and
 - (b) that he consents to the disclosure of his name, NRIC/passport number, address, nationality, CDP Securities Account number, CPF Investment Account number and application details (the “**Relevant Particulars**”) from his account with that Participating Bank to the Share Registrar, Securities Clearing & Computer Services (Pte) Ltd, CDP, CPF Board, the SGX-ST, the Company and the Manager (the “**Relevant Parties**”).

His application will not be successfully completed and cannot be recorded as a completed transaction in the ATM unless he presses the “Enter” or “OK” or “Confirm” or “Yes” key. By doing so, the Applicant shall be treated as signifying his confirmation of each of the two statements above. In respect of statement 1(b) above, his confirmation, by pressing the “Enter” or “OK” or

“Confirm” or “Yes” key shall signify and shall be treated as his written permission, given in accordance with the relevant laws of Singapore including Section 47(2) and the Third Schedule of the Banking Act, Chapter 19 of Singapore, to the disclosure by that Participating Bank of the Relevant Particulars of his account to the Relevant Parties.

2. An Applicant may make an Electronic Application at an ATM of any Participating Bank for the Rights Shares using cash only by authorising such Participating Bank to deduct the full amount payable from his account with such Participating Bank.
3. The Applicant irrevocably agrees and undertakes to subscribe for and to accept the lesser of the number of Rights Shares provisionally allotted and excess Rights Shares applied for as stated on the Transaction Record or the number of Rights Shares standing to the credit of his Securities Account as at the close of the Rights Issue. In the event that the Company decides to allot any lesser number of excess Rights Shares or not to allot any number of excess Rights Shares to the Applicant, the Applicant agrees to accept the decision as final and binding.
4. If the Applicant’s Electronic Application is successful, his confirmation (by his action of pressing the “Enter” or “OK” or “Confirm” or “Yes” key on the ATM) of the number of Rights Shares accepted and (if applicable) excess Rights Shares applied for shall signify and shall be treated as his acceptance of the number of Rights Shares and excess Rights Shares that may be allotted to him.
5. In the event that the Applicant accepts the Rights Shares both by way of ARE and/or ARS and by way of acceptance through Electronic Application through the ATM of a Participating Bank, CDP shall be authorised and entitled to accept the Applicant’s instructions in whichever mode or a combination thereof as it may, in its absolute discretion, deem fit. In determining the number of Rights Shares which the Applicant has validly given instructions to accept, the Applicant shall be deemed to have irrevocably given instructions to accept such number of Rights Shares not exceeding the number of provisionally allotted Rights Shares which are standing to the credit of his Securities Account as at the close of the Rights Issue, and CDP, in determining the number of Rights Shares which the Applicant has validly given instructions to accept, shall be authorised and entitled to have regard to the aggregate amount of payment received for the acceptances of Rights Shares, whether by way of Cashier’s Order or Banker’s Draft drawn on a bank in Singapore accompanying the ARE and/or ARS or by way of the acceptance through Electronic Application through the ATM of a Participating Bank.
6. If applicable, in the event that the Applicant applies for excess Rights Shares both by way of ARE and by way of application through Electronic Application through the ATM of a Participating Bank, CDP shall be authorised and entitled to accept the Applicant’s instructions in whichever mode or a combination thereof as it may, in its absolute discretion, deem fit. In determining the number of excess Rights Shares which the Applicant has validly given instructions for the application of, the Applicant shall be deemed to have irrevocably given instructions to apply for and agreed to accept such number of excess Rights Shares not exceeding the aggregate number of excess Rights Shares for which he has applied by way of application through Electronic Application through the ATM of a Participating Bank and by way of ARE. CDP, in determining the number of excess Rights Shares which the Applicant has given valid instructions for application, shall be authorised and entitled to have regard to the aggregate amount of payment received for the application of the excess Rights Shares, whether by way of Cashier’s Order or Banker’s Draft drawn on a bank in Singapore accompanying the ARE or by way of application through Electronic Application through the ATM of a Participating Bank.
7. The Applicant irrevocably requests and authorises the Company to:-
 - (a) register or procure the registration of the Rights Shares allotted to the Applicant in the name of CDP for deposit into his Securities Account;

- (b) return (without interest or any share of revenue or other benefit arising therefrom) the acceptance/application monies, should his Electronic Application in respect of the Rights Shares accepted and/or excess Rights Shares applied for not be accepted by the Company for any reason, by automatically crediting the Applicant's bank account with his Participating Bank with the relevant amount within 14 days after the Closing Date; and
 - (c) return (without interest or any share of revenue or other benefit arising therefrom) the balance of the application monies, should his Electronic Application for excess Rights Shares be accepted in part only, by automatically crediting the Applicant's bank account with his Participating Bank with the relevant amount within 14 days after the Closing Date.
8. **BY MAKING AN ELECTRONIC APPLICATION, THE APPLICANT CONFIRMS THAT HE IS NOT ACCEPTING/APPLYING FOR THE RIGHTS SHARES AS NOMINEE OF ANY OTHER PERSON.**
 9. The Applicant irrevocably agrees and acknowledges that his Electronic Application is subject to risks of electrical, electronic, technical and computer-related faults and breakdowns, fires, acts of God, mistakes, losses, theft (in each case whether or not within the control of the Company, CDP, the Participating Banks, the Manager or the Share Registrar) and any other events beyond the control of the Company, CDP, the Participating Banks, the Manager or the Share Registrar and if, in any such event, the Company, CDP, the Participating Banks, the Manager or the Share Registrar does not record or receive the Applicant's Electronic Application, or data relating to the Applicant's Electronic Application or the tape containing such data is lost, corrupted, destroyed or not otherwise accessible, whether wholly or partially for whatever reason, the Applicant shall be deemed not to have made an Electronic Application and the Applicant shall have no claim whatsoever against the Company, CDP, the Participating Banks, the Manager or the Share Registrar for the Rights Shares in respect of any purported acceptance thereof and (if applicable) excess application therefor, or for any compensation, loss or damages in connection therewith or in relation thereto.
 10. **Electronic Applications may only be made at the ATMs of the Participating Banks from Mondays to Saturdays between 7.00 a.m. to 9.30 p.m., excluding Public Holidays.**
 11. Electronic Applications shall close at **9.30 p.m. on 9 June 2006** or such other time as the Directors may, in their absolute discretion, deem fit in the interest of the Company.
 12. All particulars of the Applicant in the records of his Participating Bank at the time he makes his Electronic Application shall be deemed to be true and correct and the relevant Participating Bank and the Relevant Parties shall be entitled to rely on the accuracy thereof. If there has been any change in the particulars of the Applicant after the time of the making of his Electronic Application, the Applicant shall promptly notify his Participating Bank.
 13. The Applicant must have sufficient funds in his bank account(s) with his Participating Bank at the time he makes his Electronic Application, failing which his Electronic Application will not be completed. Any Electronic Application made at the ATMs of the Participating Banks which does not strictly conform to the instructions set out on the ATM screens of such Participating Banks will be rejected.
 14. Where an Electronic Application is not accepted, it is expected that the full amount of the acceptance/application monies will be refunded in Singapore dollars (without interest or any share of revenue or other benefit arising therefrom) to the Applicant by being automatically credited to the Applicant's account with the relevant Participating Bank within 14 days of the Closing Date. An Electronic Application may also be accepted in part, in which case the balance amount of acceptance/application monies will be refunded on the same terms.

15. In consideration of the Company arranging for the Electronic Application facility through the ATMs of the Participating Banks and agreeing to close the Rights Issue at **9.30 p.m. on 9 June 2006** or such other time or date as the Directors may, in their absolute discretion, decide, and by making and completing an Electronic Application, the Applicant agrees that:-
- (a) his Electronic Application is irrevocable (whether or not, to the extent permitted by law, any supplementary document or replacement document referred to in Section 241 of the Securities and Futures Act is lodged with the Authority);
 - (b) his Electronic Application, the acceptance by the Company and the contract resulting therefrom shall be governed by, and construed in accordance with, the laws of Singapore and he irrevocably submits to the non-exclusive jurisdiction of the Singapore courts;
 - (c) none of the Company, the Manager, CDP nor the Participating Banks shall be liable for any delays, failures or inaccuracies in the recording, storage or in the transmission or delivery of data relating to his Electronic Application to the Company or CDP due to a breakdown or failure of transmission, delivery or communication facilities or any risks referred to in paragraph 9 above or to any cause beyond their respective controls;
 - (d) he will not be entitled to exercise any remedy of rescission or innocent misrepresentation at any time after acceptance of his provisional allotment of Rights Shares and (if applicable) his application for excess Rights Shares;
 - (e) in respect of the Rights Shares for which his Electronic Application has been successfully completed and not rejected, acceptance of the Applicant's Electronic Application shall be constituted by written notification by or on behalf of the Company and not otherwise, notwithstanding any payment received by or on behalf of the Company; and
 - (f) unless expressly provided to the contrary in this Offer Information Statement or the Electronic Application with respect to enforcement against the Applicant, a person who is not a party to any contracts made pursuant to this Offer Information Statement or the Electronic Application has no rights under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore to enforce any term of such contracts. Notwithstanding any term contained herein, the consent of any third party is not required for any subsequent agreement by the parties hereto to amend or vary (including any release or compromise of any liability) or terminate such contracts. Where third parties are conferred rights under such contracts, those rights are not assignable or transferable.
16. The Applicant should ensure that his personal particulars as recorded by both CDP and the relevant Participating Banks are correct and identical, otherwise his Electronic Application may be liable to be rejected. The Applicant should promptly inform CDP of any change in his address, failing which the notification letter on successful allotment and other correspondence will be sent to his address last registered with CDP.
17. The existence of a trust will not be recognised. Any Electronic Application by a trustee must be made in his own name and without qualification. The Company will reject any application by any person acting as nominee.
18. In the event that the Applicant accepts the provisional allotment of Rights Shares or applies for excess Rights Shares, as the case may be, by way of ARE or by way of Electronic Application through the ATM of a Participating Bank, the provisional allotment of Rights Shares and/or excess Rights Shares will be allotted in such manner as the Company or CDP may, in their absolute discretion, deem fit and the amount paid on acceptance and (if applicable) excess application or the surplus acceptance and (if applicable) excess application monies, as the case may be, will be refunded without interest or any share of revenue or other benefit arising therefrom within 14 days of the Closing Date by any one or a combination of the following:- (a) by means of a crossed cheque sent BY ORDINARY POST at his own risk if he accepts and (if applicable) applies through CDP; and (b) crediting the Applicant's bank account with the Participating Bank at his own risk if he accepts and (if applicable) applies through an ATM.

19. The Applicant hereby acknowledges that, in determining the total number of Rights Shares represented by the provisional allotment of Rights Shares which he can validly accept, the Company, the Manager and CDP are entitled and the Applicant hereby authorises the Company, the Manager and CDP to take into consideration:-
- (a) the total number of Rights Shares represented by the provisional allotment of Rights Shares which the Applicant has validly accepted, whether under the ARE(s) or any other form of application (including Electronic Application through the ATM) for the Rights Shares;
 - (b) the total number of Rights Shares represented by the provisional allotment standing to the credit of the Applicant's Securities Account which is available for acceptance; and
 - (c) the total number of Rights Shares represented by the provisional allotment of Rights Shares which has been disposed of by the Applicant.

The Applicant hereby acknowledges that the determination of CDP, the Company and the Manager shall be conclusive and binding on him.

20. The Applicant irrevocably requests and authorises CDP to accept instructions from the Participating Bank through whom the Electronic Application is made in respect of the provisional allotment of Rights Shares accepted by the Applicant and (if applicable) the excess Rights Shares which the Applicant has applied for.

PROCEDURES FOR ACCEPTANCE, PAYMENT, SPLITTING, RENUNCIATION AND EXCESS APPLICATION BY ENTITLED SCRIPHOLDERS

Entitled Scripholders are entitled to receive this Offer Information Statement with the following documents which are enclosed with, and are deemed to constitute a part of, this Offer Information Statement.

Renounceable PAL incorporating:-

Form of Acceptance	Form A
Request for Splitting	Form B
Form of Renunciation	Form C
Form of Nomination	Form D
Excess Rights Shares Application Form	Form E

The provisional allotment of the Rights Shares is governed by the terms and conditions of this Offer Information Statement and the PAL and (if applicable) the Memorandum and Articles of Association of the Company. The number of Rights Shares provisionally allotted to Entitled Scripholders is indicated in the PAL (fractional entitlements, if any, having been disregarded). Entitled Scripholders may accept their provisional allotments of Rights Shares, in full or in part, and are eligible to apply for Rights Shares in excess of their entitlements under the Rights Issue. Full instructions for the acceptance of and payment for the Rights Shares provisionally allotted to Entitled Scripholders and the procedures to be adopted should they wish to renounce, transfer or split their provisional allotments are set out in the PAL.

Entitled Scripholders should note that all dealings in and transactions of the provisional allotments of Rights Shares through the SGX-ST will be effected under the book-entry (scripless) settlement system. Accordingly, the PAL will not be valid for delivery pursuant to trades done on the SGX-ST.

Unless expressly provided to the contrary in this Offer Information Statement and/or the PAL, a person who is not a party to the PAL and/or this Offer Information Statement has no rights under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore, to enforce any term of such contracts. Notwithstanding any term contained herein, the consent of any third party is not required for any subsequent agreement by the parties hereto to amend or vary (including any release or compromise of any liability) or terminate such contracts. Where third parties are conferred rights under such contracts, those rights are not assignable or transferable.

Entitled Scripholders who wish to accept their entire provisional allotments of Rights Shares or to accept any part of it and decline the balance, should complete the Form of Acceptance (Form A) for the number of Rights Shares which they wish to accept and forward, at the sender's own risk, the PAL in its entirety together with payment in the prescribed manner to **FHTK HOLDINGS LTD C/O THE SHARE REGISTRAR, B.A.C.S. PRIVATE LIMITED, 63 CANTONMENT ROAD, SINGAPORE 089758** so as to arrive not later than **4.45 p.m. on 9 June 2006**.

Entitled Scripholders who wish to accept a portion of their provisional allotments of Rights Shares and renounce the balance of their provisional allotments of Rights Shares, or who wish to renounce all or part of their provisional allotments of Rights Shares in favour of more than one person, should first, using the Request for Splitting (Form B), request to have their provisional allotments of Rights Shares under the PAL split into separate PALs (the "**Split Letters**") according to their requirements. The duly completed Form B together with the PAL in its entirety should be returned to reach the Share Registrar not later than **4.45 p.m. on 6 June 2006**. Split Letters will then be issued to Entitled Scripholders in accordance with their requests. No Split Letters will be issued to Entitled Scripholders if the Form B is received after **4.45 p.m. on 6 June 2006**.

The Split Letters representing the number of Rights Shares which Entitled Scripholders intend to renounce, may be renounced by completing the Form for Renunciation (Form C) before delivery to the renounee. Entitled Scripholders should complete Form A of the Split Letter(s) representing that part of their provisional allotments of Rights Shares they intend to accept, if any, and forward the said Split Letter(s) together with payment in the prescribed manner to the Share Registrar so as to arrive not later than **4.45 p.m. on 6 June 2006**.

Entitled Scripholders who wish to renounce their entire provisional allotments of Rights Shares in favour of one person, or renounce any part of it in favour of one person and decline the balance, should complete Form C for the number of provisional allotments of Rights Shares which they wish to renounce and deliver the PAL in its entirety to the renounees. Payment in relation to PALs must be made in Singapore dollars in the form of a Cashier's Order or Banker's Draft drawn on a bank in Singapore and made payable to "**FHTK RIGHTS ISSUE ACCOUNT**" and crossed "**NOT NEGOTIABLE, A/C PAYEE ONLY**" with the name and address of the Entitled Scripholder or acceptor clearly written in block letters on the reverse side of the remittance. The completed PAL and payment should be addressed and forwarded, at the sender's own risk, to **FHTK HOLDINGS LTD C/O THE SHARE REGISTRAR, B.A.C.S. PRIVATE LIMITED, 63 CANTONMENT ROAD, SINGAPORE 089758** so as to arrive not later than **4.45 p.m. on 9 June 2006**. **NO OTHER FORM OF PAYMENT (INCLUDING THE USE OF POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.**

If acceptance and payment in the prescribed manner as set out in the PAL is not received by **4.45 p.m. on 9 June 2006**, the provisional allotments of Rights Shares will be deemed to have been declined and such provisional allotments not so accepted will be used to satisfy excess applications, if any, or disposed of or dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company. The Company will return all unsuccessful application monies received in connection therewith by ORDINARY POST and at the risk of the Entitled Scripholders or their renounee(s), as the case may be, without interest or share of revenue or benefit arising therefrom within 14 days after the close of the Rights Issue.

Entitled Scripholders who wish to apply for excess Rights Shares in addition to those which have been provisionally allotted to them may do so by completing the Excess Rights Shares Application Form (Form E) and forwarding it with a **separate remittance** for the full amount payable in respect of the excess Rights Shares applied for in the form and manner set out above, at their own risk, to **FHTK HOLDINGS LTD C/O THE SHARE REGISTRAR, B.A.C.S. PRIVATE LIMITED, 63 CANTONMENT ROAD, SINGAPORE 089758** so as to arrive not later than **4.45 p.m. on 9 June 2006**. **NO OTHER FORM OF PAYMENT (INCLUDING THE USE OF POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.**

The excess Rights Shares are available for application subject to the terms and conditions contained in the PAL, Form E, this Offer Information Statement and (if applicable) the Memorandum and Articles of Association of the Company. Applications for excess Rights Shares will, at the Directors' absolute discretion, be satisfied from such Rights Shares not validly taken up by the Entitled Scripholders, the original allottee(s) or their respective renounee(s) or the Purchaser(s) of the provisional allotments of Rights Shares, together with the aggregated fractional entitlements to the Rights Shares, the unsold "nil-paid" provisional allotments of Rights Shares (if any) of Foreign Shareholders and any Rights Shares that are otherwise not allotted for whatever reasons in accordance with the terms and conditions contained in the PAL, Form E, this Offer Information Statement and (if applicable) the Memorandum and Articles of Association of the Company. In the event that applications are received by the Company for more excess Rights Shares than are available, the excess Rights Shares available will be allotted in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company. The Company reserves the right to allot the excess Rights Shares applied for under Form E in any manner as the Directors may deem fit and to refuse, in whole or in part, any application for excess Rights Shares without assigning any reason whatsoever.

If no excess Rights Shares are allotted to Entitled Scripholders or if the number of excess Rights Shares allotted to them is less than that applied for, it is expected that the amount paid on application or the surplus application monies, as the case may be, will be returned to them by the Company without interest or any share of revenue or other benefit arising therefrom within 14 days of the close of the Rights Issue at **4.45 p.m. on 9 June 2006** BY ORDINARY POST at their own risk.

No acknowledgements or receipts will be issued in respect of any acceptances, remittances or applications.

Entitled Scripholders who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

THE FINAL TIME AND DATE OF ACCEPTANCE AND/OR APPLICATIONS AND PAYMENT FOR THE RIGHTS ISSUE IS 4.45 P.M. ON 9 JUNE 2006 (OR SUCH OTHER TIME(S) AND/OR DATE(S) AS MAY BE ANNOUNCED FROM TIME TO TIME BY OR ON BEHALF OF THE COMPANY).

LIST OF THE PARTICIPATING BANKS

PARTICIPATING BANKS FOR ELECTRONIC APPLICATIONS THROUGH AN ATM

DBS Bank Ltd (including POSB)

Oversea-Chinese Banking Corporation Limited

United Overseas Bank Limited and its subsidiary, Far Eastern Bank Limited

The Directors collectively and individually accept responsibility for the accuracy of the information given in this Offer Information Statement and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, the facts stated and opinions expressed in this Offer Information Statement are fair and accurate in all material respects as at the date of this Offer Information Statement and there are no material facts the omission of which would make any statement in this Offer Information Statement misleading in any material respect. Where information has been extracted or reproduced from published or otherwise publicly available sources, the sole responsibility of the Directors has been to ensure through reasonable enquiries that such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this Offer Information Statement.

For and on behalf of **FHTK HOLDINGS LTD**

Lee Ying Cheun

Ee Tai Ting

Lim Soo Peng

Manuel J Sanchez Ortega

Chee Wai Pong

Lim How Teck