

**AVAPLAS LTD**

(Company Registration No : 199301788C)

**ACQUISITION OF REMAINING SHARES IN ASSOCIATED COMPANY**

Further to the announcement dated 23 June 2005 on the acquisition of 300,000 ordinary shares of Thai Baht (“THB”) 100 par value each (“Sale Shares”) it does not already own in the capital of Avaplas Nypro (Thailand) Limited (“Avaplas Thailand”) from Nypro Singapore, the Board of Avaplas Ltd (“Avaplas” or “the Company”) wishes to provide additional information on the net tangible assets of value (“NTA”) and net book value of the Sale Shares.

Based on the unaudited accounts of Avaplas Thailand as at 31 March 2005, the net tangible assets and net book value of assets attributable from the acquisition of the 50% interest in Avaplas Thailand is approximately S\$870,429. The purchase consideration of S\$1,475,000, which represents a premium of approximately \$604,571, was negotiated at arm’s length on a “willing buyer and willing seller” basis, taking into consideration, *inter alia*, the net asset value, the financial operating performance and the strategic fit between the Company and Avaplas Thailand’s operations.

By Order of the Board

Chuang Sheue Ling and Tan Ching Chek  
Joint Company Secretaries  
Dated: 24 June 2005