



AVAPLAS LTD

**PRIVATE PLACEMENT OF SHARES BY CONTROLLING SHAREHOLDER TO
COMPLY WITH PUBLIC FLOAT REQUIREMENT**

The Board of Directors of Avaplas Ltd (the "**Company**") wishes to inform shareholders that ARRK Corporation ("**ARRK**"), a controlling shareholder of the Company, has notified the Company that it has placed out, through placement agent DBS Vickers Securities (Singapore) Pte Ltd, an aggregate of 12,635,000 issued ordinary shares of S\$0.05 each in the capital of the Company ("**Shares**"), representing approximately 5.11% of the total existing issued share capital of the Company, to members of the public (as defined in the Listing Manual of the Singapore Exchange Securities Trading Limited ("**SGX-ST**")).

Following the aforesaid placement:-

- (i) the number of Shares held by ARRK has been reduced from 145,101,146 Shares, representing approximately 58.66% of the total existing issued share capital of the Company to 132,466,146 Shares, representing approximately 53.56% of the total existing issued share capital of the Company;
- (ii) the percentage of Shares in the hands of the public (as defined in the SGX-ST Listing Manual) has been increased from approximately 5.32% to approximately 10.43%; and
- (iii) the number and percentage of Shares held by the chief executive officer, directors, substantial shareholders and controlling shareholders of the Company and their respective associates are now as follows:-

Name of non-public shareholder	Direct Interest		Indirect Interest	
	No. of Shares	% of Shares	No. of Shares	% of Shares
ARRK	132,466,146	53.56%	0	0%
Boone Quek Howe Sear	89,036,792*	35.99%	0	0%
Wong Vee Tong	50,000	0.02%	0	0%
Total	221,552,938	89.57%	0	0%

* Note: Includes 862,000 Shares (or 0.35%) held in the name of Citibank Nominees (S) Pte Ltd.

As the minimum 10% public float requirement under Rule 723 of the SGX-ST Listing Manual has been met following the aforesaid placement, the suspension of trading of the Shares on the SGX-ST will be lifted with effect from 2.00 p.m. on 28 June 2004.

The Company confirms that it will monitor its public float on a continuous basis in accordance with the SGX-ST Listing Manual.

By Order of the Board

Chuang Sheue Ling and Tan Ching Chek
Joint Company Secretaries
Dated : 28 June 2004

Submitted by Tan Ching Chek, Company Secretary on 28/06/2004 to the SGX