



INNO-PACIFIC HOLDINGS LTD
(Incorporated in the Republic of Singapore)
Company Registration No. 197301788K

PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE OF SHARES WITH WARRANTS

The Company refers to the announcement made on 13 August 2007 in respect of the proposed renounceable non-underwritten rights issue of up to 1,032,372,966 new ordinary shares in the capital of the Company (the "Rights Shares") at an issue price of S\$0.035 for each Rights Shares with up to 516,186,483 free detachable warrants (the "Warrants"), each Warrant carrying the right to subscribe for one (1) new ordinary share in the capital of the Company (the "New Share") at an exercise price of S\$0.05 for each Warrant, on the basis of two (2) Rights Shares with one (1) free detachable Warrant for every one (1) existing ordinary share (the "Share") in the capital of the Company held by shareholders of the Company (the "Shareholders") as at a time and date to be determined by the Directors, fractional entitlements to be disregarded (the "Rights Shares cum Warrants Issue").

The Board of Directors of the Company is pleased to announce that the Company has received an irrevocable undertaking (the "Undertaking") dated 23 August 2007 from one of its shareholders, Mdm Lim Siew Hooi (the "Undertaking Shareholder").

The Undertaking Shareholder has undertaken to the Company to, *inter alia*:-

- (a) to subscribe in full for her entitlements of the Rights Shares under the Rights Shares cum Warrants Issue which comprise 24 million Rights Shares and 12 million Warrants based on her current shareholding in the Company; and
- (b) in the event that the Rights Shares cum Warrants Issue is not fully subscribed, to subscribe, by way of excess application, for such number of additional Rights Shares that when aggregated with her current shareholdings and her entitlements to the Rights Shares with Warrants shall not exceed 20% (rounded up to the nearest 1,000 Shares, fractional entitlements to be disregarded) of the resultant enlarged issued share capital of the Company after the Rights Shares cum Warrants Issue.

As at the date of this announcement, the Undertaking Shareholder holds 12 million Shares, representing approximately 2.32% of the existing issued share capital of the Company.

By Order of the Board

Wong Chin Yong
Managing Director
24 August 2007