



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

VARIATION TO THE PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE OF SHARES WITH WARRANTS

On 13 August 2007, the Board of Directors of Inno-Pacific Holdings Ltd (the "Company") announced that the Company was proposing a 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 (the "Issue Price") for each Rights Share 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 (the "Exercise Price") for each New Share, on the basis of two (2) Rights Shares with one (1) free detachable Warrant for every one (1) existing ordinary share ("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 for the purpose of determining the entitlements of Shareholders under the Rights Issue (the "Books Closure Date"), fractional entitlements to be disregarded (the "Rights Shares cum Warrants Issue").

The Rights Shares cum Warrants Issue as set out above would not be in compliance with Rule 825 of the Listing Manual in that the number of Warrants would be more than 50% of the existing issued share capital of the Company.

To comply with Rule 825 of the Listing Manual, the Board of Directors of the Company propose to vary the Rights Shares cum Warrants Issue as follows:-

"Proposed renounceable non-underwritten rights issue (the "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 (the "Issue Price") for each Rights Share with up to 258,093,241 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\$0.025 (the "Exercise Price") for each New Share, on the basis of two (2) Rights Shares for every one (1) existing ordinary share ("Share") in the capital of the Company held by shareholders of the Company as at a time and date to be determined by the Directors for the purpose of determining the entitlements of Shareholders under the Rights Shares cum Warrants Issue (the "Books Closure Date"), and one (1) free Warrant for every four (4) Rights Shares subscribed, fractional entitlements to be disregarded (the "Rights Shares cum Warrants Issue")."

All other terms of the Rights Shares cum Warrants Issue as set out in the announcement dated 13 August 2007 remains unchanged.

By Order of the Board

Wong Chin Yong
Managing Director

6 September 2007