

TRI-M TECHNOLOGIES (S) LIMITED

(Company Registration No.: 198701138Z)

CLARIFICATION ON BUSINESS TIMES ARTICLE DATED 29 APRIL 2008

The Board of Directors (the "Board") of Tri-M Technologies (S) Limited (the "Company") refers to the article in the Business Times on 29 April 2008, copy of which is attached, and the following announcements released on 14, 19, 25 and 26 March 2008 and 3 and 8 April 2008 regarding the following matters:-

- (a) The proposed acquisition of all the ordinary shares of Kingworld Resources Limited ("Kingworld"), a company incorporated in the British Virgin Islands which will be engaged in the business of exploration and production of crude oil in Songliao Basin, Jilin Province, the People's Republic of China ("PRC");
- (b) The proposed placement of up to 40,000,000 new ordinary shares in the capital of the Company—approval in-principal from SGX-ST;
- (c) The completion of the placement;
- (d) The notifications of change of interest by the substantial shareholders; and
- (e) The usage of placement proceeds.

The Board wishes to provide the following clarifications on the above matters:-

- (a) The Company is making plans to diversify from its traditional business of printed circuit board assembly and related accessories into the oil and gas sector through the proposed acquisition of Kingworld.
- (b) Although there is no synergy between the Company's existing electronics business and the new venture of Kingworld, the Board expects the new business (subject to the completion of the proposed acquisition) to create a new revenue stream for the Company and improve the financial condition of the Company, barring any unforeseen circumstances.
- (c) Further to the execution of the non-binding memorandum of understanding relating to the proposed acquisition, the Company expects to negotiate on and enter into a definitive sale and purchase agreement, which will be subject to shareholders' approval amongst other conditions, after the completion of the valuation report and the technical feasibility report and the Board's consideration thereof, within the next two to three months.
- (d) The Company also expects to seek further financing and/or other fund raising activities after the proposed acquisition, since the infrastructure and other project costs for a project of this size typically costs S\$30 million to S\$50 million.
- (e) Meanwhile the Board remains cautious on the outlook for the electronics business. The Group aims to reduce losses in its existing electronics business following the closure of a loss-making plant in Shenzhen, PRC, as announced on 5 December 2007, and by tightening cost controls.
- (f) However, at present, the Group is not expected to discontinue its electronics contract manufacturing business. Going forward, the Group is looking at the manufacture of electronic automotive gadgets, mainly for the European market, as a potential new business segment.

In view of the above developments, the Board is striving to improve its financial situation and for the removal of the Company from the Watch-List of the Singapore Securities Exchange Trading Limited, on which the Company was placed on 5 March 2008.

Shareholders and potential investors should note that the proposed acquisition will be subject to the fulfilment of, *inter alia*, the conditions to be set out in the abovementioned definitive sale and purchase agreement, including the obtaining of the relevant regulatory approvals (where required), and accordingly should exercise caution when trading in the shares. Persons who are in doubt as to the action they should take should consult their legal, financial, tax or other professional advisers. Further announcements will be made by the Company as and when appropriate.

BY ORDER OF THE BOARD

Foo Sac Phoon
Chief Executive Officer & Executive Director

29 April 2008