

Proposed Restructuring and additional investment in Xiamen Maidiken Science and Technology Co Ltd ('XMST')

Type : Announcement

Subject : 1. APEX PHARMACY INTERNATIONAL SDN BHD

(i) SALE AND PURCHASE AGREEMENT

2. APEX HEALTHCARE BERHAD

(i) RESTRUCTURING OF INVESTMENT IN XIAMEN MAIDIKEN SCIENCE AND TECHNOLOGY CO LTD; AND

(ii) SUBSCRIPTION AGREEMENT

Contents: The Board of Directors of Apex Healthcare Berhad ("AHB" or "the Company") wishes to announce the variation to the Subscription Agreement dated 13th August 2008 between the Company, First SGC Pte Ltd and Enlove Pte Ltd and the completion of the restructuring and additional investment in Xiamen Maidiken Science and Technology Co Ltd as announced on 13th August 2008.

Announcement Details :

Introduction

Reference is made to the announcements of Apex Healthcare Berhad ("AHB") dated 13th August 2008 in respect of the proposed restructuring and additional investment in Xiamen Maidiken Science and Technology Co Ltd ("XMST").

Variation to Subscription Agreement

On 13th August 2008, AHB had entered into a Subscription Agreement with First SGC Pte Ltd ("FSGC") and Enlove Pte Ltd ("EPL") for the subscription of 1,380,000 shares in the capital of FSGC at the subscription price of SGD2,849,280 (equivalent to approximately RM 6,400,000). FSGC will then by agreement invest RMB 13,300,000 (approximately RM 6,400,000) in XMST.

Upon the completion of the Sale and Purchase Agreement between FSGC and Apex Pharmacy International Sdn Bhd and the additional investment in XMST by FSGC, FSGC will become the registered owner of 49% of the enlarged capital of XMST.

Due to the strengthening of the Chinese Yuan ("RMB") against the Singapore Dollar ("SGD") since 13th August 2008, and in order for FSGC to invest RMB 13,300,000 in XMST, the parties have agreed to vary the Subscription Agreement. A supplemental subscription agreement was entered into by the parties to accommodate the above changes on 25th September 2008.

AHB will now subscribe for 1,385,000 shares in FSGC for a consideration of SGD 2,767,000. At the conclusion of the exercise, AHB will hold 2,445,000 shares in FSGC, representing 66.1% of the issued and paid up capital of the company. EPL will hold 1,255,000 shares of FSGC, representing 33.9% of the issued and paid up capital of the company.

Completion

Apart from this variation, the Board of Directors of AHB is pleased to announce that upon the fulfillment of all the conditions precedent as stipulated in the aforesaid announcements, the restructuring and additional investment in XMST is completed on 25th September 2008.

This announcement is dated 25th September 2008.