PRE-CONDITIONAL VOLUNTARY OFFER

BY

MUFG

MITSUBISHI UFJ SECURITIES (SINGAPORE), LIMITED
(Company Registration No. 198502290M)
(Incorporated in the Republic of Singapore)

for and on behalf of

Apex-Pal International Ltd.

APEX-PAL INTERNATIONAL LTD.
(Company Registration No. 199604816E)
(Incorporated in the Republic of Singapore)

For

Thai Village Holdings Ltd

THAI VILLAGE HOLDINGS LTD
(Company Registration No. 199905141N)
(Incorporated in the Republic of Singapore)

1. INTRODUCTION

Mitsubishi UFJ Securities (Singapore), Limited ("**MUSS**") wishes to announce, for and on behalf of Apex-Pal International Ltd (the "**Offeror**" or "**API**"), that, subject to the fulfilment or waiver of the Pre-Conditions (defined below) as referred to in Section 2 below, the Offeror intends to make a voluntary conditional offer (the "**Offer**") for all the issued ordinary shares (the "**TV Shares**") in the share capital of Thai Village Holdings Ltd ("**TV**"), other than those already owned, controlled or agreed to be acquired by the Offeror, its subsidiaries or their respective nominees as the date of the Offer.

The Offer will not be made unless and until the Pre-Conditions (defined below) are fulfilled or waived. Accordingly, all references to the Offer in this Announcement refer to the possible Offer which will only be made if and when such Pre-Conditions (defined below) are fulfilled or waived.

2. PRE-CONDITIONS

The making of the Offer is pre-conditional upon the following (the "**Pre-Conditions**") being fulfilled or waived:-

2.1 API Shareholders' Approval

All resolutions as may be necessary or incidental to approve the Offer and the issue of New API Shares (defined below) pursuant to the Offer having been passed at a general meeting (the "**API EGM**") of shareholders of API ("**API Shareholders**") or any adjournment thereof.

In connection with the above, it should be noted as follows:-

(a) As at the date of this Announcement, API intends to seek API Shareholders' approval at the API EGM for the Offer to be made on the terms set out in Section 3 below (the "**Mandated Offer Terms**").

(b) **API WILL ONLY MAKE THE OFFER ON THE MANDATED OFFER TERMS (IF APPROVED BY API SHAREHOLDERS AT THE API EGM).** As such, the Offer will not be made if The Singapore Code on Take-overs and Mergers (the "**Code**") requires that the terms of any Offer must be better than the Mandated Offer Terms (as such an Offer would be beyond the scope of the approval given by API Shareholders at the API EGM).

Douglas Foo, who in aggregate owns approximately 62.54% of the total issued share capital of API as at the date of this Announcement, has given an irrevocable undertaking to API to vote in favour of the Offer at the API EGM in respect of his entire shareholdings in API.

2.2 Listing Approval

The SGX-ST having granted its approval in-principle for the listing of and quotation for the New API Shares (defined below) on the Official List of SGX-ST Dealing and Automated Quotation System ("**SGX-SESDAQ**").

If and when the Pre-Conditions are fulfilled or waived, MUSS, for and on behalf of the Offeror, will announce the firm intention on the part of the Offeror to make the Offer (the "**Offer Announcement**"). The Offer document ("**Offer Document**"), to be issued by MUSS for and on behalf of the Offeror in connection with the Offer, containing the terms and conditions of the Offer will be despatched to the TV shareholders not earlier than 14 days and not later than 21 days from the date of the Offer Announcement. However, if any of the Pre-Conditions is not fulfilled or waived, the Offer will not be made and MUSS will issue an announcement confirming that fact as soon as reasonably practicable,

3. THE OFFER

3.1 Offer Terms

Subject to the fulfilment or waiver of the Pre-Conditions, the Offeror will make the Offer subject to and upon the following principal terms and conditions:-

3.1.1 The Offeror will make the Offer for all the TV Shares not already owned, controlled or agreed to be acquired by the Offeror, its subsidiaries or their respective nominees as the date of the Offer (the "**Offer Shares**"), in accordance with Rule 15 of the Code, and subject to the terms and conditions to be set out in the Offer Document.

3.1.2 The Offer will be made on the following basis:-

(a) For each Offer Share, at 0.2 new ordinary shares in the share capital of API ("**New API Shares**") and S$0.134 payable in cash (the "**Share-Cash Consideration**"); or

(b) For each Offer Share, at S$0.201 payable in cash (the "**Cash Consideration**").

As at the date of this Announcement, Lee Tong Soon, Kok Nyong Patt, Lee Tong Kuon and Tee Yih Jia Food Manufacturing Pte Ltd ("**TV Major Shareholders**") respectively hold 11.32%, 10.98%, 10.71% and 4.79% of the shares in the share capital of TV. As at the date of this Announcement, the TV Major Shareholders have each given an irrevocable undertaking to API that they are the legal and beneficial owners of their respective shareholdings in TV. A TV Major Shareholder shall accept the Offer on the basis of, for each Offer Share, 0.6 New API Shares (the "**Consideration Shares**"). Each of the TV Major Shareholders has also undertaken to API that they will not, for a period of six months commencing from the date of completion of the Offer, transfer, assign or dispose of any part of the Consideration Shares.

A shareholder of TV not being a TV Major Shareholder ("**TV Shareholder**") who accepts the Offer shall have, in relation to each Offer Share, the right to elect to receive the Share-Cash Consideration or the Cash Consideration.

Fractions of a New API Share will not be issued to any TV Shareholder who accepts the Offer and fractional entitlements will be disregarded.

By way of illustration, a TV Shareholder who accepts the Offer and elects to receive the Share-Cash Consideration will receive, for every 1,000 Offer Shares tendered in acceptance of the Offer, 200 New API Shares and S$134 and a TV Shareholder who accepts the Offer and elects to receive the Cash Consideration will receive, for every 1,000 Offer Shares tendered in acceptance of the Offer, S$201 in cash.

3.1.3 The Offer will also be extended, on the same terms and conditions, to holders of all the issued TV Shares owned, controlled or agreed to be acquired by parties acting or deemed to be acting in concert with the Offeror in connection with the Offer (other than subsidiaries of the Offeror and their respective nominees).

3.1.4 The Offer Shares are to be acquired fully-paid and free from all liens, charges, pledges and other encumbrances and together with all rights, benefits and entitlements attached thereto as at the date of this Announcement and hereafter attaching thereto, including the right to all dividends, rights and other distributions (if any) declared, made or paid thereon on or after the date of this Announcement.

3.1.5 Pursuant to the Offer and based on the terms of the Offer as at the date of this Announcement, the Offeror will issue up to 73,384,810 new API shares ("**New API Shares**"), representing approximately 34.07% of the enlarged issued share capital of 215,384,810 shares of the Offeror (assuming full acceptance of the Offer and full election of the API Share Consideration). The New API Shares will, on issue, be credited as fully-paid and will rank pari passu in all respects with the then existing API shares as at the date of their issue. An application will be made to the Singapore Exchange Securities Trading Limited ("**SGX-ST**") for listing of and quotation for the New API Shares on the Official List of SGX-SESDAQ.

3.2 Conditional Offer

The Offer, if made, will be conditional upon the Offeror having received, by the close of the Offer, valid acceptances in respect of such number of Offer Shares which, when taken together with the TV Shares owned, controlled or agreed to be acquired by the Offeror and parties acting in concert with it (either before or during the Offer and pursuant to the Offer or otherwise), will result in the Offeror and parties acting in concert with it holding such number of TV Shares carrying more than 50% of the voting rights attributable to the issued share capital of TV as at the close of the Offer.

Accordingly, the Offer will not become or be capable of being declared unconditional as to acceptances until the close of the Offer, unless at any time prior to the close of the Offer, the Offeror has received valid acceptances in respect of such number of Offer Shares which, when taken together with the TV Shares owned, controlled or agreed to be acquired by the Offeror and parties acting in concert with it (either before or during the Offer and pursuant to the Offer or otherwise), will result in the Offeror and parties acting in concert with it holding such number of TV Shares carrying more than 50% of the issued share capital of TV.

As at the date of this Announcement, the Offeror does not own any TV Shares. Each of Lee Tong Soon, Kok Nyong Patt, Lee Tong Kuon and Tee Yih Jia Food Manufacturing Pte Ltd has given an irrevocable undertaking to API (**"Undertakings"**) to accept the Offer, if made, in respect of their entire shareholding in TV, and this comprises 78,551,676 Offer Shares (**"Undertaken TV Shares"**) representing approximately 37.80% of the total issued share capital of TV as at the date of this Announcement. Please refer to Section 5 below for further information on the Undertaking.

3.3 Overseas Shareholders

The making of the Offer to TV Shareholders whose addresses are outside Singapore as shown in the register of members of TV or, as the case may be, in the records of The Central Depository (Pte) Limited (**"Overseas Shareholders"**) may be affected by the laws of the relevant overseas jurisdictions. Accordingly, Overseas Shareholders should inform themselves about and observe any applicable legal requirements. Further details in relation to Overseas Shareholders will be contained in the Offer Document.

Where there are potential restrictions on sending the Offer Document and the appropriate form(s) of acceptance to any overseas jurisdiction, the Offeror and MUSS each reserves the right not to send the Offer Document and the appropriate form(s) of acceptance to such overseas jurisdictions. Any affected Overseas Shareholder may, nonetheless, obtain a copy of the Offer Document and the appropriate form(s) of acceptance from the office of TV's share registrar, Lim Associates (Pte) Ltd, at 3 Church Street, #08-01, Samsung Hub, Singapore 049483. Alternatively, an Overseas Shareholder may write to Lim Associates (Pte) Ltd to request that the Offer Document and the appropriate form(s) of acceptance be sent to an address in Singapore by ordinary post at his own risk.

4. VALUE COMPARISONS

4.1 The Share-Cash Consideration, based on the last transacted price per share in the share capital of API ("**API Share**") of S$0.335 as at 5 January 2007, values each Offer Share at S$0.201. Together with the Cash Consideration of S$0.201 for each Offer Share, this represents:-

4.1.1 a discount of 1.95% over the last transacted price per TV Share on SGX-ST of S$0.205 as at 8 January 2007, being the last active full trading day of the TV Shares on SGX-ST prior to the date of this Announcement;

4.1.2 a premium of approximately 31.37% above the volume weighted average prices of TV Share on SGX-ST of S$0.153 over the last 1-month period prior to the date of this Announcement;

4.1.3 a premium of approximately 59.52% above the volume weighted average prices of TV Share on SGX-ST of S$0.126 over the last 3-month period prior to the date of this Announcement;

4.1.4 a premium of approximately 64.75% over the volume weighted average prices of TV Share on SGX-ST of S$0.122 over the last 6-month period prior to the date of this Announcement; and

4.1.5 a premium of approximately 45.65% over the volume weighted average prices of TV Share on SGX-ST of S$0.138 over the last 12-month period prior to the date of this Announcement; and

4.1.6 a premium of approximately 97.86% above the audited net tangible asset value per TV Share as at 30 September 2006.

4.2 The Consideration Shares to be issued to the TV Major Shareholders, based on the last transaction price per API Share of S$0.335 as at 5 January 2007, values each Offer Share at approximately S$0.201.

5. IRREVOCABLE UNDERTAKINGS

As at the date of this Announcement, the Offeror has received the following irrevocable undertakings to accept the Offer in respect of the following number of TV Shares (representing their respective entire shareholding in TV as at the date of this Announcement):-

Name of Shareholder	No. of Undertaken TV Shares	Percentage of total issued share capital of TV as at the date of this Announcement (%)
Lee Tong Soon	23,528,226	11.32
Kok Nyong Patt	22,815,225	10.98
Lee Tong Kuon	22,252,725	10.71
Tee Yih Jia Food Manufacturing Pte Ltd	9,955,500	4.79
Total	78,551,676	37.80

The said undertakings are irrevocable irrespective of whether any other offers are made for the Undertaken TV Shares, and the terms of such other offers. The TV Major Shareholders have also undertaken not to sell, transfer, dispose of or otherwise deal with any of the New API Shares to be issued to them pursuant to the Offer until the date falling six months after the completion date of the Offer.

Following the close of the Offer, Lee Tong Soon, Kok Nyong Patt, Lee Tong Kuon and Tee Yih Jia Food Manufacturing Pte Ltd will own 47,131,006 New API Shares. Depending on the acceptance level as at the close of the offer and consideration elected by TV Shareholders, this represents between 21.88% and 24.92% of the enlarged API share capital.

Save as disclosed in this Announcement, neither the Offeror nor any party acting in concert with it has received any irrevocable undertaking from any other party to accept or reject the Offer.

6. INFORMATION ON THE OFFEROR

The Offeror is a company incorporated in Singapore, whose shares are listed on the SGX-SESDAQ. As at the 31 December 2005, the Offeror has an issued share capital of approximately S$7.90 million comprising 142,000,000 API Shares. As at 5 January 2007, the Offeror has a market capitalization of S$47.57 million.

API is a diversified Singapore-based F&B company. It has developed, in line with its spirit of innovation, an impressive portfolio of 6 brands - Sakae Sushi (conveyor belt sushi restaurant), Hibiki (fine dining contemporary Japanese restaurant), Crepes & Cream (specialises in savoury and sweet crepes), Nouvelle Events (catering / central kitchen), Uma Uma Men (specialises in soba, ramen and udon) and Sakae Teppanyaki (specializes in teppanyaki). It is also engaged in the franchising of its F&B brands and the provision of IT services through Innotech Consulting.

Currently, API has over 50 outlets spanning across Singapore, Malaysia, the Philippines, Indonesia, Thailand and China.

7. INFORMATION ON TV

TV was incorporated in Singapore on 28 August 1999 as an investment holding company under the name "Thai Village Holdings Pte Ltd" to hold the entire share capital of Thai Village Sharksfin Restaurant Pte Ltd and Thai Village Overseas Ventures Pte Ltd. The Company changed its name to Thai Village Holdings Ltd on 6 April 2000 in connection with the Company's conversion to a public company limited by shares. TV was listed on the SGX-SESDAQ on 28 April 2000. It was subsequently listed on the Mainboard of SGX-ST on 5 May 2003.

TV's business started as a partnership in August 1991 when Lee Tong Soon, Lee Tong Kuon and Kok Nyong Patt started the first Thai Village Sharksfin Restaurant at East Cost Road. This restaurant has a built-in area of 1,800 sq ft and seating capacity for 90 customers.

TV consists of a chain of 10 self-managed restaurants, 16 franchise restaurants. Since its inception in 1991 with our flagship Thai Village Sharksfin Restaurant, it has grown steadily to expand throughout the region.

Its signature braised superior shark's fin soup can now be found in Thai Village restaurants throughout Singapore, China and Indonesia.

8. RATIONALE FOR THE OFFER

The Offeror is proposing the Offer for the following reasons:-

8.1 Vertical integration of the API Group and the TV and its subsidiaries ("TV Group")

The Offeror believes that the business and operations of the TV Group are a strategic fit, and will provide synergistic benefits to the business and operations of the enlarged API Group.

The Offeror believes that by making TV a subsidiary of the Offeror, the enlarged API Group would be in a better position to leverage on the respective strengths of the API Group and the TV Group.

The Offeror's existing business model is created to meet the needs and lifestyle demands of members of Gen-X, Y and Z–vibrant, professionals and busy executives. The acquisition of TV provides a vertically integrated approach to the existing business model of the Offeror by providing fine cuisine dining to the Offeror's customers.

8.2 API will leverage on the TV Group's presence in the People's Republic of China ("PRC")

TV currently has 6 outlets and more than 10 franchises in the PRC. With presence in the major cities in the PRC including Shanghai, Kunming, Fujian, Beijing, etc., the Offeror believes that it would have immediate access to the PRC market and be able to leverage on this existing customer base by implementing new product inclusions.

8.3 Booming hospitality market in Singapore

In recent years and with the impending completion of the Integrated Resorts in Singapore, the Offeror believes that the prospects of the hospitality market in Singapore are favourable. The Offeror believes that acquisition of TV would allow the Offeror to leverage on various economies of scale.

8.4 An opportunity for TV Shareholders to participate in an enlarged API Group

The Offer provides an opportunity for TV Shareholders to participate in an enlarged API Group by electing to receive the Share-Cash Consideration.

9. INTENTIONS OF API

In the event that the Offer leads to TV becoming a subsidiary of API, API has no present intention of making material changes to the existing businesses, re-deploying the fixed assets, or discontinuing the employment of the existing employees of TV and its subsidiaries. Nonetheless, the directors of API retain the flexibility at any time to consider any options or opportunities which may present themselves and which they regard to be in the interests of API.

It is the current intention of the Offeror to preserve the listing status of TV, and the Offeror has no intention, in connection with the Offer to delist TV.

10. CONFIRMATION OF FINANCIAL RESOURCES

Mitsubishi UFJ Securities (Singapore), Limited, as financial adviser to the Offeror in relation to the Offer, confirms that sufficient financial resources are available to the Offeror to satisfy in full all acceptances of the Offer.

11. FINANCIAL EFFECTS AND CHAPTER 10 RELATIVE FIGURES

11.1 The proforma financial effects of the Offer (based on the terms of the Offer as at the date of this Announcement) on the API Group have been prepared from the followings:-

11.1.1 the audited consolidated financial statements of API for the financial year ended 31 December 2005 ("**FY2005**");

11.1.2 the unaudited consolidated financial statements of API for the six-month period ended 30 June 2006;

11.1.3 the audited consolidated financial statements of TV for the financial year ended 30 September 2005;

11.1.4 the unaudited consolidated financial statements of TV for the six-month period ended 31 March 2006;

11.1.5 the audited consolidated financial statements of TV for the financial year ended 30 September 2006

For illustrative purposes only, the following 2 scenarios have been considered:-

Scenario One (minimum dilution scenario)

a) 50% acceptance in relation to the Offer Shares;

b) Only the Undertaken TV Shares are tendered in acceptance of the Consideration Shares; and

c) TV Shareholders elect to receive the Cash Consideration in relation to all Offer Shares.

Scenario Two (maximum dilution scenario)

a) 100% acceptance in relation to the Offer Shares;

b) Undertaken TV Shares are tendered in acceptance of the Consideration Shares; and

c) TV Shareholders elect to receive Share-Cash Consideration in relation to all Offer Shares.

	As at	**Scenario**	
	31 December 2005	**One**	**Two**
Total number of issued API Shares	106,500,000[(1)]	189,131,006	215,384,810
Net tangible assets per API Share (cents)	12.74	7.17[(2)]	6.30[(2)]
Gearing ratio (%)	0	0	0

Notes:-

(1) On 23 March 2006, API issued 21,300,000 bonus shares and subsequently on 8 June 2006, API placed out 14,200,000 shares. As at 5 January 2006, total number of issued API shares was 142,000,000.

(2) Calculation based on TV's net tangible assets as at 30 September 2006 (latest publicly available information).

	As at 31 December 2005	Scenario One	Scenario Two
Revenue (S$'million)	51.91	73.76	95.60
Net profit after tax and minority interests (S$'million) (1)	3.68	4.30	4.91
Earnings per API Share (cents)	3.46	2.27	2.28

Note:
(1) For financial year ended 30 September 2006, TV incurred a net loss of S$1.84 million.

11.2 The Offer, if made, is a major transaction under Chapter 10 of the SGX-ST Listing Manual. The relative figures in accordance with Rule 1006 of the SGX-ST Listing Manual are as follows:-

	Scenario One	Scenario Two
Rule 1006(a) – net asset value test	Not applicable	Not applicable
Rule 1006(b) – net profits test	16.72%	33.43%
Rule 1006(c) - consideration value test (1)	44.33%	88.66%
Rule 1006(d) – issued shares test	24.92%	34.07%

Note:
(1) Each Offer Share is valued at S$0.201.

12. DISCLOSURE OF SHAREHOLDINGS AND DEALINGS

12.1 No shareholdings and dealings in TV Shares

None of the relevant persons comprising API and its subsidiaries; directors of API and API's subsidiaries; MUSS and Shooklin & Bok ("**Relevant Persons**") hold any shares in the capital of TV or have dealt in TV shares in the 6 months preceding the date of this Announcement.

12.2 Holdings in API Securities

As at the date of this Announcement, the holdings in API Shares of the Relevant Persons (save for API and its subsidiaries) are as set out below:-

Names	Number of API Shares
Directors of API:	
Douglas Foo Peow Yong	88,799,640
Ong Siew Kwee	470,400
Chan Wing Leong	0
Lim Chee Yong	0
Foo Lilian	0
MUSS	0
Shooklin & Bok	0

12.3 Further Enquiries

In the interests of confidentiality, the Offeror and MUSS have not made enquiries in respect of certain other parties who are or may be presumed to be acting in concert with the Offeror in connection with the Offer. Further enquiries will be made of such persons and the relevant disclosures, if any, will be made in due course and in the Offer Document.

13. RESPONSIBILITY STATEMENT

The directors of the Offeror (including those who may have delegated detailed supervision of this Announcement) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Announcement are fair and accurate and that no material facts have been omitted from this Announcement, and they jointly and severally accept responsibility accordingly.

Where any information has been extracted from published or otherwise publicly available sources (including, without limitation, information relating to TV), the sole responsibility of the directors of the Offeror has been to ensure through reasonable enquiries that such information is accurately and correctly extracted from such sources or, as the case may be, accurately reflected or reproduced in this Announcement. The directors of the Company (including those who may have delegated detailed supervision of this announcement) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this announcement are fair and accurate and that no material facts have been omitted from this announcement, and they jointly and severally accept responsibility accordingly.

Where any information has been extracted from published or otherwise publicly available sources (including, without limitation, information relating to TV), the sole responsibility of the directors of the Company has been to ensure through reasonable enquiries that such information is accurately and correctly extracted from such sources or, as the case may be, accurately reflected or reproduced in this announcement.

Issued by:

Mitsubishi UFJ Securities (Singapore), Limited

For and on behalf of

APEX-PAL INTERNATIONAL LTD.

Date: 9 January 2007