

Foreland Fabrictech Holdings Limited

Registered office: Canon's Court, 22 Victoria Street, Hamilton HM 12, Bermuda
China office: The Second Processing Zone, Dongshi Town,
Jinjiang City, Fujian Province, PRC (362271)
Tel: (86) 595 85596388 Fax: (86) 595 85587446



Company Registration Number: 39151

FOR IMMEDIATE RELEASE

Contact Information

August Consulting

Tel: (65) 6733 8873 Fax: (65) 6733 9913

Giselle LAU – giselle@august.com.sg

CHIN May Nah – maynah@august.com.sg

Foreland Fabrictech reinforces product development capability with new anti-radiation functional fabric

- ***Expects new product to fetch higher gross profit margin than that of the average of the Group's existing product range***
- ***Enters co-operation agreement with the Xi'an Polytechnic University to further extend product development capability***

SINGAPORE – 2 July 2007 – Foreland Fabrictech Holdings Limited (“Foreland Fabrictech” or the “Group”) (福联面料科技控股有限公司), a vertically integrated manufacturer of functional and normal fabrics that are mainly used to manufacture sports, leisure and business apparel, today announced the successful development of its new product – ***the anti-radiation functional fabric*** (抗电磁波面料) – reinforcing the strength of its product development capability.

The new anti-radiation functional fabric has passed the various tests conducted by a third party agent, National Center of Testing Technology, Shanghai. The Group plans to launch and commercialise the new product by the third quarter of 2007.

The new product is expected to fetch higher gross profit margin than that of the average of the Group's existing product range.

Mr Tsoi Kin Chit (蔡建设), Executive Chairman of Foreland Fabrictech, commented, “Currently, the production techniques commonly used for fabrics with anti-radiation function are to insert metal fibre layer into normal fabric, which may be more costly. We believe our new production technique for anti-radiation functional fabric is a more cost-efficient and competitive production technique.”

Anti-radiation functional fabric is designed to protect the wearer by reducing the wearer’s exposure to radiation. The fabric may be used to make apparel such as maternity clothes, uniforms for computer users or X-ray machine operators, shielding covers for microwave oven, amongst others.

“Given current living environment, it is unavoidable that we are exposed to different sources of radiation from electromagnetic waves everyday. These radiations may come from a wide variety of sources ranging from home electronic appliances such as microwave oven, induction cooker, mobile handset, and electronic appliances at work such as computer, photocopier, X-ray machine for medical use. It is believed that excessive exposure to radiation from electromagnetic waves is harmful to health, which creates the need for anti-radiation function fabric that acts to reduce the wearer’s exposure to radiation,” commented Mr Tsoi.

The latest product is yet another example of how Foreland Fabrictech is aggressively developing new functional fabrics in collaboration with renowned global technology partners such as Bayer (拜耳), Ciba (汽巴), Evermore Chemical (日胜化工), Farbchemie (博朗), Zschimmer (司马) and Daiwa Chemical (大和化工). Foreland Fabrictech utilises and incorporates their chemicals and additives into its production process, to produce a wide range of functional fabrics.

From the successful development of its first functional fabric – the moisture and air breathability (透湿透气) fabric – in July 2004, Foreland Fabrictech’s product range has grown significantly to include ten additional innovative fabrics. These include:-

- | | |
|--|-------------------------------------|
| i) moisture absorbent (吸湿排汗) | vi) combustion resistant (阻燃) |
| ii) dust, oil and stain resistant (纳米三防) | vii) high colour fastness I (高牢度 I) |
| iii) anti-bacteria and odour (抗菌防臭) | viii) cold feel (冷感) |
| iv) UV protection (抗紫外线) | ix) anti-insect (抗蚊虫) |
| v) chlorine resistant (耐氯) | x) anti-radiation (抗电磁波) |

The Group is currently in the midst of developing several new functional fabric products, namely – warm feel (暖感), high colour fastness II (高牢度 II), and negative ion generating fabrics (负离子). The Group also intends to focus on bio-degradable textiles (可生物降解面料) which are environmentally friendly.

Cooperation agreement with the Xi'an Polytechnic University

In a separate development, Foreland Fabrictech announced that its wholly-owned subsidiary, **Fulian Knitting Co., Ltd.** (“Fulian Knitting”), has entered into a co-operation agreement with **Xi'an Polytechnic University** (“Xi'an Polytechnic”) on 28 June 2007.

The agreement paves the way for the two parties to create a joint working team to establish relations and cooperation in the following areas:

- Xi'an Polytechnic would provide technical support to Fulian Knitting in its production process enhancement and product development.
- Xi'an Polytechnic would set up a production, education and research center in Fulian Knitting's factory. In this regard, Fulian Knitting will provide the necessary financial support or subsidies.
- Xi'an Polytechnic would provide technical training to Fulian Knitting's staff to enhance the research and development capability of Fulian Knitting.

“We are laying the foundation for future growth as we see the strengthening of our R&D capability as necessary investments that will help the Group stay ahead in the marketplace. We believe that our cooperation agreement with Xi'an Polytechnic will help to improve our production efficiency as well as our research and development capabilities,” concluded Mr Tsoi.

###

Corporate Profile

Backed by a 19-year track record, **Foreland Fabrictech Holdings Limited** is a vertically integrated manufacturer of functional and normal fabrics, based in Jinjiang City, Fujian Province, the PRC.

Its products, which are mostly marketed under its award-winning “**Fulian (福联)**” brand¹, are sold in the PRC primarily to apparel manufacturers to produce sports, leisure and business apparel mainly for export to overseas markets including Europe, USA and the Middle East; and to textile traders who export its products to overseas markets. Its functional fabric products had been used to manufacture apparel under various reputable brands in the PRC, including “Li-Ning”(李宁), “Anta”(安踏) and “Edenbo”(爱登堡).

Working with renowned international technology partners such as Bayer (拜耳), Ciba (汽巴), Evermore Chemical (日胜化工), Farbchemie (博朗), Zschimmer (司马) and Daiwa Chemical (大和化工), Foreland Fabrictech utilises and incorporates their chemicals and additives into its production process, to produce new fabrics with the desired functions and characteristics.

Since the successful development of its first functional fabric – the moisture and air breathability (透湿透气) fabric – in July 2004, its product range has grown significantly to include ten additional innovative fabrics. These include:- moisture absorbent (吸湿排汗), dust, oil and stain resistant (纳米三防), anti-bacteria and odour (抗菌防臭), UV protection (抗紫外线), chlorine resistant (耐氯), combustion resistant (阻燃), high colour fastness I (高牢度 I), cold feel (冷感), anti-insect (抗蚊虫) and anti-radiation (抗电磁波).

Attesting to its quality, the Group’s products are able to conform to various standards such as AATCC, ASTM and DIN, as well as product labellings such as the Oeko-Tex100 or the China Environmental Labelling. The Group has also obtained quality assurance certifications including ISO9001:2000 and ISO14001:2004.

The initial public offering of the Company’s shares was sponsored by Daiwa Securities SMBC Singapore Limited, who accepts no responsibility for the contents hereof.

¹ Awarded the Fujian Province Famous Trade Mark by the Administration for Industry and Commerce of Fujian in October 2006.