TWELFTH SCHEDULE OF
THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS)
(SHARES AND DEBENTURES) REGULATIONS 2002

STATEMENT OF MATERIAL FACTS

A copy of this statement of material facts has been lodged with the Monetary Authority of Singapore (the "Authority"). The Authority assumes no responsibility for the contents of the statement of material facts. Lodgement of the statement of material facts with the Authority does not imply that the Securities and Futures Act 2001 (Act 42 of 2001), or any other legal or regulatory requirements, have been complied with. The Authority has not, in any way, considered the merits of the shares or debentures, or units of shares or debentures, as the case may be, being offered, or in respect of which an invitation is made, for investment.

Attention is drawn to Appendix I of this Statement of Material Facts.

Date of lodgement with the Authority: 5 November 2002

TUNG LOK RESTAURANTS (2000) LTD

(Incorporated in Singapore on 29 June 2000)

Address of Registered Office:
1 Sophia Road #05-03
Peace Centre
Singapore 228149

Definitions

For the purposes of this Statement of Material Facts, the following terms shall, unless the context otherwise requires, have the following meanings:-

"CCPL"	:	Club Chinois Pte Ltd, a 75% owned subsidiary of the Company
"Company"	:	Tung Lok Restaurants (2000) Ltd
"Directors"	:	Directors of the Company as at the date of this Statement
"FY"	:	Financial year ended or ending 31 December
"Group" or "Tung Lok Group"	:	The Company and its subsidiaries collectively
"HMRPL"	:	House of Mao Restaurant Pte Ltd
"LBDH"	:	Lao Beijing Dining Hall Pte Ltd, a 60% owned subsidiary of the Company
"NTA"	:	Net tangible assets
"SGX-SESDAQ"	:	The Stock Exchange of Singapore Dealing and Automated Quotation System
"SGX-ST"	:	Singapore Exchange Securities Trading Limited
"Shares"	:	Ordinary shares of S$0.025 each in the capital of the Company
"TLM"	:	Tung Lok Millennium Pte Ltd, a wholly-owned subsidiary of the Company
"ZHPL"	:	Zhou Holdings Pte Ltd
"S$" and "cents"	:	Singapore dollars and cents, respectively

Reference to "Statement" shall refer to this Statement of Material Facts and all documents attached hereto.

1. **State the business carried on and to be carried on by the issuer and its subsidiaries and the general development of the business within the last 3 years, indicating any material change in the affairs of the issuer or its subsidiaries since the last annual report.**

The Company was incorporated in Singapore on 29 June 2000 as a private company limited by shares under the name "Dello Investments Pte Ltd". In October 2000, it changed its name to "Tung Lok Restaurants (2000) Pte Ltd" and subsequently, in 7 March 2001, to "Tung Lok Restaurants (2000) Ltd" pursuant to its conversion into a public limited company in connection with its listing on the SGX-SESDAQ.

Pursuant to a restructuring exercise undertaken prior to and for the purpose of the listing, the Group acquired:- (a) the assets, business and undertakings of the restaurant businesses then held by companies related to the Company's substantial shareholders, and which are presently held by the Company's wholly-owned subsidiary, TLM; (b) 75% of the issued share capital of CCPL; and (c) 60% of the issued share capital of LBDH.

The principal activity of the Company is that of investment holding. The subsidiaries of the Company and their principal activities are as follows:-

Name of Subsidiary (Country of Incorporation)	Principal Activities
TLM (Incorporated in Singapore)	Operation of restaurants, food production and management services
Tung Lok Arena Pte Ltd (Incorporated in Singapore)	Operation of restaurants
LBDH (Incorporated in Singapore)	Operation of restaurants
CCPL (Incorporated in Singapore)	Operation of restaurants
Club Asiana Pte Ltd (Incorporated in Singapore)	Operation of restaurants

The Group owns and operates more than 20 restaurants in Singapore, including Tung Lok Restaurant, Lao Beijing, Club Chinois and the other restaurants referred to below.

In January 2000, the predecessor of the Group acquired the operations of the Red Book from HMRPL. Changes involving staffing, menus and ambience were implemented and funding was required to reposition the restaurant. Other restaurants opened by the Group in 2000 included Tung Lok Seafood Gallery.

2001 was a significant milestone for the Company as it marked the initial public offering ("IPO") of the Company's Shares on the SGX-SESDAQ. The Company's offer of 20 million new Shares at S$0.23 each was fully placed out and subscribed, raising net proceeds of about S$3.5 million for the Company.

The Group also embarked on a major expansion programme in that year, opening several new outlets. Through a combination of organic growth, joint-ventures and acquisition, the Group increased the number of restaurants as described below. The bulk of the expansion programme was completed by the third quarter of 2001. The new outlets were:-

1) Jade Restaurant

Jade restaurant at the Fullerton Hotel was officially opened at the start of 2001.

2) Lao Beijing Branch at Novena Square

The success of the first Lao Beijing outlet in Orchard Towers, set in the style of a typical Beijing tea-house, prompted the Group to launch the second Lao Beijing outlet in Novena Square in 2001.

3) Teahouse at China Square

In June 2001, the Group opened Teahouse at China Square. Located in the business district, it offers *dianxin* meals for the office crowd.

4) Paddyfields Thai Restaurant and Bar

The Group acquired Paddyfields Real Thai Food for S$300,000 in July 2001. This was the first time that the Group acquired an existing restaurant. In the same month, the acquired restaurant was re-conceptualised and re-launched as Paddyfields Thai Restaurant and Bar.

5) Asian Restaurant and Bar

Club Asiana Pte Ltd was established as a joint-venture between the Group and French-owned Copilot Developments Limited ("Copilot"), to develop the Asian restaurant and bar concept in Singapore. In October 2001, this restaurant and bar was opened at the Old Thong Chai Medical Hall, a local historical monument sited on Eu Tong Sen Street. The Group's and Copilot's interest in Club Asiana Pte Ltd was, at the time of the entry into the joint venture, 55% and 45%, respectively.

In July 2002, the Company entered into an agreement with Copilot to purchase from Copilot its 45% interest in the issued and paid-up capital of Club Asiana Pte Ltd, for the sum of S$80,000. Following the acquisition, Club Asiana Pte Ltd has become a wholly-owned subsidiary of the Company.

6) Arena Country Club outlets

In July 2001, a second joint-venture was set up to manage and operate food and beverage outlets, which also provide banquet services, at the Arena Country Club in Jurong. The Group's interest is held via a 70%-owned joint-venture company, Tung Lok Arena Pte Ltd.

7) Lingzhi Vegetarian Restaurants

Lingzhi Vegetarian Restaurant was relocated from Orchard Towers to Liat Towers in June 2001. Owing to the relocation and the re-fitting of the new outlet, the Group lost some business in 2001. However, with confidence in the popularity of quality and innovative vegetarian food among the health-conscious Singaporeans, the Group opened a second Lingzhi Vegetarian Restaurant at Far East Square in September 2001.

8) House of Mao Hunan Hot Pot

The Red Book was relaunched as House of Mao Hunan Hot Pot at the Orchard Hotel Shopping Arcade in June 2001. Subsequently, a second House of Mao Hunan Hot Pot at Far East Square was opened in September 2001.

In January 2002, the Group entered into a joint-venture agreement with Nova Leisure Pte Ltd ("Nova Leisure") to manage and operate a new concept restaurant complete with entertainment at Ngee Ann City, named Imperium. The Group and Nova Leisure each has a 50% interest in the joint venture company.

In October 2002, the Group opened a new restaurant, My Humble House, at the Esplanade, Theatres on the Bay, serving traditional and progressive Chinese cuisine.

2. Set out the description, and number of shares being offered by the issuer.

20,000,000 new Shares in the capital of the Company, representing 20.0 per cent. of the existing issued share capital of the Company as at the date of this Statement, is agreed to be issued by the Company (the "Placement") upon the terms and subject to the conditions of a placement agreement entered into between the Company and Chip Lian Investments Pte. Ltd. (the "Subscriber") on 24 October 2002 (the "Placement Agreement").

The Placement Shares, when issued and fully paid, will rank *pari passu* in all respects with the Shares existing as at their date of issue except for any dividends, distributions or entitlements the record date of which falls on or before such date of issue.

Completion under the Placement Agreement is conditional upon the following conditions being fulfilled on or before 28 days after the date of the Placement Agreement:-

(a) this Statement being lodged with the Authority and the SGX-ST;

(b) approval in-principle for the listing and quotation of the Placement Shares on the SGX-SESDAQ (on conditions, if any, acceptable to the Company) having been obtained and such approval being in full force and effect; and

(c) the issue and subscription of the Placement Shares not being prohibited by any statute, order, rule or regulation promulgated hereafter by any legislative, executive or regulatory body or authority of Singapore.

3. **Set out the offer price, any discount or commission given to the underwriter, and the estimated net proceeds on an aggregate basis to be derived by the issuer from the sale of the shares being offered. If it is not possible to state the offer price or the discount or commission, the method by it is determined must be explained. Give the range of the closing market price during the previous 90 days.**

Offer price	:	S$0.112 for each Placement Share
Placement commission	:	Not Applicable
Discount given	:	10.0% from the weighted average price per Share for trades done on 23 October 2002 of S$0.1244
Estimated net proceeds	:	Approximately S$2.17 million
Range of closing market prices during the 90 day period immediately preceding the date of this Statement (3 August 2002 to 1 November 2002)	:	S$0.095 to S$0.165 for each Share

4. **State the principal purposes for which the estimated net proceeds to be derived by the issuer from the sale of the shares being offered are intended to be used and the approximate amount intended to be used for each such purpose. If any material amounts of other funds are to be used in conjunction with the proceeds for such purposes, state the amounts and sources of such other funds.**

The net proceeds from the Placement will amount to approximately S$2.17 million, after deducting estimated expenses of S$70,000. These net proceeds will be used for general working capital purposes. Pending the deployment of the net proceeds, such proceeds may be placed as deposits with financial institutions or invested in short term money markets or debt instruments or for any other purposes on a short term basis as the Directors may deem fit.

The Placement will strengthen the balance sheet of the Company as well as assist in its cash position.

5. **State the place where issuer was incorporated and the date of incorporation.**

Place of incorporation	:	Singapore
Date of incorporation	:	29 June 2000

6. Give the names and addresses of the directors of the issuer.

Name of Director	Address
Zhou Yingnan	58 Watten Estate Road Singapore 287533
Andrew Tjioe Ka Men	60 Watten Estate Road Singapore 287535
Tjioe Ka In	58 Watten Estate Road Singapore 287533
Dr Ker Sin Tze	31 Merryn Road Singapore 298480
Dr Tan Eng Liang	58 Swiss View La Suisse I #03-07 Singapore 288061

7. State the share and loan capital of the issuer, as of the date of lodgement of this Statement showing (i) in the case of the share capital, the authorised share capital and the issued and the paid-up capital; or (ii) in the case of the loan capital, the total amount of the debentures issued and outstanding, together with the rate of interest payable thereon.

As at the date of lodgement of this Statement:-

Share capital

Authorised share capital	:	S$10,000,000 divided into 400,000,000 ordinary shares of S$0.025 each
Issued and paid-up share capital	:	S$2,500,000 divided into 100,000,000 ordinary shares of S$0.025 each
Loan capital	:	Nil

8 Outline briefly the manner in which the shares being offered are to be distributed, giving particulars of any outstanding or proposed underwriting, including the name and address of each underwriter.

Pursuant to and subject to the terms and conditions of the Placement Agreement, the Placement Shares shall be issued directly to the Subscriber upon payment for the same by the Subscriber on the completion date under the said Placement Agreement.

The Company has not appointed any underwriter or placement agent for the purpose of the Placement.

9 Give the profits, prospects and dividends of the issuer, together with:-

(a) the following information in respect of the issuer or, if it is the holding company of a group, the group, for each of the 3 most recent completed financial years in the following format:

	The Group			
Year Ended	**Profit before tax (S$'000)**	**Profit after tax (after minority interests) (S$'000)**	**Extraordinary items (S$'000)**	**Gross rate of dividend (%)**
FY2001 (audited)	(1,407)	(1,465)	Nil	N.A.
FY2000[(1)] (proforma)	4,507	3,104	Nil	N.A.
FY1999[(1)] (proforma)	3,970	2,939	Nil	N.A.

	The Company			
Year Ended	**Profit before tax (S$'000)**	**Profit after tax (S$'000)**	**Extraordinary items (S$'000)**	**Gross rate of dividend (%)**
FY2001 (audited)	(350)	(357)	Nil	Nil
FY2000[(1)(2)] (audited)	(15)	(15)	Nil	Nil
FY1999[(3)] (proforma)	-	-	-	-

FY1999[(1)]

[(1)] As the Company was incorporated only on 29 June 2000, the above information for FY1999 and FY 2000 is based on the accounts of the Proforma Group extracted from the IPO prospectus dated 10 March 2001 (Proforma Group being defined as the Company and its subsidiaries as at 10 March 2001, being the date of the Company's IPO prospectus, treated as if the Group had been in existence throughout the relevant period). References herein to Group shall where applicable refer to the Proforma Group.

[(2)] The figures for FY2000 are in respect of the period commencing 29 June 2000 (the date of the Company's incorporation) to 31 December 2000.

[(3)] There are no figures at the Company level for FY1999. The Company was not then in existence.

With the improved economic sentiment in FY1999 after the regional economic crisis, the Group's turnover increased by S$3.9 million or 10.5% from S$37.1 million for FY1998 to S$41.0 million in FY1999. The improvement in turnover was largely attributable to the economic recovery in Singapore and consequent higher discretionary food and beverage spending. The Group's gross profit increased from S$23.9 million in FY1998 to S$27.5 million in FY1999. This represented an improvement of S$3.6 million or 15.1% mainly attributable to an increase in the Group's gross profit margin which rose from 64.3% in FY1998 to 67.0% in FY1999. Club Chinois improved on its gross margin by 3.6 percentage points from 67.1% in FY1998 to 70.7% in FY1999, contributing S$4.5 million gross profit to the Group's total gross profit. Owing to the successful cost-cutting measures implemented by the Group, all the outlets managed to reduce the total operating expenses by S$2.5 million or 9.6%, from S$26.0 million in FY1998 to S$23.5 million in FY1999. This was largely attributable to a S$1.4 million reduction in labour costs from S$14.2 million in FY1998 to S$12.8 million in FY1999. Advertising and promotion expenses were reduced by S$0.4 million and other savings were achieved through lower utilities costs of S$0.1 million, maintenance costs of S$0.2 million, miscellaneous expenses of S$0.1 million and reduction in rental rates for Noble House Millennium and The Paramount Restaurant amounting to S$0.3 million. The reduction in rental rates related to concessions granted by the landlords of Noble House Millennium from October 1998 to April 2000 and The Paramount Restaurant from August 1998 to July 1999. With the dual benefits of lower operating costs and higher sales from all restaurants, the Group achieved a turnaround with an overall profit before taxation of S$4.0 million in FY1999 compared with a loss of S$2.1 million for FY1998. Club Chinois, in its second year of operations, turned profitable and contributed a profit before taxation of S$0.5 million to the Group.

FY2000

In FY2000, the Group's restaurant operations continued to perform better as its turnover increased from S$41.0 million in FY1999 to S$49.7 million in FY2000, representing a 21.2% increase. This was mainly due to improved performances by the existing restaurants and the opening of three new restaurants in FY2000, namely The Red Book (which took over the business of House of Mao at Orchard Hotel Shopping Arcade in January 2000), Tung Lok Seafood Gallery (which commenced business in April 2000) and Jade Fullerton Restaurant (which commenced business in December 2000). Excluding the three new outlets, the Group continued to record higher growth as turnover improved 11.5% from S$41.0 million in FY1999 to S$45.7 million in FY2000. The three new outlets contributed S$4.0 million, or 8.0% of the Group's revenue for FY2000. In conjunction with the improvement in the turnover and opening of new outlets, the overall gross profit also improved from S$27.5 million in FY1999 to S$33.4 million in FY2000, representing a 21.5% increase. Gross margin increased by 0.2 percentage points from 67.0% to 67.2% in the same period. The reason for this marginal improvement was due primarily to increases in menu prices effected throughout the Group's restaurants. Gross profit margin would have improved by more than the 0.2 percentage points if not for the lower margin of 60.1% achieved during April to December 2000 by Tung Lok Seafood Gallery and 53.2% achieved by Jade Fullerton Restaurant since its opening in December 2000. This compares with the average of 67.7% recorded by the more established outlets (excluding Tung Lok Seafood Gallery, The Red Book and Jade Fullerton Restaurant) during FY2000. Total operating expenses increased 23.4% from S$23.5 million for FY1999 to S$29.0 million for FY2000. This was due largely to higher labour costs (excluding Tung Lok Seafood Gallery, The Red Book and Jade Fullerton Restaurant) of S$1.3 million as pay cuts effected in FY1998 were reinstated in the latter part of FY1999 and as the Group hired more labour to manage the existing restaurants. Also contributing to the increase of the operating expenses was the establishment of the three new restaurants. The Red Book's, Tung Lok Seafood Gallery's and Jade Fullerton Restaurant's operating expenses for FY2000 were S$0.8 million, S$2.4 million and S$0.3 million, respectively, giving a total of S$3.5 million in additional operating expenses to the Group.

The remaining S$0.7 million was mainly attributable to increases in professional fees of S$0.2 million, rental of S$0.2 million and utilities of S$0.2 million. The profit before taxation for the Group improved S$0.5 million from S$4.0 million in FY1999 to S$4.5 million in FY2000, representing an increase of 13.5%. The aggregate losses of the three new startup restaurants of approximately S$1.1 million also reduced the Group's profit before taxation by the said amount. Without the inclusion of The Red Book, Tung Lok Seafood Gallery and Jade Fullerton Restaurant, the Group's profit before taxation would have been S$5.6 million.

FY2001

Turnover of the Group increased by 17.9% from S$49.7 million to S$58.6 million, of which the new outlets accounted for S$12.4 million. Net profit after tax and minority interest decreased significantly from S$3.1 million to a loss of S$1.4 million due mainly to start-up costs, increased operating expenses, higher depreciation and lower revenue from existing outlets, offset partly by the improvement in the Group's gross profit margin.

Although there was an overall increase in turnover, the turnover of the existing outlets decreased due to the economic downturn which affected the food and beverage industry in Singapore.

Unaudited Six Months ended 30 June 2002

The turnover of the Group increased by 16.9% from S$28.5 million for the first half of 2001 to S$33.3 million in the first half of 2002. This was due mainly to the opening of five new outlets in the second half of 2001 which contributed additional sales of S$6.7m. Net profit after tax and minority interest, however, decreased from S$0.3 million profit in the first half of 2001 to a loss of S$0.8 million in the first half of 2002. The loss was mainly due to a loss of S$1.1 million, arising from continued poor economic situation and run-in expenses of two joint ventures, one of which was set up by the Group in May 2002.

(b) a statement as to the financial and business prospects of the issuer and its subsidiaries, together with any material information which will be relevant thereto, including all special business factors or risks (if any) which are unlikely to be known or anticipated by the general public and which could materially affect the profits; and

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In view of the challenging business environment, the Group has now focused on developing economies of scale within the Group, such as cross-referrals, loyalty programmes, improving overall customer service, and creating menus to cater to changing customer needs. In addition to focusing on its restaurant service and business, the Group has also expanded its manufacturing capability with the new facility in Bukit Batok, and will look into expanding beyond festive products to include sauces and premixes.

Owing to the sluggish economic recovery, the Directors do not expect the Group to be profitable for the financial year ending 31 December 2002.

The operations of Club Asiana Pte Ltd and some of the outlets are currently loss-making. While efforts are being undertaken to restore the operations to profitability, there exists a possibility that the value at which Club Asiana Pte Ltd and the outlets are carried in the books of the Group may need to reviewed and this may impact the financial performance of the Group.

The announcements made by the Company on 11 September 2002 and 17 September 2002 on its unaudited financial results in respect of the six months ended 30 June 2002 are attached as Appendix II of this Statement.

The Group previously announced that it was considering overseas expansion including opening new restaurants in China and Indonesia to add to its network of restaurants in Singapore (given, *inter alia*, the high operating costs in Singapore). In light of the Group's negative working capital, as described below, the opening of such outlets involving capital expenditure will not be undertaken until the working capital position improves.

As and when suitable opportunities arise at the appropriate time, the Group would also consider (after taking into account, *inter alia*, whether any material capital expenditure would be incurred) options such as franchising, management of other restaurants, and mergers and/or joint ventures.

Save as disclosed in this Statement, the Directors are not aware of any material information including any special business factors or risks which are unlikely to be known or anticipated by the general public and which would materially affect the profits of the Group.

(c) a statement by the directors of the issuer whether, in their reasonable opinion, the working capital available to the issuer or, if the issuer is the holding company of a group, the group, is sufficient for present requirements and, if insufficient, how the additional working capital thought by the directors to be necessary, is proposed to be provided.

On 11 September 2002, the Group announced its unaudited financial results and position for the six months ended 30 June 2002, reporting, *inter alia*, a net loss after tax of S$0.828 million compared to a net profit after tax of S$0.296 million in the previous corresponding period and a negative working capital of S$1.936 million. The Group also announced that it did not expect to return to profitability in FY 2002.

Assuming that the Placement had been completed on 30 June 2002, being the date of the Group's latest publicly available unaudited balance sheet, the working capital of the Group would have improved from **negative S$1.936 million** (approximate) to **positive $0.234 million** (approximate), while the current ratio (defined as current assets divided by current liabilities) would have improved from 0.84 times to 1.02 times.

Based on the unaudited management accounts as of 30 September 2002, the Group had working capital of negative S$5.8 million. Assuming that the Placement had been completed on 30 September 2002, the Group's working capital would have improved from negative S$5.8 million to negative S$3.6 million.

The working capital of negative S$3.6 million is attributable to the following:-

(a) In the third quarter of 2002, the Group purchased from its former joint venture partner the remaining 45% stake in Club Asiana Pte Ltd. Club Asiana Pte Ltd has a negative working capital of S$3.7 million (before inter-company elimination), which as a result of the said purchase is now fully consolidated on the balance sheet of the Group;

(b) Capital expenditure during the third quarter of 2002 in respect of My Humble House and the relocation of the facilities of the food manufacturing and processing division; and

(c) Losses incurred by certain restaurants of the Group.

In cognisance of the negative working capital of the Group, the Directors are taking steps to improve its working capital position. The Placement represents a step in this direction, as it has raised net proceeds of approximately S$2.17 million which will be deployed for working capital purposes. In addition:-

(a) Having established more than 20 restaurants in Singapore, the Group will cease further capital expenditure on new outlets in order to focus attention on the outlets already opened, and will continue to monitor the situation until the Group's working capital becomes positive/working capital position improves. By so doing, the Group will be able to substantially reduce cash outflow used in **investing activities**, and this is expected to contribute towards improving the Group's working capital position.

(b) In the first nine months of 2002, the Group generated revenue of approximately S$5.3 million each month from its restaurants and food outlets, which has been sufficient to meet its operating expenses, and to generate a net cash inflow from **operating activities**. Given the nature of the restaurant business, the Group also enjoys a relatively short trade debtors cycle which reduces the amount of cash tied up in accounts receivable and inventory. To further improve operating cash flow, the Group will seek to intensify marketing efforts and trim expenses. At the same time, the Group is reviewing those outlets which are loss-making, with the possibility of re-positioning or re-launching them, introducing experienced and strong partners to restore them to profitability/improve their performance, or if need be, closing unprofitable outlets.

(c) Apart from the Placement, the Group may consider other means to raise cash from **financing activities** and thereby improve working capital.

For the reasons set out above, the Directors are of the reasonable opinion that, after taking into consideration the present banking facilities and the net proceeds of the Placement, the working capital available to the Tung Lok Group is sufficient to meet its present requirements. The Directors will continue to review the Group's financial performance, working capital and cash flows, and if appropriate will make the relevant disclosures in the event of any material change in its working capital position.

10. Give the number of shares of the issuer owned by each substantial shareholder.

The substantial shareholders of the Company and the number of Shares held by them based on information recorded in the Register of Substantial Shareholders maintained by the Company pursuant to Section 81 of the Companies Act as at 5 November 2002 are as follows:-

	---------------------Number of Shares----------------		
Name	**Shareholdings registered in the name of the Substantial Shareholders or their Nominees**	**Shareholdings in which Substantial Shareholders are deemed to have an interest**	**Total shareholdings as a percentage of issued share capital (%)**
Zhou Holdings Pte Ltd(1)	53,200,000	-	53.20%
Goh Cheng Liang	9,348,000	-	9.35%
Zhou Yingnan(2)	-	53,200,000	53.20%
Andrew Tjioe Ka Men(2)	25,000	53,200,000	53.23%
Tjioe Ka In(2)	30,000	53,200,000	53.23%

Immediately following the Placement, by reason of the issue of the Placement Shares, the substantial shareholders of the Company will be:-

	---------------------Number of Shares----------------		
Name	**Shareholdings registered in the name of the Substantial Shareholders or their Nominees**	**Shareholdings in which Substantial Shareholders are deemed to have an interest**	**Total shareholdings as a percentage of issued share capital (%)**
Zhou Holdings Pte Ltd(1)	53,200,000	-	44.3%
Goh Cheng Liang	9,348,000	-	7.8%
Zhou Yingnan(2)	-	53,200,000	44.3%
Andrew Tjioe Ka Men (2)	25,000	53,200,000	44.4%
Tjioe Ka In(2)	30,000	53,200,000	44.4%
Chip Lian Investments Pte. Ltd. (3)	20,000,000	-	16.7%

Chip Lian Private Limited[3]	-	20,000,000	16.7%
Oei Hong Leong[3]	-	20,000,000	16.7%

Note:-

(1) ZHPL is an investment holding company incorporated in Singapore on 8 September 2000. The shareholders and directors of ZHPL are Zhou Yingnan, Andrew Tjioe Ka Men and Tjioe Ka In, who respectively own 30%, 20% and 10% of ZHPL. The remaining 40% of ZHPL is held equally by Tjioe Ka Lie, Zhou Jia Ping, Tjioe Ka Sin and Zhou An Lai (whose shares are held on his behalf by Andrew Tjioe Ka Men). Zhou Yingnan is the father of Andrew Tjioe Ka Men, Tjioe Ka In, Tjioe Ka Lie, Zhou Jia Ping and Tjioe Ka Sin, who are siblings. Zhou An Lai is the son of Andrew Tjioe Ka Men.

(2) Zhou Yingnan, Andrew Tjioe Ka Men and Tjioe Ka In are deemed to be interested in the Shares held by ZHPL.

(3) Chip Lian Investments Pte. Ltd. is the proposed subscriber of the Placement Shares. Its entire issued capital is held by Chip Lian Private Limited, a company whose issued capital is held as to more than 50% by Oei Hong Leong.

11. Give information on any legal or arbitration proceedings, including those which are pending or known to be contemplated, which may have or have had in the last 12 months before the date of lodgement of the statement of material facts, a material effect on the issuer's financial position or profitability.

As at the date of this Statement, the Directors are not aware of any litigation or arbitration proceedings to which the Company or any of its subsidiaries is a party or which is contemplated, which may have or have had in the last 12 months before the date of lodgement of this Statement, a material effect on the financial position or profitability of the Company.

12. State the prices at which shares of the issuer have been issued for cash, or traded, within the 12 months immediately preceding the date of lodgement of the statement of material facts. For shares which have been traded, give the price range and volume traded for each of those months. For shares which have been issued during those months, state the number of shares issued at each price. If any shares have been issued for services, state the nature and value of the services and give the name and address of the person who received the shares.

The price range and volume of the Shares traded on the SGX-SESDAQ from each month from November 2001 to October 2002 are as follows:-

Month	Low S$	High S$	Volume '000 Shares
November 2001	0.090	0.130	405

December 2001	0.120	0.140	396
January 2002	0.125	0.165	1,029
February 2002	0.130	0.160	319
March 2002	0.145	0.215	2,184
April 2002	0.150	0.175	1,147
May 2002	0.180	0.265	61,043
June 2002	0.160	0.200	11,463
July 2002	0.155	0.200	14,208
August 2002	0.145	0.170	1,704
September 2002	0.095	0.150	831
October 2002	0.090	0.170	8,318

Source: Pulses, a monthly publication by the SGX-ST and Bloomberg

The Company has not issued any shares for cash or services during the 12 months immediately preceding the date of lodgement of this Statement.

13. Give a summary of each material contract, other than a contract entered into in the ordinary course of business, to which the issuer or a subsidiary of the issuer is a party, for the period of 2 years before the date of lodgement of this statement of material facts, including the date of, parties to and general nature of the contract, and the amount of any consideration passing to or from the issuer or the subsidiaries.

The dates of, parties to and general nature of material contracts entered into by the Company and its subsidiaries, not being contracts entered into in the ordinary course of business, within the two preceding years before the date of lodgement of this Statement are as follows:-

(a) a sale and purchase agreement dated 8 February 2001 entered into between (1) the Company, (2) Tung Lok Group Holdings Pte Ltd ("TLGH"), (3) Andrew Tjioe Ka Men, (4) Sim Seng Jin, and (5) ZHPL, Goh Cheng Liang, Tay Kwang Thiam, Sim Lai Hee, Sim Seng Jin and Sim Seng Kiang (collectively known as the "Allotees") pursuant to which the Company agreed to purchase, and TLGH, Andrew Tjioe Ka Men and Sim Seng Jin agreed to sell to the Company, an aggregate of 600,000 ordinary shares of S$1.00 each in the capital of CCPL together with all rights and benefits attached to such shares from 31 July 2000. In consideration therefor, the Company issued, at the direction of TLGH, Andrew Tjioe Ka Men and Sim Seng Jin, an aggregate of 27,394 ordinary shares of S$1.00 each in the capital of the Company, to the Allotees in satisfaction of the aggregate consideration of S$27,394;

(b) a sale and purchase agreement dated 8 February 2001 entered into between (1) the Company, (2) Lingzhi Vegetarian Restaurant Pte Ltd, (3) Andrew Tjioe Ka Men, and

(4) the Allotees pursuant to which the Company agreed to purchase, and Lingzhi Vegetarian Restaurant Pte Ltd and Andrew Tjioe Ka Men agreed to sell to the Company, an aggregate of 150,000 ordinary shares of S$1.00 each in the capital of LBDH together with all rights and benefits attached to such shares from 31 July 2000. In consideration therefor, the Company issued, at the direction of Lingzhi Vegetarian Restaurant Pte Ltd and Andrew Tjioe Ka Men, an aggregate of 191,100 ordinary shares of S$1.00 each in the capital of the Company to the Allotees in satisfaction of the aggregate consideration of S$191,100;

(c) a reconstruction agreement dated 8 February 2001 entered into between the (1) Company, (2) TLGH, and (3) the Allotees pursuant to which the Company agreed to purchase, and TLGH agreed to sell, transfer, assign and convey to the Company, the assets, business and undertakings of TLGH in relation to Tung Lok Restaurant and Grand Pavilion Restaurant but excluding certain specified assets and liabilities of TLGH with effect from 1 August 2000. In consideration therefor, the Company issued, at the direction of TLGH, 252,032 ordinary shares of S$1.00 each in the capital of the Company to the Allotees in satisfaction of the consideration of S$252,032;

(d) a reconstruction agreement dated 8 February 2001 entered into between (1) the Company, (2) Noble House Restaurant Pte Ltd ("NHPL"), and (3) the Allotees pursuant to which the Company agreed to purchase, and NHPL agreed to sell, transfer, assign and convey to the Company, the assets, business and undertakings of NHPL in relation to Noble House Millennium, Tung Lok Noble Gifts, Tung Lok Seafood Gallery and The Red Book but excluding certain specified assets and liabilities of NHPL with effect from 1 August 2000. In consideration therefor, the Company issued, at the direction of NHPL, 875,861 ordinary shares of S$1.00 each in the capital of the Company to the Allotees in satisfaction of the consideration of S$875,861;

(e) a reconstruction agreement dated 8 February 2001 entered into between (1) the Company, (2) Tung Lok Diaoyutai Holdings Pte Ltd ("TLDH"), and (3) the Allotees pursuant to which the Company agreed to purchase, and TLDH agreed to sell, transfer, assign and convey to the Company, the assets, business and undertakings of TLDH in relation to The Paramount Restaurant but excluding certain specified assets and liabilities of TLDH with effect from 1 August 2000. In consideration therefor, the Company issued, at the direction of TLDH, 50,505 ordinary shares of S$1.00 each in the capital of the Company to the Allotees in satisfaction of the consideration of S$50,505;

(f) a reconstruction agreement dated 8 February 2001 entered into between (1) the Company, (2) Lingzhi Vegetarian Restaurant Pte Ltd ("LZPL"), and (3) the Allotees pursuant to which the Company agreed to purchase, and LZPL agreed to sell, transfer, assign and convey to the Company, the assets, business and undertakings of LZPL in relation to Lingzhi Vegetarian Restaurant but excluding certain specified assets and liabilities of LZPL with effect from 1 August 2000. In consideration therefor, the Company issued, at the direction of LZPL, 69,777 ordinary shares of S$1.00 each in the capital of the Company to the Allotees in satisfaction of the consideration of S$69,777;

(g) a reconstruction agreement dated 8 February 2001 entered into between (1) the Company, (2) Foodmaster Corporation Pte Ltd ("FCPL"), and (3) the Allotees pursuant to which the Company agreed to purchase, and FCPL agreed to sell, transfer, assign and convey to the Company, the assets, business and undertakings of FCPL in relation to Kippo Pavilion Restaurant (the "FCPL Undertakings") but excluding certain specified assets and liabilities of FCPL with effect from 1 August 2000. The consideration for the said acquisition was the sum of S$266,332 which was satisfied by the allotment and issue, at the direction of FCPL of 120,045 ordinary shares of S$1.00 each in the capital of the Company to the Allotees and the issue to FCPL of promissory notes for the aggregate sum of S$146,287 payable to FCPL;

(h) a reconstruction agreement dated 8 February 2001 entered into between (1) the Company, and (2) TLRM pursuant to which the Company agreed to purchase, and TLRM agreed to sell, transfer, assign and convey to the Company, the assets, business and undertakings of TLRM (the "TLRM Undertakings") but excluding certain specified assets and liabilities of TLRM with effect from 1 August 2000. In connection with the said agreement, TLRM delivered to the Company promissory notes (the "TLRM Note") for the aggregate sum of S$30,478 payable to the Company. The consideration for the acquisition of the TLRM Undertakings and the TLRM Note was satisfied by the payment of the sum of S$1.00 in cash by the Company to TLRM;

(i) a reconstruction agreement dated 8 February 2001 entered into between (1) the Company, and (2) CGPL pursuant to which the Company agreed to purchase, and CGPL agreed to sell, transfer, assign and convey to the Company, the assets, business and undertakings of CGPL (the "CGPL Undertakings") in relation to Charming Garden Restaurant but excluding certain specified assets and liabilities of CGPL with effect from 1 August 2000. In connection with the said agreement, CGPL delivered to the Company promissory notes (the "CGPL Note") for the aggregate sum of S$115,811 payable to the Company. The consideration for the acquisition of the CGPL Undertakings and CGPL Note was satisfied by the payment of the sum of S$1.00 in cash by the Company to CGPL;

(j) a sale and purchase of assets agreement dated 8 February 2001 entered into between (1) the Company, and (2) TLM pursuant to which the Company agreed to transfer, and TLM agreed to purchase, the various restaurant businesses and undertakings which the Company had acquired pursuant to the reconstruction agreements set out in paragraphs (c) to (i) above. The consideration for the said acquisition was the sum of S$1,368,220 which was satisfied by the allotment and issue by TLM to the Company of 1,368,220 ordinary shares of S$1.00 each in the capital of TLM;

(k) a management services agreement dated 8 February 2001 entered into between (1) the Company, and (2) HMRPL pursuant to which the Company agreed to provide management services to HMRPL. In consideration for the provision of the said services, HMRPL agreed to pay to the Company a management fee of S$2,000 a month in addition to all out-of-pocket costs and expenses incurred. Based on the Company's prospectus dated 10 March 2001, payment of the management fee commenced on 1 August 2000;

(l) a management services agreement dated 8 February 2001 entered into between (1) the Company, and (2) Spice Garden Restaurant Pte Ltd ("SGRPL") pursuant to which the Company agreed to provide management services to SGRPL. In consideration for the provision of the said services, SGRPL agreed to pay to the Company a management fee of S$8,000 per month in addition to all out-of-pocket costs and expenses incurred. Based on the Company's prospectus dated 10 March 2001, payment of the management fee commenced on 1 August 2000;

(m) a management services agreement dated 8 February 2001 entered into between (1) the Company, and (2) PT Naga Pancarasa ("PT Naga") pursuant to which the Company agreed, for so long as the shareholding of Linda Anggraini Widjaja @ Ang Tjia Leng in PT Naga is not less than 35% of the issued and paid-up capital of PT Naga, to provide management services to PT Naga. In consideration for the provision of the said services, PT Naga agreed to pay to the Company a monthly management fee of S$4,000 in addition to all out-of-pocket costs and expenses incurred. Based on the Company's prospectus dated 10 March 2001, the management agreement commenced on 1 January 2001;

(n) a management services agreement dated 8 February 2001 entered into between (1) the Company, and (2) PT Nobel Pancarasa ("PT Nobel") pursuant to which the Company agreed, for so long as the shareholding of Andrew Tjioe Ka Men in PT Nobel is not less than 35% of the issued and paid-up capital of PT Nobel, to provide management services to PT Nobel. In consideration for the provision of the said services, PT Nobel agreed to pay to the Company a monthly management fee of S$4,000 in addition to all out-of-pocket costs and expenses incurred. Based on the Company's prospectus dated 10 March 2001, the management services agreement commenced on 1 January 2001;

(o) a call option agreement dated 8 February 2001 entered into between (1) the Company, (2) Zhou Yingnan, (3) Andrew Tjioe Ka Men, (4) NHPL, (5) LZPL, and (6) Poping Lou Restaurant Pte Ltd (collectively, the "Grantors") pursuant to which, in consideration of the sum of S$1.00, the Grantors granted to the Company the right to require the Grantors to sell to the Company an aggregate of 660,000 ordinary shares of S$1.00 each in the capital of HMRPL representing the entire issued and paid-up share capital of HMRPL (the "House of Mao Call Option Shares"). The consideration for the purchase of the House of Mao Call Option Shares shall be fixed based on the most recent audited book value NTA prior to the date of the exercise of the call option as determined by an international accounting firm appointed by the Company but subject always to the approval of the audit committee of the Company;

(p) a call option agreement dated 8 February 2001 entered into between (1) the Company, and (2) CGPL pursuant to which, in consideration of the sum of S$1.00, CGPL granted to the Company the right to require CGPL to sell to the Company an aggregate of 600,000 ordinary shares of S$1.00 each in the capital of SGRPL, representing the entire issued and paid-up share capital of SGRPL (the "Spice Garden Call Option Shares"). The consideration for the purchase of the Spice Garden Call Option Shares shall be fixed based on the most recent audited book value NTA prior to the date of the exercise of the call option as determined by an international accounting firm appointed by the Company but subject always to the approval of the audit committee of the Company. The consideration shall not in any event exceed S$600,000;

(q) a call option agreement dated 8 February 2001 entered into between (1) the Company, and (2) HMRPL pursuant to which, in consideration of the sum of S$1.00, HMRPL granted to the Company the right to require HMRPL to sell to the Company, the assets, business and undertakings, but excluding certain specified assets and liabilities, of HMRPL (the "House of Mao Undertakings"). The consideration for the purchase of the House of Mao Undertakings shall be fixed based on the most recent audited book value NTA prior to the date of the exercise of the call option as determined by an international accounting firm appointed by the Company but subject always to the approval of the audit committee of the Company;

(r) a call option agreement dated 8 February 2001 entered into between (1) the Company, and (2) SGRPL pursuant to which, in consideration of the sum of S$1.00, SGRPL granted to the Company the right to require SGRPL to sell to the Company, the assets, business and undertakings, but excluding certain specified assets and liabilities, of SGRPL (the "Spice Garden Undertakings"). The consideration for the purchase of the Spice Garden Undertakings shall be fixed based on the most recent audited book value NTA prior to the date of exercise of the call option but subject always to the approval of the audit committee of the Company. The consideration shall not in any event exceed S$600,000;

(s) a call option agreement dated 8 February 2001 between (1) the Company, and (2) Linda Anggraini Widjaja @ Ang Tjia Leng pursuant to which, in consideration of the sum of S$1.00, Linda Anggraini Widjaja @ Ang Tjia Leng granted to the Company the right to require her to sell to the Company, 140 ordinary shares of RP1,000,000 each in the capital of PT Naga (the "PT Naga Call Option Shares"), representing 35% of the entire issued and paid up share capital of PT Naga. The consideration for the purchase of the PT Naga Call Option Shares shall be determined by Linda Anggraini Widjaja @ Ang Tjia Leng and the Company, and failing such agreement, by an international accounting firm appointed by the Company but subject always to the approval of the audit committee of the Company;

(t) a call option agreement dated 8 February 2001 between (1) the Company, and (2) Andrew Tjioe Ka Men pursuant to which, in consideration of the sum of S$1.00, Andrew Tjioe Ka Men granted to the Company the right to require him to sell to the Company, 175 ordinary shares of RP500,000 each in the capital of PT Nobel (the "PT Nobel Call Option Shares"), representing 35% of the entire issued and paid up share capital of PT Nobel. The consideration for the purchase of the PT Nobel Call Option Shares shall be determined by Andrew Tjioe Ka Men and the Company, and failing such agreement, by an international accounting firm appointed by the Company but subject always to the approval of the audit committee of the Company;

(u) a depository agreement dated 9 March 2001 between (1) the Company, and (2) CDP pursuant to which CDP agreed to act as depository for the Company's securities for trades in the securities of the Company through the SGX-ST in consideration for which the Company agreed to pay CDP (1) such service fees and administrative charges as may be charged to all listed companies by the CDP from time to time; and (2) upon written request by CDP, all charges and expenses that may be incurred by CDP in the performance of its duties or the exercise of its powers and discretions under the agreement;

(v) a management and underwriting agreement dated 10 March 2001 made between (1) the Company, and (2) Oversea-Chinese Banking Corporation Limited ("OCBC") pursuant to which the Company appointed OCBC to (1) manage the listing of its Shares on the SGX-SESDAQ; and (2) underwrite the 2,000,000 Shares in the capital of the Company offered to the public in conjunction therewith (the "Offer Shares"), in consideration for payment to OCBC of a management fee of S$250,000 and an underwriting commission of 1.5% of the issue price of each Offer Share;

(w) a placement agreement dated 10 March 2001 made between (1) the Company, and (2) OCBC pursuant to which OCBC agreed to subscribe or procure subscriptions for 18,000,000 Shares in the capital of the Company (the "IPO Placement Shares") for a placement commission of 1.5% of the issue price for each IPO Placement Share;

(x) a joint venture agreement dated 21 July 2001 entered into between (1) the Company, and (2) Copilot pursuant to which the parties agreed to incorporate a joint-venture company, Club Asiana Pte Ltd, for the purposes of developing and carrying on the business of running a theme restaurant in Singapore under the name "Asian Restaurant & Bar". Pursuant to this agreement, the parties subscribed at par for shares in Club Asiana Pte Ltd such that the Company's and Copilot's interest in Club Asiana Pte Ltd was 55% and 45%, respectively;

(y) a joint venture agreement dated 17 January 2002 entered into between (1) the Company, (2)Nova Leisure, and (3) Imperium Fine Dining and Entertainment Pte Ltd ("IFDE") pursuant to which the parties agreed that IFDE be used as a joint venture vehicle to operate and manage a restaurant cum entertainment establishment at Ngee Ann City and such other locations as the parties may agree. The Company and Nova Leisure each agreed to subscribe at par for shares in IFDE such that each of them would have a 50% interest in IFDE;

(z) a sale and purchase of shares agreement dated 9 July 2002 made between (1) the Company, and (2) Copilot pursuant to which the Company agreed to purchase, and Copilot agreed to transfer to the Company 405,000 ordinary shares of S$1.00 each in the capital of Club Asiana Pte Ltd, representing 45% of the entire issued and paid up share capital of Club Asiana Pte Ltd, for a total consideration of S$80,000; and

(aa) a subscription agreement dated 24 October 2002 between (1) the Company, and (2) the Subscriber for the issue to the Subscriber of the Placement Shares at an issue price of S$0.112 per Placement Share.

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14. Give particulars of any other material facts relating to the shares being offered and not disclosed pursuant to items 1 to 13.

Save as disclosed in this Statement, the Directors are not aware of any other material facts relating to the Placement Shares not disclosed pursuant to items 1 to 13.

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15. Give the last audited consolidated balance sheet of the issuer.

Please refer to the audited financial statements of the Company for the financial year ended 31 December 2001 which is attached hereto as Appendix III.

16. Give a table or statement indicating:-

(a) the consolidated net tangible asset per share of the issuer as at the date on which the last audited balance sheet was made up; and

(b) the effect of the issue on the net tangible asset per share.

The NTA per Share of the Group is as follows:-

	As at 31 December 2001 [(a)]	As adjusted for the Placement [(b)]
NTA per Share	S$0.052	S$0.061

Notes:-

(a) Calculated based on the audited balance sheet as at 31 December 2001, based on the Company's issued share capital of 100,000,000 Shares as at 31 December 2001.

(b) Calculated based on the audited balance sheet as at 31 December 2001, based on the enlarged issued share capital of the Company of 120,000,000 Shares immediately after the Placement.

Dated this 5th day of November 2002

For and on behalf of
TUNG LOK RESTAURANTS (2000) LTD

Zhou Yingnan
Director

Andrew Tjioe Ka Men
Director

Tjioe Ka In
Director

Dr Ker Sin Tze
Director

Dr Tan Eng Liang
Director

Dated this 5th day of November 2002

For and on behalf of
TUNG LOK RESTAURANTS (2000) LTD

Zhou Yingnan
Director

Andrew Tjioe Ka Men
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Tjioe Ka In
Director

Dr Ker Sin Tze
Director

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Director

Dated this 5th day of November 2002

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Director