



GIKEN SAKATA (S) LIMITED
(the "Company")

(Incorporated in the Republic of Singapore)
Company Registration No. 197903879W

APPLICATION FOR THE LISTING AND QUOTATION FOR UP TO 69,911,600 NEW ORDINARY SHARES IN THE CAPITAL OF THE COMPANY (THE "SHARES") COMPRISING:-

- (I) **23,529,411 NEW ORDINARY SHARES ("NEW SHARES") TO BE ISSUED AND ALLOTTED TO MIYOSHI PRECISION LIMITED ("MIYOSHI") UPON THE EXERCISE OF THE CONVERSION OPTION IN RESPECT OF THE INITIAL LOAN; AND**
- (II) **UP TO 46,382,189 NEW ORDINARY SHARES ("ADDITIONAL NEW SHARES") TO BE ISSUED AND ALLOTTED TO MIYOSHI UPON THE EXERCISE OF THE CONVERSION OPTION IN RESPECT OF THE ADDITIONAL LOAN,**

IN RELATION TO THE PROPOSED INVESTMENT (THE "PROPOSED INVESTMENT") BY MIYOSHI IN THE COMPANY PURSUANT TO THE INVESTMENT AGREEMENT DATED 4 FEBRUARY 2008 (THE "INVESTMENT AGREEMENT").

1. The Company refers to its announcement of 4 February 2008 in relation to the execution of the Investment Agreement by the Company and Miyoshi. Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as defined in the aforementioned announcement.
2. The Board is pleased to announce that it has received the in-principle approval of the SGX-ST for the listing and quotation of up to 69,911,600 Shares, comprising (i) the New Shares to be issued and allotted to Miyoshi pursuant to the conversion of the Initial Loan; and (ii) the Additional New Shares to be issued and allotted to Miyoshi pursuant to the conversion of the Additional Loan under the Investment Agreement.
3. The in-principle approval from SGX-ST is, *inter alia*, subject to the following:-
 - (i) the submission of an undertaking by the Company to make periodic announcements on the use of the proceeds as and when the funds from the proceeds have been materially disbursed, and to provide a status report on the use of the proceeds in the Company's annual report;
 - (ii) the issue of the New Shares, grant of the Conversion Right and issue of the Additional New Shares being approved by Shareholders in a general meeting to be convened;
 - (iii) the unanimous approval from the Board (save for Mr Tan Kay Guan, Miyoshi's nominee who has to abstain from the Board decision) for the issue of New Shares and Additional New Shares after having satisfied themselves that the entire structure of the Investment Agreement is not prejudicial to the interests of the Company and the minority shareholders;
 - (iv) any adjustment made to the conversion price of the Further Loans must be confirmed in writing by the Company's auditor to be fair and reasonable and must be promptly announced via SGXNET;

- (v) any drawdown of the Further Loans be subject to the concurrence of the Company's audit committee; and
 - (vi) announcement of waiver of Rule 825 of the Listing Manual, reasons for seeking the waiver and the conditions imposed by SGX-ST (paragraph 2b and 2c above).
4. It should be noted that the in-principle approval from the SGX-ST is not to be taken as an indication of the merits of the Proposed Investment, the Shares, the Company or its subsidiaries.
 5. An extraordinary general meeting (the "**EGM**") will be convened in due course to seek Shareholders' approval for the issuance and allotment of the New Shares and Additional New Shares and the Whitewash Resolution. The Company will despatch a circular to Shareholders containing more information on the Proposed Investment and the notice of the EGM.

For and on behalf of the Board

Ng Say Tiong
Company Secretary
22 July 2008