



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

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

GRANT OF WAIVER FROM RULE 825 BY SGX-ST

1. The Company refers to Paragraph 3(iv) of its announcement of 22 July 2008 in relation to the receipt of in-principle approval from SGX-ST for the listing and quotation of up to 69,911,600 Shares to be issued and allotted to Miyoshi pursuant to the Investment Agreement. Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as defined in the aforementioned announcement.
2. Pursuant to the Investment Agreement, the subscription price for each New Share by the conversion of the Initial Loan is S\$0.06375 and the subscription price for each Additional New Share by the conversion of the Further Loan is S\$0.03234.

The determination of the subscription price for the New Shares and the Additional New Shares by the conversion of the Initial Loan and the Further Loan was arrived at based upon negotiations between the Company and Miyoshi taking into consideration *inter alia* the financial condition of the Company and the requirements of the Company at that time.

Accordingly, the number of New Shares and Additional New Shares that may be issued and allotted upon the conversion of the Initial Loan and the Further Loan will amount to an aggregate of 69,911,600 shares representing 53.16% of resultant enlarged issued share capital of the Company.

3. The Board is pleased to announce that it has on 22 July 2008 been granted a waiver by SGX-ST from compliance with Rule 825 of the Listing Manual for the purposes of the Proposed Investment.
4. The abovementioned waiver from SGX-ST is subject to the following:-
 - (i) the issue of the New Shares, grant of the Conversion Right and issue of the Additional New Shares being approved by Shareholders of the Company in a general meeting to be convened; and
 - (ii) 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.

For and on behalf of the Board

Ng Say Tiong
Company Secretary
24 July 2008