



GIKEN SAKATA (S) LIMITED

(Incorporated in the Republic of Singapore)

(Company Registration No. 197903879W)

**PROPOSED RESTRUCTURING OF GIKEN SAKATA (S) LIMITED BY WAY OF A SCHEME OF ARRANGEMENT
UNDER SECTION 210 OF THE COMPANIES ACT, CHAPTER 50 OF SINGAPORE**

1. INTRODUCTION

The Board of Directors (the “**Directors**”) of Giken Sakata (S) Limited (the “**Company**”, and together with its subsidiaries, the “**Giken Group**”) refers to the Company's announcement on 10 November 2014 (the “**Announcement**”) in relation to the Proposed Restructuring by way of the Scheme. Unless otherwise defined herein, all capitalised terms used herein shall have the same meanings ascribed to them in the Announcement.

2. RULE 806(3) WAIVER

2.1 Given that GSSEL will replace the Company as the listed entity pursuant to the Proposed Restructuring, the Company had sought the SGX-ST's confirmation that based on the reasons set out in paragraph 3 of this announcement, the limits set out in Rule 806(3) of the Catalist Rules do not apply to GSSEL (the “**Rule 806(3) Waiver**”). Specifically, the GSSEL Share Issue Mandate (as defined below) will be based on the total number of GSSEL Shares (excluding treasury shares) in issue immediately after the allotment and issuance of the new GSSEL Shares on the basis of one (1) new GSSEL Share for every one (1) Giken Share (the “**Scheme Consideration**”) pursuant to the Scheme and as adjusted.

2.2 Subject to Shareholders' approval being obtained for the Scheme and the Company's general share issue mandate (the “**Giken Share Issue Mandate**”) at the Company's upcoming annual general meeting to be held prior to completion of the Scheme (the “**AGM**”), GSSEL has obtained a general share issue mandate from the Subscriber Shareholder on 12 November 2014 to authorise the directors of GSSEL to allot and issue GSSEL Shares and/or convertible securities in the capital of GSSEL pursuant to Section 161 of the Companies Act and Rule 806 of the Catalist Rules and in accordance with the terms of such mandate (the “**GSSEL Share Issue Mandate**”).

2.3 Under the GSSEL Share Issue Mandate, it is proposed that the “**issued share capital of GSSEL immediately after completion of the Scheme (excluding treasury shares)**” shall mean the total number of issued GSSEL Shares (excluding treasury shares) immediately after the issuance of the new GSSEL Shares as the Scheme Consideration after deducting such number of ordinary shares in the capital of the Company which may have been allotted and issued by the Company pursuant to the Giken Share Issue Mandate prior to the completion of the Scheme (if any) and after adjusting for:

- (a) new GSSEL Shares arising from the conversion or exercise of any convertible securities;

- (b) new GSSEL Shares arising from the exercise of share options or vesting of share awards outstanding or subsisting and which GSSEL is party or subject to or which is otherwise binding on GSSEL immediately after completion of the Scheme, provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules; and
- (c) any subsequent bonus issue, consolidation or subdivision of GSSEL Shares.

2.4 The Board wishes to announce that the SGX-ST had on 25 November 2014 advised that it has no objections to the Company's application for the Rule 806(3) Waiver, subject to the Company making an immediate announcement of the Rule 806(3) Waiver, disclosing the reasons for seeking the Rule 806(3) Waiver, and that the Company and/or any of its Board are not aware of any other material information with respect to the Company which was not formally disclosed to the investors.

3. REASONS FOR SEEKING THE RULE 806(3) WAIVER

The Company sought the Rule 806(3) Waiver based on the following reasons:

- (a) the Proposed Restructuring is purely an internal restructuring exercise undertaken by the Company and GSSEL to facilitate a migration of the shareholding interests of the Shareholders in the capital of the Company to that of GSSEL;
- (b) as the principal assets of GSSEL immediately after the completion of the Proposed Restructuring will be the Company and its subsidiaries, the Proposed Restructuring will not cause or result in any substantive change in the financial position of the GSSEL Group compared to that of the Giken Group prior to the Proposed Restructuring. In particular, the aggregate assets and liabilities of the GSSEL Group immediately after the completion of the Proposed Restructuring will be substantially the same as those of the Giken Group prior to the Proposed Restructuring as no new assets will be injected into the GSSEL Group pursuant to the Proposed Restructuring; and
- (c) the Scheme and the Proposed Restructuring will not cause or result in any substantive change in the shareholding composition or shareholding interests of the Shareholders, as the number of shareholders and shareholding composition of GSSEL immediately after the completion of the Scheme and the Proposed Restructuring will be the same as that of the Company prior to completion of the Scheme and the Proposed Restructuring.

4. CONFIRMATION

Neither the Company nor the Board is aware of any other material information with respect to the Giken Group which was not formally disclosed to the investors.

5. LISTING AND QUOTATION NOTICE

The Board also wishes to announce that the LQN has been obtained from the SGX-ST for the listing and quotation of 472,618,657 GSSEL Shares to be allotted and issued subject to the completion of the Proposed Restructuring to be effected by way of the Scheme.

The LQN is subject to the following conditions:

- (a) compliance with the SGX-ST's listing requirements;
- (b) approval of the Scheme by a majority in number of shareholders present and voting, either in person or by proxy, at a shareholding meeting to be directed by the High Court of the Republic of Singapore ("**Court Meeting**"), such majority holding not less than three-fourths in value of the shares in the Company held by shareholders present and voting either in person or by proxy at the Court Meeting;
- (c) sanction of the Scheme by the Court and a copy of the Court order being lodged with the Accounting and Corporate Regulatory Authority of Singapore;
- (d) conversion of GSSEL into a public company limited by shares and the adoption by GSSEL of new memorandum and articles of association; and
- (e) approval of the shareholder(s) of GSSEL for the allotment and issuance of shares in GSSEL to the existing shareholders of the Company pursuant to the Scheme and Proposed Restructuring.

The LQN is not an indication of the merits of the 472,618,657 GSSEL Shares, the Proposed Restructuring, the Scheme, GSSEL, its subsidiaries and their securities.

Accordingly, the condition precedent set out in paragraph 5.1(e) of the Announcement relating to the receipt of the LQN has been satisfied. The Company will make further announcements to update Shareholders on any material developments in relation to the Proposed Restructuring.

By Order of the Board
GIKEN SAKATA (S) LIMITED

Ng Say Tiong
Chief Financial Officer
25 November 2014

This announcement has been prepared by the Company and its contents have been reviewed by the company's Sponsor, Stamford Corporate Services Pte Ltd, for compliance with the relevant rules of Singapore Exchange Securities Trading Limited ("**SGX-ST**"). The Company's Sponsor has not independently verified the contents of this announcement.

This announcement has not been examined or approved by SGX-ST and SGX-ST assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this announcement.

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