

THE PROPOSED ACQUISITION BY THE COMPANY OF THE ENTIRE ISSUED AND PAID-UP SHARE CAPITAL OF REGAL INTERNATIONAL HOLDINGS PTE. LTD. – COMPLETION AND RECONSTITUTION OF THE BOARD AND BOARD COMMITTEES

CIMB Bank Berhad, Singapore Branch was the financial adviser to the Company for the acquisition of the entire issued and paid up share capital of Regal International Holdings Pte. Ltd..

1. INTRODUCTION

The Board of Directors (the “**Board**”) of Hisaka Holdings Ltd. (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to the announcements dated 24 July 2013, 20 September 2013, 30 October 2013, 29 November 2013, 20 December 2013, 3 April 2014, 11 September 2014, 15 September 2014, 23 September 2014, 10 October 2014, 16 October 2014 and 28 October 2014 (collectively, the “**Announcements**”), the Notice of Extraordinary General Meeting dated 24 September 2014 (the “**Notice of EGM**”) as well as the shareholders’ circular dated 24 September 2014 (the “**Circular**”) despatched by the Company to the Shareholders in respect of, *inter alia*, the proposed acquisition by the Company of the entirety of the issued and paid up share capital of Regal International Holdings Pte. Ltd. (the “**Proposed Acquisition**”). Unless otherwise defined herein or the context requires otherwise, the capitalised terms used in this announcement shall have the same meaning ascribed to them in the Announcements, the Notice of EGM and the Circular.

2. COMPLETION OF THE PROPOSED ACQUISITION

2.1. The Board is pleased to announce that, pursuant to the approval of Shareholders obtained at the extraordinary general meeting of the Company held on 16 October 2014 in relation to, *inter alia*, the Proposed Acquisition, the Board is pleased to announce Completion of the Proposed Acquisition took place today.

2.2. Following Completion:

- (a) the Company has acquired the entire issued share capital of Regal International Holdings Pte. Ltd.;
- (b) the Company has issued and allotted 130,000,000 Consolidated Shares in the share capital of the Company as Consideration Shares to the Vendors in satisfaction of the non-cash portion of the Purchase Consideration for the Proposed Acquisition;
- (c) the Company has issued and allotted 11,666,667 Consolidated Shares in the share capital of the Company as Arranger Shares to the Arranger, Cresco Investments Pte. Ltd., at an issue price of S\$0.825 each in full settlement of its fees for the Arranger’s assistance rendered to the Company in, *inter alia*, identifying businesses for potential acquisitions; and
- (d) the total number of issued and paid-up shares in the share capital of the Company has increased from 58,447,392 Shares to 200,114,059 Shares.

- 2.3. The Consideration Shares and Arranger Shares rank *pari passu* in all respects with the existing ordinary shares in the capital of the Company as at the date of Completion.
- 2.4. The Consideration Shares are subject to a moratorium (the “**Moratorium**”), the details of which are set out in Section 25 of the Circular entitled “Moratorium”. The Moratorium shall not apply to the Compliance Placement (as defined below).
- 2.5. The Arranger and its sole shareholder has undertaken not to sell, contract to sell, realise, transfer, pledge, grant any option to purchase or otherwise dispose of any part of its/his respective shareholding in the Company (in the case of the Arranger) and any part of his respective shareholding in the Arranger (in the case of the sole shareholder of the Arranger) immediately after Completion for a period of six months commencing from the listing of the Arranger Shares on the SGX-ST.
- 2.6. Following the Completion of the proposed Acquisition, the principal activities of the Group will comprise that of the Property Division and the Precision Business Division.

3. RECONSTITUTION OF THE BOARD AND BOARD COMMITTEES

- 3.1. Further to the Completion of the Proposed Acquisition, Mr Su Chung Jye, Mr Wong Pak Kiong, Mr Low Yew Shen and Mr Francis Hwang Huat Kuong have been appointed as Directors of the Company with effect from 29 October 2014. Mr Goon Kok Loon and Mr Chong Weng Hoe will remain on the Board of the Company. The Company’s Executive Directors, Mr Anthony Cheng Ee Chew, Mr Jackie Cheng Ee Lieng and Mdm Jessica Ong Boon Chin, and Independent Director, Mr John Tan Lee Meng, have resigned from the Board of the Company with effect from 29 October 2014.
- 3.2. The details of the appointment of Mr Su Chung Jye, Mr Wong Pak Kiong, Mr Low Yew Shen and Mr Francis Hwang Huat Kuong as required under Rule 704(7) and/or Rule 704(8) of the Listing Manual of the SGX-ST are set out in announcements of the Company dated 29 October 2014.
- 3.3. The composition of the Board following the Completion of the Proposed Acquisition is as follows:
 - (a) Mr Su Chung Jye (Executive Chairman and Chief Executive Officer);
 - (b) Mr Wong Pak Kiong (Executive Director);
 - (c) Mr Low Yew Shen (Non-Executive Director);
 - (d) Mr Goon Kok Loon (Lead Independent Director);
 - (e) Mr Chong Weng Hoe (Independent Director); and
 - (f) Mr Francis Hwang Huat Kuong (Independent Director).
- 3.4. The Audit Committee, Nominating Committee and Remuneration Committee have been reconstituted respectively, as follows:
 - (a) Audit Committee

Mr Goon Kok Loon (Chairman)
Mr Chong Weng Hoe
Mr Francis Hwang Huat Kuong

(b) Nominating Committee

Mr Goon Kok Loon (Chairman)
Mr Chong Weng Hoe
Mr Francis Hwang Huat Kuong

(c) Remuneration Committee

Mr Chong Weng Hoe (Chairman)
Mr Goon Kok Loon
Mr Francis Hwang Huat Kuong

4. CHANGE OF FINANCIAL YEAR END

In order to align the financial year end of the Company with that of the Target Group following the Completion of the Proposed Acquisition as disclosed in the Circular, the Board has resolved that the Company's financial year end will be changed from 30 September to 31 December of each year. For further information on the change of financial year end, please refer to Section 13 of the Circular entitled "Proposed Change of Financial Year End".

5. COMPLIANCE PLACEMENT

- 5.1. Following Completion, as at 29 October 2014, the market capitalisation of the Company is less than S\$300 million. Under Rule 210(1)(a) of the Listing Manual, at least 25% of the issued share capital of the Company must be held in the hands of at least 500 public Shareholders. Further, under Rule 724 of the Listing Manual, the SGX-ST may suspend trading of the Company's Shares if less than the required 10.00% of the Company's issued share capital are held in the hands of the public after the completion of the Proposed Transactions.
- 5.2. In order to, *inter alia*, meet the shareholding distribution requirements under Rule 210(1)(a) of the Listing Manual, the Vendors intend to place out up to an aggregate of 13,375,636 Consolidated Shares (received as Consideration Shares) to Public Shareholders (the "**Compliance Placement**").
- 5.3. As at 29 October 2014, the Vendors and/or their nominees holds 130,012,333 Consolidated Shares, representing approximately 64.97% of the enlarged share capital of the Company. As at 29 October 2014, based on the shareholding statistics of the Company as at 12 September 2014, being the latest practicable date prior to the printing of the Circular, it is expected that approximately 23.32% of the enlarged share capital of the Company is held by Public Shareholders. The number of Shares of the Company held by Public Shareholders will be updated upon the suspension of trading of the Company's Shares for the purpose of the Compliance Placement, which is expected to commence on 4 November 2014.
- 5.4. The SGX-ST has permitted the Company a period of one (1) month to complete the Compliance Placement for the purposes of, *inter alia*, raising the percentage of the Company's Shares held in the hands of the public to at least 25% of the Company's issued share capital. As announced previously, the Company intends to request for the suspension of trading of its Shares for the purpose of the Compliance Placement commencing from 4 November 2014. If the Compliance Placement is completed earlier, and the percentage of the Company's Shares held in the hands of the public is at least 25% of the Company's issued share capital, an application to the SGX-ST to lift the suspension will be made at that earlier time. The Company will make such announcement(s) as may be necessary and/or appropriate in relation to the Compliance Placement, including but not limited to the completion of the Compliance Placement, in due course.

Awarded to HISAKA (Singapore) Pte. Ltd.



6. SUSPENSION OF TRADING

- 6.1. The Board wishes to advise that the Company intends to request for the suspension of trading of its Shares, including those trading in odd lots on the SGX-ST's unit share market, commencing from 9.00 a.m. on 4 November 2014 until such time when the shareholding distribution requirements under Rule 210(1)(a) of the Listing Manual are met. If the Compliance Placement is completed before the one (1) month period permitted by the SGX-ST to complete the Compliance Placement, and the percentage of the Company's Shares held in the hands of the public is at least 25% of the Company's issued share capital, an application to the SGX-ST to lift the suspension will be made at that earlier time.
- 6.2. The Company will make such announcement(s) as may be necessary and/or appropriate on the request for suspension of trading and resumption of trading of the Company's Shares on the SGX-ST or otherwise in due course.

By Order of the Board
HISAKA HOLDINGS LTD.

Su Chung Jye
Executive Chairman and Chief Executive Officer
29 October 2014