

**Miyoshi Precision Limited**  
(Incorporated in the Republic of Singapore)  
(Company Registration No. 198703979K)

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**PROPOSED BONUS DIVIDEND AND RIGHTS ISSUE  
APPROVAL-IN-PRINCIPLE OF THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED**

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Miyoshi Precision Limited (the "**Company**") refers to the announcement dated 28 February 2007 (the "**Announcement**") relating to, *inter alia*, the Bonus Dividend and the Rights Issue. In the Announcement, the Company stated that it will apply to the Singapore Exchange Securities Trading Limited ("**SGX-ST**") for approval for the listing of and quotation for the Rights Shares on the Official List of the SGX-ST.

Unless otherwise defined, all terms used herein bear the same meaning as in the Announcement.

The Company wishes to announce that the SGX-ST has, on 26 March 2007, granted its approval in-principle for the listing of and quotation for the Rights Shares subject to the following conditions:-

- (a) the Company's compliance with the SGX-ST's listing requirements and guidelines;
- (b) a valid shareholders' mandate being available for the issue of the Rights Shares; and
- (c) submission of the notification referred to in Rule 864(4) of the Listing Manual of the SGX-ST, if applicable, upon any significant changes affecting the matter in the Company's application to the SGX-ST for the listing of and quotation for the Rights Shares.

The SGX-ST's approval in-principle is not to be taken as an indication of the merits of the Rights Issue, the Rights Shares, the Company or its subsidiaries.

The Company also wishes to announce that it has obtained a waiver from the SGX-ST of Rules 815 and 877(8) of the Listing Manual of the SGX-ST, which relate to the requirements to announce any significant disbursements of the proceeds raised from the Rights Issue and to make periodic announcements on the utilisation of the proceeds as the funds from the Rights Issue are disbursed respectively. If the Rights Issue is fully subscribed, the gross proceeds from the Rights Issue and the aggregate Bonus Dividend payout will each amount to approximately S\$14.1 million. Hence, there will not be significant net cash inflow from the Bonus Dividend and the Rights Issue. Together with the Bonus Dividend, the Rights Issue in effect transforms a portion of the Company's accumulated profits into permanent share capital.

As at 22 February 2007, the Shareholders, Sin Kwong Wah, Andrew, Pek Yee Chew, Tan Kay Guan, Mah Wai Pheng, Gan Yoke Fong, Karen and Miyoshi Industry Co., Ltd, hold direct and indirect interests of 62,292,160 Shares (excluding the 30,753,000 Shares held by Pek Yee Chew which Sin Kwong Wah, Andrew is deemed interested in by virtue of their spousal relationship), 30,753,000 Shares (excluding the 62,292,160 Shares held by Sin Kwong Wah, Andrew which Pek Yee Chew is deemed interested in by virtue of their spousal relationship), 4,064,000 Shares (excluding the 2,584,000 Shares held by Mah Wai Pheng which Tan Kay Guan is deemed interested in by virtue of their spousal relationship), 2,584,000 Shares (excluding the 4,064,000 Shares held by Tan Kay Guan which Mah Wai Pheng is deemed interested in by virtue of their spousal relationship), 12,168,640 Shares and 69,672,860 Shares respectively, representing approximately 22.32%, 11.02%, 1.46%, 0.93%, 4.36% and 24.97% respectively of the issued share capital of the Company (each, an "**Undertaking Shareholder**" and collectively, the "**Undertaking Shareholders**"). Each of the Undertaking Shareholders has irrevocably

undertaken to the Company and the Manager to elect to utilise all of their respective Net Bonus Dividend to subscribe for the whole of their respective entitlements of the Rights Shares under the Rights Issue with no further cash outlay on the part of each Undertaking Shareholder.

Depending on the level of subscription for the Rights Shares, the Company will, if necessary, scale down the subscription for the Rights Shares by any Undertaking Shareholder to avoid placing that relevant Undertaking Shareholder in the position of incurring a mandatory general offer obligation under The Singapore Code on Take-overs and Mergers in the event the Rights Issue is not fully subscribed.

By Order of the Board

Tan Kay Guan  
Executive Director  
27 March 2007