



SAKAE HOLDINGS LTD.
(Incorporated in Singapore on 2 July 1996)
(Company Registration Number: 199604816E)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Sakae Holdings Ltd. (the "**Company**") will be held at 28 Tai Seng Street, Sakae Building, Level 7, Singapore 534106, on Wednesday, 23 April 2014 at 2.00 p.m. for the following purposes:

Ordinary Business

- To receive and adopt the Directors' Report and Audited Financial Statements of the Company for the financial year ended 31 December 2013 together with the Auditors' Report thereon. **(Resolution 1)**
- To declare a final tax exempt (1-tier) dividend of 1.5 cents per ordinary share for the financial year ended 31 December 2013. **(Resolution 2)**
- To re-elect the following Directors retiring by rotation pursuant to Article 91 of the Company's Articles of Association and who, being eligible, offers himself for re-election:
Mr Douglas Foo Peow Yong (**See Explanatory Note (i)**) **(Resolution 3)**
Mr Nandakumar s/o Ponnnya (**See Explanatory Note (ii)**) **(Resolution 4)**
Mr Nandakumar s/o Ponnnya will, upon re-election as a Director of the Company, remain as a member of the Audit Committee and will be considered independent for the purposes of Rule 704(8) of the Listing Manual of the Singapore Exchange Securities Trading Limited.
- To approve the payment of Directors' fees of S\$75,000 (FY2012: S\$170,000) for the financial year ended 31 December 2013. **(Resolution 5)**
- To re-appoint Messrs Deloitte & Touche LLP as the Company's Auditors and to authorise the Directors to fix their remuneration. **(Resolution 6)**
- To transact any other ordinary business which may properly be transacted at an Annual General Meeting.

Special Business

To consider and if thought fit, to pass the following resolutions as Ordinary Resolutions, with or without any modifications:

- Authority to allot and issue shares
"That, pursuant to Section 161 of the Companies Act, Cap. 50 (the "**Companies Act**") and Rule 806(2) of the Listing Manual of the Singapore Exchange Securities Trading Limited (the "**Listing Manual**"), authority be and is hereby given to the Directors to:-
(a) allot and issue shares in the Company; and
(b) issue convertible securities and any shares in the Company pursuant to convertible securities (whether by way of rights, bonus or otherwise) at any time and upon such terms and conditions and for such purposes and to such persons as the Directors shall in their absolute discretion deem fit, provided that the aggregate number of shares (including any shares to be issued pursuant to the convertible securities) in the Company to be issued pursuant to such authority shall not exceed fifty per cent. (50%) of the total number of issued shares excluding treasury shares of the Company for the time being and that the aggregate number of shares in the Company to be issued other than on a pro-rata basis to the then existing shareholders of the Company will not exceed twenty per cent. (20%) of the total number of issued shares excluding treasury shares of the Company for the time being. Unless prior shareholders' approval is required under the Listing Manual, an issue of treasury shares will not require further shareholders' approval, and will not be included in the aforementioned limits. Unless revoked or varied by the Company in general meeting, such authority shall continue in full force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting is required by law to be held, whichever is earlier, such that the Directors shall be authorised to allot and issue new shares pursuant to the convertible securities notwithstanding that such authority has ceased.
For the purposes of this Resolution and Rule 806(3) of the Listing Manual, the total number of issued shares excluding treasury shares is based on the total number of issued shares excluding treasury shares of the Company at the time this Resolution is passed after adjusting for:-
(i) new shares arising from the conversion or exercise of convertible securities;
(ii) new shares arising from exercising share options or vesting of share awards outstanding or subsisting at the time of the passing of this Resolution, provided the options or awards were granted in compliance with the rules of the Listing Manual; and
(iii) any subsequent bonus issue, consolidation or subdivision of shares." (**See Explanatory Note (iii)**) **(Resolution 7)**
- Authority to grant options and issue Shares under the Sakae Employee Share Option Scheme
"That pursuant to Section 161 of the Companies Act, the Directors of the Company be and are hereby authorised to offer and grant options in accordance with the Sakae Employee Share Option Scheme (the "**Scheme**") and to allot and issue from time to time such number of Shares as may be required to be issued pursuant to the exercise of the options granted under the Scheme provided always that the aggregate number of Shares to be issued pursuant to the Scheme shall not exceed 15% of the total number of issued Shares excluding treasury shares of the Company from time to time." (**See Explanatory Note (iii)**) **(Resolution 8)**
- Authority to allot and issue Shares under the Sakae Performance Share Scheme
"That pursuant to Section 161 of the Companies Act, the Directors of the Company be and are hereby authorised to grant awards in accordance with the provisions of the Sakae Performance Share Scheme (the "**Performance Share Scheme**") and to allot and issue such number of fully paid Shares from time to time as may be required to be issued pursuant to the vesting of awards under the Performance Share Scheme provided always that the aggregate number of new Shares to be allotted and issued pursuant to the Performance Share Scheme shall not exceed 15% of the total number of issued Shares (excluding treasury shares) of the Company from time to time and that such authority shall, unless revoked or varied by the Company in general meeting, shall continue in full force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier." (**See Explanatory Note (iv)**) **(Resolution 9)**
- To grant approval for the renewal of the Share Buyback Mandate
"That:-
(a) For the purposes of the Companies Act, the exercise by the Directors of the Company of all the powers of the Company to purchase or otherwise acquire the Ordinary Shares not exceeding in aggregate the Prescribed Limit (as hereinafter defined), at such price(s) as may be determined by the Directors of the Company from time to time up to the Maximum Price (as hereinafter defined), whether by way of:-
(i) market purchases (each a "**Market Purchase**") on the Singapore Exchange Securities Trading Limited ("**SGX-ST**"); and/or
(ii) off-market purchases (each an "**Off-Market Purchase**") effected otherwise than on the SGX-ST in accordance with any equal access scheme(s) as may be determined or formulated by the Directors of the Company as they consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act, and otherwise in accordance with all other provisions of the Companies Act and listing rules of the SGX-ST as may for the time being be applicable,
be and is hereby authorised and approved generally and unconditionally (the "**Share Buyback Mandate**");
(b) unless varied or revoked by the Company in general meeting, the authority conferred on the Directors of the Company pursuant to the Share Buyback Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the passing of this Resolution and expiring on the earlier of:
(i) the date on which the next annual general meeting of the Company ("**AGM**") is held or required by law to be held;
(ii) the date on which the share buybacks pursuant to the Share Buyback Mandate are carried out to the full extent mandated; or
(iii) the date on which the authority contained in the Share Buyback Mandate is varied or revoked;
(c) in this Resolution:
"**Prescribed Limit**" means 10% of the issued Shares of the Company (excluding treasury shares) as at the date of passing of this Resolution unless the Company has effected a reduction of the share capital of the Company in accordance with the applicable provisions of the Companies Act, at any time during the Relevant Period, in which event the issued Shares of the Company shall be taken to be the number of issued Shares of the Company as altered (excluding any treasury shares that may be held by the Company from time to time);
"**Relevant Period**" means the period commencing from the date on which the last AGM of the Company was held or was required by law to be held before this Resolution, and expiring on the date the next AGM is held or required by law to be held, whichever is the earlier, after this Resolution; and
"**Maximum Price**" in relation to a Share to be purchased, means an amount (excluding brokerage, stamp duties, applicable goods and services tax and other related expenses) not exceeding:
(i) in the case of a Market Purchase: 105% of the Average Closing Price; and
(ii) in the case of an Off-Market Purchase: 110% of the Average Closing Price, where:
"**Average Closing Price**" means the average of the closing market prices of a Share over the last five Market Days, on which transactions in the Shares were recorded, preceding the day of the Market Purchase, or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted for any corporate action that occurs after the relevant five day period;
"**date of the making of the offer**" means the date on which the Company announces its intention to make an offer for an Off-Market Purchase, stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase; and
"**Market Day**" means a day on which the SGX-ST is open for trading in securities; and
(d) the Directors of the Company be and are hereby authorized to complete and do all such acts and things (including executing such documents as may be required) as they may consider expedient or necessary to give effect to the transactions contemplated by this Resolution." (**See Explanatory Note (v)**) **(Resolution 10)**

By Order of the Board

Chan Lai Yin
Company Secretary
Singapore, 8 April 2014

Explanatory Notes:

- The detailed information of Mr Douglas Foo Peow Yong and Mr Nandakumar s/o Ponnnya can be found under the section entitled 'Board of Directors' on pages 20 to 21 of the Annual Report. Mr Douglas Foo Peow Yong is a brother of Ms Foo Lilian, the Executive Director and Chief Executive Officer. Save for this relationship, Mr Douglas Foo Peow Yong and Mr Nandakumar s/o Ponnnya have no relationship (including immediate family relationships) with the other Directors, the Company or its 10% shareholders.
- Ordinary Resolution 7 is to empower the Directors of the Company from the date of the above Meeting until the date of the next Annual General Meeting, to allot and issue shares and convertible securities in the Company. The aggregate number of shares (including any shares issued pursuant to the convertible securities) which the Directors may allot and issue under this Resolution will not exceed fifty per cent. (50%) of the total number of issued shares excluding treasury shares of the Company. For issues of shares other than on a pro rata basis to all shareholders, the aggregate number of shares to be issued will not exceed twenty per cent. (20%) of the total number of issued shares excluding treasury shares of the Company. This authority will, unless previously revoked or varied at a general meeting, expire at the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier. However, notwithstanding the cessation of this authority, the Directors are empowered to issue shares pursuant to any convertible securities issued under this authority.
- Ordinary Resolution 8 is to empower the Directors of the Company, to grant options and to allot and issue Shares upon the exercise of such share options in accordance with the Sakae Employee Share Option Scheme.
- Ordinary Resolution 9 is to empower the Directors of the Company, to grant awards and to allot and issue such number of fully paid Shares from time to time as may be required to be issued pursuant to the Sakae Performance Share Scheme.
- Ordinary Resolution 10 relates to the renewal of the Share Buyback Mandate originally approved by Shareholders on 19 April 2013 and, if passed, will empower the Directors of the Company to purchase or otherwise acquire ordinary shares of the Company by way of market or off-market purchases or acquisitions of up to 10% of the total number of issued shares (excluding treasury shares) in the capital of the Company at the Maximum Price (as defined in Ordinary Resolution 10 above). The authority conferred by Ordinary Resolution 10 will continue in force until the earliest of:
(a) the date on which the next AGM of the Company is held or required by law to be held;
(b) the date on which the Share Buybacks are carried out to the full extent mandated; or
(c) the date on which the authority contained in the Share Buyback Mandate is varied or revoked.

Please refer to the Appendix I to this Notice of AGM for details.

The Company may use internal resources and/or external borrowings and/or a combination of both to finance purchases of Shares pursuant to the Share Buyback Mandate. In purchasing or acquiring Shares pursuant to the Share Buyback Mandate, the Directors will, principally consider the availability of internal resources. In addition, the Directors will also consider the availability of external financing. However, in considering the option of external financing, the Directors will consider particularly the prevailing gearing level of the Group. The Directors will only make purchases or acquisitions pursuant to the Share Buyback Mandate in circumstances which they believe will not result in any material adverse effect to the financial position of the Company or the Group.

The financial effects on the Company and the Group arising from purchases or acquisitions of Shares which may be made pursuant to the Share Buyback Mandate will depend on, inter alia, how the Shares are purchased or acquired, the price paid for such Shares and whether the Shares purchased or acquired are held in treasury or cancelled. The Company's total issued share capital will be diminished by the total nominal amount of the Shares purchased by the Company. The NTA of the Company and the Group will be reduced by the aggregate purchase price paid by the Company for the Shares. The purchase price paid by the Company for the Shares (excluding brokerage, stamp duties, applicable goods and services tax and other related expenses) will correspondingly reduce the amount available for the distribution of cash dividends by the Company.

An illustration of the financial impact of the Share Buybacks by the Company pursuant to the Share Buyback Mandate on the audited financial statements of the Company and its subsidiaries for the financial year ended 31 December 2013 is set out in paragraph 2.7.3 of the Appendix.

Notes:

- A member entitled to attend and vote at the Meeting is entitled to appoint one or two proxies to attend and vote in his stead. A proxy need not be a member of the Company.
- Where a member appoints more than one proxy, the appointments shall be invalid unless he specifies the proportion of his holding (expressed as a percentage of the whole) to be represented by each proxy.
- The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer.
- The instrument appointing a proxy or proxies must be deposited at the Company's registered office at 28 Tai Seng Street, Sakae Building, Level 7, Singapore 534106, not less than 48 hours before the time set for the Annual General Meeting.

NOTICE OF BOOKS CLOSURE

NOTICE IS HEREBY GIVEN that the Share Transfer Books and Register of Members of the Company shall be closed on 10 June 2014 for the preparation of the dividend warrants in respect of the proposed final tax exempt (1-tier) dividend of 1.5 cents per ordinary share for the financial year ended 31 December 2013.

Duly completed registrable transfers received by the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place, Singapore Land Tower #32-01, Singapore 048623, up to 5:00 p.m. on 9 June 2014 will be registered to determine shareholders' entitlement to the proposed final dividend. Members whose Securities Accounts with The Central Depository (Pte) Limited are credited with Shares at 5:00 p.m. on 9 June 2014 will be entitled to the proposed final dividend.

Payment of the proposed final dividend, if approved by the members at the Company's forthcoming Annual General Meeting to be held on 23 April 2014, will be made on 20 June 2014.

By Order of the Board

Chan Lai Yin
Company Secretary
Singapore, 8 April 2014