

SAKAE HOLDINGS LTD.

Company Registration Number 199604816E
(Incorporated in the Republic of Singapore)

**RESPONSE TO SGX QUERIES ON ANNUAL REPORT FOR THE FINANCIAL YEAR ENDED
31 DECEMBER 2015**

The Board of Directors of Sakae Holdings Ltd. (“Company” or together with its subsidiaries, the “Group”) refers to the queries raised by the Singapore Exchange Securities Trading Limited (“SGX-ST”) in its email of 21 April 2016 relating to the Company’s Annual Report for the financial year ended 31 December 2015 (“Annual Report”). The Company wishes to provide clarification as follow:

SGX QUERY

Pursuant to Guideline 11.3 of the Code of Corporate Governance 2012 (the “Code”), the Board should also comment in the company’s Annual Report on whether it has received assurance from the CEO and the CFO: (a) that the financial records have been properly maintained and the financial statements give a true and fair view of the company’s operations and finances; and (b) regarding the effectiveness of the company’s risk management and internal control systems. We note on page 33 of the Company’s annual report that the Company did not disclose whether the Board has received assurance that the financial records have been properly maintained. In this respect, please disclose or otherwise explain the reason(s) for the deviation from the Code recommendation.

COMPANY’S RESPONSE

The Board has received assurance from the CEO and the CFO that the financial records have been properly maintained and the financial statements give a true and fair view of the Company’s operations and finances. The assurance also includes effectiveness of the Company’s risk management and internal control systems.

By Order of the Board

Douglas Foo Peow Yong
Executive Chairman
22 April 2016