

**SAKAE HOLDINGS LTD.**

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

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**ANNOUNCEMENT PURSUANT TO RULES 704(5) OF THE LISTING MANUAL IN RELATION TO THE AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014**

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Pursuant to Rule 704(5) of the Listing Manual of the SGX-ST (the "**Listing Manual**"), the Board of Directors (the "**Board**") of Sakae Holdings Ltd. (the "**Company**") wishes to announce that the Company's auditors, Messrs Deloitte & Touche LLP (the "**Auditors**"), have issued a Qualified Opinion on the Company's financial statements for FY2014 (the "**Qualified Opinion**"), similar to that issued on the Company's financial statements for FY2013.

The Auditors have issued the Qualified Opinion on account of the Company's accounting treatment for its investments in its associates, Griffin Real Estate Investment Holdings Pte Ltd ("**GREIH**") and Gryphon Capital Management Pte Ltd ("**GCM**").

The applicable accounting standards require the Company to use the equity accounting method to account for its share of results and net assets of its associates. The Company did not apply the equity accounting method to account for its share of results and net assets of GREIH and GCM as the Company did not rely on the management accounts of GREIH and GCM. This is in light of the uncertainties that are presented by the on-going litigation in the Singapore Courts between and/or among the Company, GREIH, GCM and other persons and entities. The Company has also made a full provision for impairment loss on its investments in GREIH and GCM on account of those uncertainties.

The matters relating to the on-going litigation were earlier announced by the Company by its announcements of 21 January 2013, 1 February 2013, 8 February 2013, 16 February 2013, 20 February 2013, 22 February 2013, 7 March 2013, 3 May 2013, 3 December 2013 and 6 February 2014, 28 August 2014 and 24 September 2014.

The basis for the Qualified Opinion is set out in more detail in the Independent Auditors' Report for FY 2014 (the "**Independent Auditors' Report**"), a copy of which is attached as an Appendix to this announcement. The Independent Auditors' Report was provided to shareholders and the SGX-ST as part of the Company's Annual Report for FY 2014 on 6 April 2015.

The Board will make such further announcements on these matters as and when there are material developments.

**By order of the Board**

Douglas Foo Peow Yong  
Executive Chairman  
9 April 2015