

SAKAE HOLDINGS LTD.

(the “Company”)

(Incorporated in the Republic of Singapore)

(Company Registration Number: 199604816E)

MATTERS CONCERNING A COMPLAINT LETTER BY A SHAREHOLDER TO THE INDEPENDENT DIRECTORS OF THE COMPANY

The Board of Directors of the Company (the “Board”) wishes to announce that in June 2016, the Independent Directors of the Company received a letter of complaint from a shareholder of the Company (“the shareholder”).

That letter of complaint made a number of allegations against the Company’s Chairman, Mr Douglas Foo Peow Yong (“Mr Foo”), in relation to alleged personal interests in Gryphon Real Estate Investment Corporation Pte. Ltd. (“GREIC”) and ERC Holdings Pte. Ltd. (“ERC Holdings”), the issuance of shares in the Company’s associate company, Griffin Real Estate Investment Holdings Pte. Ltd. (“GREIH”) to ERC Holdings and the Company, and the authorisation and/or approval of a loan from GREIH to ERC Unicampus Pte. Ltd. (“ERC Unicampus”) (in which Mr Foo is an indirect shareholder) allegedly without the authority of the Board. An allegation was also made that the Company did not announce the issuance of shares in GREIH to the Company.

Following the receipt of the letter of complaint from the shareholder, the AC conducted a thorough investigation into the matters set out in the shareholder’s letter of complaint as part of a process which was conducted under privilege and confidentiality.

Having investigated the matter, the AC has arrived at the view that the shareholder’s allegations are not borne out by the evidence. In arriving at these views, the AC also took into consideration, among other things, that a number of the allegations that has been made by the shareholder were raised at the trial in the High Court earlier this year and that Mr Foo gave evidence on oath on several of these allegations at the trial and the person or persons who could have challenged Mr Foo’s evidence chose not to give evidence and be cross-examined.

The High Court has not yet at this time handed down its decision in the trial.

The AC has responded to the shareholder to inform him of the AC’s views.

The shareholder also wrote to the SGX to allege, among other things, that the Company had not acted in accordance with the SGX Listing Manual by not announcing the fact of the shareholder’s complaint and the AC’s investigations into the complaint. The Company does not accept these allegations, which are without merit. The Company is aware of and has always abided by and will continue to abide its obligations under the SGX Listing Manual.

The AC has also kept the SGX updated of the progress of its investigations as well as of its response to the shareholder.

The Company will continue to keep all shareholders updated of any material developments.

BY ORDER OF THE BOARD

LIM CHEE YONG
AUDIT COMMITTEE CHAIRMAN
SAKAE HOLDINGS LTD.

28 October 2016