

**SAKAE HOLDINGS LTD.**

(the “**Company**”)

(Incorporated in the Republic of Singapore)

(Company Registration No.: 199604816E)

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**UPDATE ON PROPOSED INVESTMENT IN MP HOLDINGS CO. LTD  
– TERMINATION OF THE MEMORANDUM OF UNDERSTANDING**

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Reference is made to the Company’s announcement of 15 January 2013 (the “**Announcement**”) relating to the memorandum of understanding executed by the Company, NEC Capital Solutions Limited, Mr. Nobuo Yamanoi and MP Holdings Co. Ltd. Unless defined otherwise herein, all capitalised terms used in this announcement shall have the same meanings as ascribed to them in the Announcement.

The Board wishes to announce that after signing the MOU, the Parties have undergone detailed discussions and negotiations, and have mutually agreed not to proceed with the Proposed Investment. As such, the MOU has been terminated with effect from 10 November 2014 in an agreement executed by the Parties of even date (the “**Agreement**”).

Notwithstanding the termination of the MOU, the Company will continue to explore the possibility of forming a strategic business alliance with MP Holdings.

**By Order of the Board**

Douglas Foo Peow Yong

Executive Chairman

10 November 2014