



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 (“**Meeting**”) of Sakae Holdings Ltd. (the “**Company**”) will be held at 28 Tai Seng Street, Sakae Building, Level 7, Singapore 534106, on Tuesday, 27 June 2017 at 10:00 a.m. for the following purposes:

Ordinary Business

- To receive and adopt the Directors’ Statements and Audited Financial Statements of the Company for the financial year ended 31 December 2016 together with the Auditors’ Report thereon. **(Resolution 1)**
- 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 2)**
Ms Foo Lilian (**See Explanatory Note (i)**) **(Resolution 3)**
Mr Douglas Foo Peow Yong will, upon re-election as a Director of the Company, remain as member of the Remuneration Committee and Nominating Committee.
- To approve the payment of Directors’ fees of S\$100,000 (FY2015: S\$100,000) for the financial year ended 31 December 2016. **(Resolution 4)**
- To re-appoint Messrs Deloitte & Touche LLP as the Company’s Auditors and to authorise the Directors to fix their remuneration. **(Resolution 5)**
- 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 and Rule 806(2) of the Listing Manual of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”), authority be and is hereby given to the Directors of the Company to:-
(a) (i) allot and issue shares in the capital of the Company (“**shares**”) whether by way of rights, bonus or otherwise; and/or
(ii) make or grant offers, agreements or options (collectively, “**Instruments**”) that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into shares,
at any time and upon such terms and conditions and for such purposes and to such persons as the Directors of the Company in their absolute discretion deem fit; and
(b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors of the Company while this Resolution was in force,
provided that:
(1) the aggregate number of shares to be issued pursuant to this Resolution (including shares to be issued in pursuance of Instruments, made or granted pursuant to this Resolution) does not exceed 50% (“**50% Limit**”) of the Company’s total number of issued shares, excluding treasury shares and shares (if any) held by a subsidiary, (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of shares to be issued other than on a pro-rata basis to existing shareholders of the Company (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed 20% of the Company’s total number of issued shares, excluding treasury shares, (as calculated in accordance with sub-paragraph (2) below). Pursuant to Practice Note 8.3 of the Listing Manual of the SGX-ST (“**Practice Note 8.3**”), which took effect on 13 March 2017, the 50% Limit is provisionally raised from 50% to 100% for pro rata renounceable rights issues, subject to conditions set out in Practice Note 8.3. In this regard, the Company shall be allowed to issue such number of shares up to a limit of 100% of the Company’s total number of issued shares excluding treasury shares and shares (if any) held by subsidiary for a *pro rata* renounceable rights issue. Unless prior shareholder approval is required under the Listing Manual of the SGX-ST, an issue of treasury shares will not require further shareholder approval, and will not be included in the aforementioned limits.
(2) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (1) above, the total number of issued shares, excluding treasury shares, is based on the Company’s total number of issued shares, excluding treasury shares, at the time this Resolution is passed, after adjusting for:
(i) new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time this Resolution is passed; and
(ii) any subsequent bonus issue, consolidation or subdivision of shares;
(3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Articles of Association for the time being of the Company; and
(4) (unless revoked or varied by the Company in general meeting) the authority conferred by this Resolution shall continue in 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 the earlier.” **(Resolution 6)**
(See Explanatory Note (ii))
- 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 Shares to be allotted and issued pursuant to the Performance Share Scheme and all share awards or share options granted under any other schemes implemented by the Company (if any) shall not exceed 15% of the total number of issued Shares (excluding treasury shares and shares (if any) held by a subsidiary) 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 (iii))** **(Resolution 7)**
- 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 and shares (if any) held by a subsidiary) 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 and shares (if any) held by a subsidiary 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 (iv))** **(Resolution 8)**
- To transact any other business which may be properly transacted at an Annual General Meeting.

By Order of the Board

Chan Lai Yin
Company Secretary
Singapore, 12 June 2017

Explanatory Notes:

- The detailed information of Mr Douglas Foo Peow Yong and Ms Foo Lilian can be found under the section entitled ‘Board of Directors’ of the Annual Report. Ms Foo Lilian is a sister of Mr Douglas Foo Peow Yong, the Executive Chairman. Save for this relationship, Mr Douglas Foo Peow Yong and Ms Foo Lilian have no relationship (including immediate family relationships) with the other Directors, the Company or its 10% shareholders. Mr Douglas Foo Peow Yong will, upon re-election as a Director of the Company, remain as Chairman of the Board, and member of Nominating and Remuneration Committees.
- The Ordinary Resolution 6 is to empower the Directors of the Company, effective until the conclusion of the next Annual General Meeting (“**AGM**”) of the Company, or the date by which the next AGM of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue shares, make or grant instruments convertible into shares and to issue shares pursuant to such Instruments, up to a number not exceeding the aggregated of (i) 50% of the total number of issued shares (excluding treasury shares) in the capital of the Company, of which up to 20% may be issued other than on a pro-rata basis to shareholders of the Company (the General Limit) and (ii) additional 50% for Renounceable Rights Issues, of the total number of issued shares (excluding treasury shares) in the capital of the Company (the Additional Limit), provided that the total number of shares which may be issued pursuant to (i) and (ii) shall not exceed 100% of the issued shares (excluding treasury shares) at the time Ordinary Resolution 6 is passed, after adjusting for new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time when this Ordinary Resolution is passed and any subsequent bonus issue, consolidation or subdivision of shares.
The authority for the Additional Limit is proposed pursuant to SGX-ST Practice Note 8.3 which became effective on 13 March 2017 until 31 December 2018 by which date no further shares shall be issued pursuant to this Resolution, if on that date the aggregate number of shares (including shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) exceeds 50% of the total number of issued shares (excluding treasury shares) in the capital of the Company (“the Enhanced Rights Issue Limit”). The Enhanced Rights Issue Limit is aimed at helping companies raise funds expediently for expansion activities or working capital. It is subject to the condition that the Company complies with applicable legal requirements including but not limited to provisions in the Companies Act requiring the Company to seek shareholders’ approval and disclosure requirements under the Listing Manual on the use of the proceeds as and when the funds are materially disbursed and a status report on the use of proceeds in the annual report; and limitations in any existing mandate from shareholders.
The Enhanced Rights Issue Limit will be exercised only if the Directors believe that to do so would be likely to promote the success of the Company for the benefit of shareholders as a whole.
- Ordinary Resolution 7 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 8 relates to the renewal of the Share Buyback Mandate originally approved by Shareholders on 23 April 2014 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 and shares (if any) held by a subsidiary) in the capital of the Company at the Maximum Price (as defined in Ordinary Resolution 8 above). The authority conferred by Ordinary Resolution 8 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 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 2016 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, subject to note 3 below. 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.
- A member who is a relevant intermediary entitled to attend the Meeting and vote is entitled to appoint more than two proxies to attend and vote instead of the member, but each proxy must be appointed to exercise the rights attached to a different share or shares held by each member. Where such member appoints more than two proxies, the appointments shall be invalid unless the member specifies the number of shares in relation to which each proxy has been appointed.
“Relevant intermediary” means:
a) a banking corporation licensed under the Banking Act, Chapter 19 of Singapore, or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;
b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act, Chapter 289 of Singapore, and who holds shares in that capacity; or
c) the Central Provident Fund Board established by the Central Provident Fund Act, Chapter 36 of Singapore, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.
- 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 Meeting.

Personal Data Privacy

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member’s personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for the Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Meeting (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the “**Purposes**”), (ii) warrants that where the member discloses the personal data of the member’s proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member’s breach of warranty.