

OKH GLOBAL LTD.
(formerly known as Sinobest Technology Holdings Ltd.)
(Company Registration Number: 35479)
(Incorporated in Bermuda)

PROPOSED ISSUANCE OF REDEEMABLE CONVERTIBLE PREFERENCE SHARES BY A WHOLLY-OWNED SUBSIDIARY

Unless otherwise defined, all capitalised terms used in this announcement shall bear the same meanings as in the Company's announcement dated 30 August 2014 (the "Previous Announcement").

1. Introduction

The Board of Directors of OKH Global Ltd. (the "**Company**" or "**OKH**", and together with its subsidiaries, the "**Group**") refers to the Company's Previous Announcement in relation to the proposed issuance of an aggregate principal amount of S\$8 million RCPS by Chronoz to the Investor at the issue price of S\$100,000 per RCPS.

2. The Subscription Agreement

Pursuant to the Term Sheet, the Company, Chronoz and Zana Asia Fund Limited, an entity related to the Investor ("**Zana Investor**") have entered into a subscription agreement dated 5 September 2014 ("**Subscription Agreement**") in relation to the proposed issue of RCPS by Chronoz.

3. Principal terms of the RCPS

Pursuant to the Subscription Agreement, Chronoz shall issue the RCPS to Zana Investor on, *inter alia*, the principal terms as set out below:-

Issue Price (the " Issue Price ")	S\$100,000 per RCPS.
Deposit	<ol style="list-style-type: none"> 1. Zana Investor shall pay to Chronoz a deposit being the sum of S\$8 million within five business days from the date of signing the Subscription Agreement ("Payment Date"), which shall be utilised and applied towards the subscription of the RCPS by Zana Investor in full settlement of the S\$8 million of the RCPS. 2. Pending the issue of the RCPS and deploying the proceeds, Chronoz may use the Deposit for its working capital purpose. 3. In the event completion of the subscription of RCPS ("Completion") does not take place, the Deposit shall be refundable with 11% interest per annum.
Maturity Date (" Maturity Date ")	The date falling 18 months from the Payment Date
Use of Proceeds	The proceeds are to be used to fund the acquisition by Chronoz of a 15% stake in Pan Asia Logistics Holdings Singapore Pte. Ltd., as announced on 18 August 2014.
Structure of the RCPS	<ol style="list-style-type: none"> 1. The RCPS shall have a Maturity Date, being 18 months from the Payment Date. 2. All outstanding RCPS shall be redeemed by Chronoz in cash

	<p>within 14 business days from the Maturity Date (both dates inclusive).</p> <p>3. In the event Chronoz undertakes an IPO exercise, before the Maturity Date, the holder of RCPS (“RCPS Holder”) shall have the option to convert all the RCPS into the Chronoz Shares at 50% discount to the IPO price.</p> <p>4. RCPS Holder shall have the right to exchange part of or its entire holdings of the RCPS into the OKH Shares at the Formula (as defined below) at any time starting from the first anniversary of the Payment Date and up to the Maturity Date; provided that such above exchange into OKH Shares shall be subject to the approval in-principle for the admission to and listing and quotation of such OKH Shares on the Mainboard of the Singapore Exchange Securities Trading Limited (the “SGX-ST”) being granted by the SGX-ST following the submission of the relevant additional listing application to the SGX-ST.</p> <p>For the avoidance of doubt, the receipt of the approval-in-principle from the SGX for the issue of the OKH Shares shall not be a condition precedent to the payment of the Deposit on the Payment Date.</p>
Redemption at Maturity	Within 14 business days immediately after the Maturity Date, Chronoz shall redeem any amount of the outstanding RCPS not converted or exchanged by the RCPS Holder at Maturity Date.
Exchange Ratio	<p>Upon exchange, each RCPS can be exchanged into certain number of OKH Shares using the following formula (the “Formula”):</p> <p>Number of OKH Shares Per RCPS = Issue Price ÷ Exchange Price</p>
Exchange Price	The Exchange Price is S\$0.71592, representing a 20% premium to the volume weighted average price of OKH Shares traded on the SGX-ST on 29 August 2014 (being the day prior to signing of the Term Sheet).
Anti-Dilution Exchange Price Adjustments	The Exchange Price shall be adjusted for sub-division, consolidation or re-classification, reorganizations or any other activities that alter the capital structure of OKH, provided that no adjustment shall apply in the case of an issue of new shares or convertible securities via placement for cash or in exchange for assets to be acquired or the issue of new shares under an existing performance share plan of OKH.
Ranking of the RCPS	The RCPS shall rank above ordinary shares and all other preference shares of Chronoz in liquidation preference. The payment obligations of Chronoz in respect of the RCPS, save as may be provided otherwise by any mandatory provisions of applicable law, shall rank at least <i>pari passu</i> with all existing and future direct, senior, unsubordinated, unconditional and unsecured obligations of Chronoz provided that the RCPS shall always rank after all financial obligations owing to banks as at the date of the Subscription Agreement.
Liquidation Event	A “ Liquidation Event ” in relation to Chronoz shall include: (i) a merger or consolidation of Chronoz with or into another entity (except a merger or consolidation in which OKH continues to hold at least 50% of the outstanding voting power of the capital of the surviving or acquiring entity); (ii) a voluntary liquidation of Chronoz; (iii) any events resulting in the Company not having majority control in Chronoz; or

	(iv) disposal of all or substantially all of the assets of Chronoz.
Liquidation Preference	If a Liquidation Event takes place before the conversion or exchange of all the RCPS (or the remaining amount if converted or exchanged partially) into Chronoz Shares or OKH Shares, respectively by the RCPS Holder, these outstanding RCPS shall be immediately exchangeable at the option of the RCPS Holder in accordance with the Formula. If the RCPS Holder decided not to exercise the exchange option, Chronoz shall redeem all outstanding RCPS by cash at 1.2 times of the Issue Price within 30 business days from the Liquidation Event.
Share Charge	The parties agree that they shall finalize a share charge in favour of Zana Investor in respect of all the ordinary shares of Chronoz held by OKH on Completion, provided that the RCPS shall always rank after all financial obligations owing to banks and the RCPS Holder shall execute a release of the first share charge in place of a second share charge for the interest of RCPS Holder to rank after the bank in the event that the bank requires a first charge over the ordinary shares of Chronoz.
Conditions precedent	<p>The completion of the proposed transaction shall be subject to, <i>inter alia</i>:-</p> <ul style="list-style-type: none"> (a) Zana Investor having undertaken and having completed its due diligence investigations in respect of Chronoz, including but not limited to the affairs, operations, business, assets, liabilities (including tax liabilities), contracts, financial position, accounts, results, prospects, legal and financing structure of Chronoz, and the results of such due diligence investigation being reasonably satisfactory to Zana Investor; (b) all necessary consents and approvals from the relevant third parties and regulatory bodies in Singapore applicable to the parties as well as the consents, approvals and waivers of the board of directors and commissioners (if applicable) and shareholders of Chronoz and the Company (if required) having been obtained; (c) approval from the existing lender(s) of Chronoz and the Company (if required) having been obtained, on terms satisfactory to the parties; (d) the Articles of Association of Chronoz (“Articles”) having been amended to provide for or conform to the terms and conditions of the RCPS and the terms of Subscription Agreement (to the extent applicable or necessary), such amended Articles being in form and substance satisfactory to Zana Investor in its reasonable discretion, and copies of all filings with the requisite regulatory authorities; (e) if required, the necessary approvals or consents from banks, financial institutions or third parties for the issuance of the RCPS, the Chronoz Shares and the OKH Shares; (f) the completion of the acquisition of a 15% stake in PAL by Chronoz within 30 days from the date of the Subscription Agreement and prior to the Completion.

4. Information on Zana Capital Pte. Ltd. and Zana Asia Fund Limited

Zana Capital Pte. Ltd. is a private equity firm that provides growth capital to companies in Asia in a diverse range of industries including pharmaceutical, logistics, manufacturing, consumer, mining and environmental engineering. Its investor base includes institutional investors such as endowments, pension funds, funds of funds, government and corporate funds, and family offices in North America, Europe, Middle East and Asia. Zana Asia Fund Limited is a private equity investment fund managed by Zana Capital Pte. Ltd. on a wholly discretionary basis. Zana Asia Fund Limited has investors comprising institutional investors and high net worth individuals.

The Investor and Zana Investor (including its directors and shareholders) are not restricted persons under Rule 812 of the Listing Manual of the SGX-ST.

5. OKH Shares

The Exchange Price of S\$0.71592 represents a premium of approximately 23.72% to S\$0.57865, which is the volume weighted average price of the shares of the Company in respect of trades done on the SGX-ST on 4 September 2014 (being the full market day preceding the signing of the Subscription Agreement) and up to 3.00 p.m. on 5 September 2014. The Company has effected a trading halt of its shares at 3.00 p.m. on 5 September 2014.

The Company will be obliged to issue up to 11,174,433 OKH Shares in the event that (a) an aggregate principal amount of S\$8 million RCPS has been issued by Chronoz pursuant to the Subscription Agreement; and (b) the RCPS Holder has exercised its right to exchange the entire RCPS into OKH Shares using the Formula.

The OKH Shares, when issued by the Company, will rank *pari passu* in all respects with and carry all rights similar to the then existing shares of the Company, save that they will not rank for any dividends, rights, allotments or other distributions, the record date for which falls on or before the relevant date of issue of such OKH Shares.

The authority to issue the OKH Shares (upon exchange of the RCPS) was obtained pursuant to a general mandate approved by the shareholders of the Company by way of an ordinary resolution at the annual general meeting of the Company (“AGM”) held on 31 October 2013 (“General Mandate”). As at the date of the AGM, the issued and paid-up share capital of the Company (the “Share Capital”) comprises 628,657,445 Shares. The aggregate number of Shares to be issued other than on a pro-rata basis to existing shareholders under the General Mandate shall not exceed 125,731,489 Shares, being 20% of such Share Capital. The OKH Shares represent approximately 1.78% of such Share Capital and approximately 1.75% of the enlarged Shares of 639,831,878.

6. Financial Effects

Solely for illustration purposes only and may not be reflective of the actual future financial situation of the Group upon actualisation, the financial effects based on the latest unaudited consolidated financial statements of the Group for the financial period ended 30 June 2014, and assuming that the Group issued an aggregate principal amount of S\$8 million RCPS, which are then exchanged into 11,174,433 OKH Shares, the effect on the Group’s net tangible assets (“NTA”) per Share and earnings per Share (“EPS”) based on the gross proceeds for the issuance of RCPS of S\$8 million will be as follows:

	Before proposed issuance of RCPS	After proposed issuance of RCPS	After exchange of RCPS into OKH Shares
	30 June 2014	30 June 2014	30 June 2014
Group			
NTA (S\$'000)	77,336	77,336	85,336
No. of Shares	628,657,445	628,657,445	639,831,878

NTA per share (Singapore cents)	12.30	12.30	12.09
EPS (Singapore cents)	4.23	4.23	4.15

7. Other information

The Company will apply to the SGX-ST for the admission to and listing and quotation of the OKH Shares on the Mainboard of the SGX-ST in due course. The Company will make the necessary announcements upon receipt of the approval in-principle from the SGX-ST for the listing and quotation of the OKH Shares.

None of the Directors or substantial shareholders of the Company have any direct or indirect interest in the proposed issue of the RCPS (other than through their respective shareholdings).

BY ORDER OF THE BOARD

MR BON WEEN FOONG
Executive Chairman and Chief Executive Officer
5 September 2014

Asiasons WFG Capital Pte Ltd was the financial adviser to the Company in relation to the acquisition of the entire issued share capital of OKH Holdings Pte. Ltd. (the "Financial Adviser"). The Financial Adviser assumes no responsibility for the contents of this announcement.