

OKH GLOBAL LTD.
(Company Registration Number: 35479)
(Incorporated in Bermuda)

RESPONSE TO SGX QUERY

The Board of Directors of OKH Global Ltd would like to respond to the query below raised by the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) dated 29 May 2017 as follows:

SGX-ST’s Query:

We refer to the announcement “Financial Statements and Related Announcement: Third Quarter Results” (the “Financial Results”) by OKH Global Ltd. (the “Company”) on 12 May 2017.

In the Company’s Financial Results, the Company had recorded an impairment loss of property, plant and equipment amounting to S\$15.9 million. Noting that the amount is significant compared net loss of S\$26 million and Net Asset Value of approximately S\$132 million, please provide a breakdown of the S\$15.9 million impairment loss on the Company’s property, plant and equipment.

Company’s Response:

	Other PPE	Construction in Progress	Total
	S\$’000	S\$’000	S\$’000
Carrying amount before impairment, as at 31 March 2017	4,474	28,412	32,886
Impairment amount as at 31 March 2017	-	(15,912)	(15,912)
Carrying amount after impairment, as at 31 March 2017	4,474	12,500	16,974

The impairment loss of S\$15.9 million relate solely to a property under Construction in Progress in the property, plant and equipment. As at 31 March 2017, the said property has a book value of approximately S\$28.4 million. The Management undertook a valuation on the said property through a recognised property valuation company. Based on the valuation report, the said property was valued at approximately S\$12.5 million. As a result, basing on the valuation report, the management took a write-down in the value of the asset under the property, plant and equipment by S\$15.9 million so as to better reflect the economic value of the said asset reflected in the balance sheet of the Company for the Financial Results ended 31 March 2017.

BY ORDER OF THE BOARD

LOCK WAI HAN
Executive Director and Chief Executive Officer
31 May 2017