

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

**PROPOSED ACQUISITION OF THE ENTIRE ISSUED AND PAID-UP SHARE CAPITAL
OF CHIP ENG SENG CONSTRUCTION PTE. LTD. AND ALLOTMENT AND ISSUANCE OF SHARES
IN OKH GLOBAL LTD. AS CONSIDERATION FOR THE PROPOSED ACQUISITION**

1. INTRODUCTION

- 1.1 The board of directors (the "**Board**") of OKH Global Ltd. (the "**Company**" or the "**Purchaser**", and together with its subsidiaries, collectively, the "**Group**" and "**Group Company**" means any one of them) wishes to announce that on 4 December 2024, the Company entered into a conditional sale and purchase agreement (the "**SPA**") with (a) Acrophyte Pte. Ltd. ("**APL**") (formerly known as Chip Eng Seng Corporation Ltd.); (b) Mr. Chia Lee Meng Raymond ("**RC**"); (c) Mr. Michael Tong Chiew ("**MTC**"); (d) Mr. Lin Daqi ("**LD**"); and (e) Ms. Wong Tze Theng ("**WTT**", and together with APL, RC, MTC and LD, collectively, the "**Vendors**", and each, a "**Vendor**") for the sale by the Vendors, and the purchase by the Company (the "**Proposed Acquisition**"), of 132,302,000 ordinary shares (the "**Sale Shares**") representing 100.00% of the issued and paid-up share capital of Chip Eng Seng Construction Pte. Ltd. (the "**Target**", and together with its subsidiaries, collectively, the "**Target Group**" and "**Target Group Company**" means any one of them), in consideration for which the Company will allot and issue new ordinary shares in the Company (the "**Shares**") to the Vendors (the "**Proposed Issuance**", and together with the Proposed Acquisition, the "**Proposed Transaction**") on the terms and subject to the conditions of the SPA.
- 1.2 The Proposed Transaction constitutes an "Interested Person Transaction" and a "Very Substantial Acquisition" under Chapter 9 and Chapter 10 of the Listing Manual (the "**Listing Manual**") of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") respectively. Accordingly, the Proposed Transaction will be subject to, *inter alia*, the approval of the SGX-ST and the Shareholders¹ at a special general meeting of the Shareholders ("**SGM**") to be convened. The Proposed Issuance will be undertaken in accordance with Chapter 8 of the Listing Manual. Further details of the Proposed Transaction are set out below.
- 1.3 The Company has appointed United Overseas Bank Limited as its financial adviser in relation to the Proposed Transaction.

¹ "**Shareholders**" means registered holders of Shares in the Company's Register of Members, except that where the registered holder is The Central Depository (Pte) Limited (the "**CDP**"), the term "**Shareholders**" shall, in relation to such Shares held by CDP and where the context permits, mean the persons named as depositors (as defined in Section 81SF of the Securities and Futures Act 2001 of Singapore ("**SFA**") in the Depository Register (as defined in Section 81SF of the SFA) maintained by the CDP and whose securities accounts maintained by CDP are credited with those Shares.

2. INFORMATION ON THE PARTIES

2.1 Information on the Target Group

The Target Group is an established homegrown construction group in Singapore.

The Target Group had its beginnings as a subcontractor of conventional landed properties in the 1960s. It subsequently established its track record as a main contractor of public housing projects in Singapore. Its most recognisable and iconic public housing project is the Pinnacle @ Duxton. In 2006, the Target Group expanded into precast concrete works and prefabricated prefinished volumetric construction ("**PPVC**") businesses. In more recent years, the Target Group further extended the range of its civil infrastructure and environmental capabilities through acquisitions of companies specialised in these areas and by forming joint ventures between different subsidiaries within the Target Group and third parties. Doing so has allowed the Target Group to effectively harness the expertise and capabilities across different areas of specialisation required for projects and to participate and compete in tenders for a broader range of engineering, procurement and construction projects (including building, civil engineering and infrastructure projects), which are of larger scale and/or higher value. More recently in January 2024, the Target Group also formed a joint venture in Australia to undertake construction projects in Australia.

Through organic growth and strategic acquisitions and investments, the Target Group has steadily enhanced its competencies to now include: (i) building construction, (ii) building construction in Australia, (iii) civil infrastructure, (iv) environmental and sustainability, (v) prefabrication technology, and (vi) procurement. The Target Group's outstanding order book as at 30 June 2024 (the "**Target Group's Outstanding Order Book**") for all the business segments in the Target Group is in excess of S\$2 billion.

The Target is a private company limited by shares incorporated in Singapore on 27 October 2015. As at the date of this announcement (this "**Announcement**"), the Target has an issued and paid-up share capital of S\$127,221,680 comprising 132,302,000 issued ordinary shares ("**Target Shares**"). The entire issued and paid-up capital of the Target is collectively held by the Vendors, in the following approximate proportion:

Vendor	Number of Target Shares	Approximate proportion of the total number of Target Shares⁽¹⁾⁽²⁾
APL	100,550,000	76.00%
RC	15,876,000	12.00%
MTC	13,230,000	10.00%
LD	1,984,500	1.50%
WTT	661,500	0.50%
Total	132,302,000	100.00%

Notes:

- (1) Based on the Target's issued and paid-up share capital of 132,302,000 Target Shares as at the date of this Announcement and rounded to two (2) decimal places.
- (2) In this Announcement, any discrepancies between the listed percentages and the totals shown thereof are due to rounding. Accordingly, figures shown as totals in this Announcement may not be an arithmetic aggregation of the figures that precede them.

As at the date of this Announcement, the directors of the Target are as follows:

- (a) RC; and
- (b) Mr. Yam Ah Mee.

The principal business divisions of the Target Group consist of the following:

- (i) **Building Construction.** The Target Group conducts its building construction businesses primarily through two (2) wholly-owned subsidiaries, Chip Eng Seng Contractors (1988) Pte Ltd ("**CES Contractors**") and CES Engineering & Construction Pte. Ltd. ("**CES E&C**"). Both companies undertake public sector projects (mainly public housing projects), private projects (such as condominiums and executive condominiums) and industrial and commercial projects. As a testament to their established track records, both CES Contractors and CES E&C have been consistently awarded the A1 classification by the Building and Construction Authority ("**BCA**"), being the BCA's highest classification tier for general building contractors. Such classification tier allows both companies to tender for public sector projects with an unlimited contract value. CES Contractors and CES E&C have also been awarded A2 and B2 gradings respectively as civil engineering contractors, which allows them to bid for public sector civil engineering projects with values of up to S\$105 million and S\$16 million respectively;
- (ii) **Building Construction in Australia.** In January 2024, the Target Group entered into a joint venture with three (3) Australian joint venture partners through GRC Buxton Pty Ltd for its maiden building construction venture into Victoria, Australia, which will focus primarily on private residential projects, community housing and aged care & education facilities. Australia offers a unique landscape of opportunities which aligns with the Target Group's strategy to showcase its building construction capabilities, experiences and robust procurement links in Asia, outside of Singapore;
- (iii) **Civil Infrastructure.** The Target Group provides design and build construction services primarily through its wholly-owned subsidiary, CES_SDC Pte. Ltd. ("**CES SDC**"). CES_SDC specialises in civil, industrial and utilities infrastructure projects. As CES_SDC is classified by the BCA as an A1 general building (CW01) and civil engineering (CW02) contracting firm, it is qualified to tender for public sector contracts with unlimited tender sums;

(iv) **Environmental and Sustainability.**

- (A) Environmental: The Target Group carries out its water and environmental engineering projects primarily through its wholly-owned subsidiary, CES_Salcon Pte. Ltd. ("**CES Salcon**"). CES_Salcon is a fully integrated engineering, procurement, construction and maintenance contractor. Its capabilities include the design, engineering, supply and commissioning of water and wastewater treatment technologies and solutions. CES_Salcon's particular domain expertise covers seawater desalination, drinking water treatment, water remineralisation, ion exchange, water polishing for ultrapure water, biological treatment, municipal/industrial wastewater treatment and wastewater recycling, including zero liquid discharge systems. CES_Salcon is registered with the BCA under the L6 mechanical engineering (ME11) Workhead and is thus qualified to tender for public sector contracts in Singapore with unlimited tender sums; and
- (B) Sustainability: The Target Group also provides project management and consultancy services for sustainability solutions in buildings and industrial plants through its wholly-owned subsidiary, CES Eco Solutions Pte. Ltd. ("**CES Eco**"). The services provided by CES Eco are synergistic with the other business segments of the Target Group. Through CES Eco, the Target Group aims to provide sustainability solutions to its clients to reduce carbon emissions;

(v) **Prefabrication Technology.**

- (A) Precast: The Target Group carries out its precast concrete works and PPVC activities primarily through its wholly-owned subsidiaries, CES-Precast Pte. Ltd. ("**CES Precast**") and CES-Precast Sdn. Bhd. The Target Group's precast entities work together to supply precast concrete materials for residential, commercial, industrial and infrastructure projects, and also offers engineering services to optimise *in-situ* design to incorporate precast systems. CES Precast is registered with the BCA under the registration head, CR10B "Precast Concrete Works" and Financial Category L6, and is thus qualified to bid for public sector prefabrication contracts of unlimited tender sums. It is also an Approved Material Supplier for Housing & Development Board ("**HDB**") projects; and
- (B) 3D Printing: The Target Group provides 3D printing technology services primarily through its wholly-owned subsidiary, CES_INNOVFAB Pte. Ltd. The Target Group harnesses 3D printing technology to deliver new and innovative solutions in the competitive construction segment and to access the growing demand for new construction projects. As 3D printing technology can be closely interfaced with conventional and precast construction methods, it is complementary to the Target Group's suite of construction capabilities; and

- (vi) **Procurement.** The Target Group provides procurement services relating to construction-related supplies and materials and related services through Eura Construction Supply Pte. Ltd. ("**Eura**") and Genswitch Solutions Private Limited. Eura is 55.00% held by the Target Group while the remaining 45.00% is held by the Target Group's joint venture partner, Inception Materials Pte. Ltd. Eura is an Approved Material Supplier of floor/wall tiles for HDB projects. Genswitch Solutions Private Limited is 51.00% held by Eura while the remaining 49.00% is held by the Target Group's joint venture partner, Redfuse Electric Pte. Ltd.

Details of the Target's subsidiaries as at the date of this Announcement are set out in the table below:

Target Group subsidiary	Principal activities	Effective equity held by the Target
Building Construction		
Chip Eng Seng Contractors (1988) Pte Ltd	General building contractor	100.00%
CES Engineering & Construction Pte. Ltd.	General building contractor	100.00%
CES Building and Construction Pte. Ltd.	General building and related services	100.00%
Building Construction in Australia		
GRC Pacific Pte. Ltd.	Investment holding	100.00%
GRC Holdings (Australia) Pty Ltd	Investment holding	100.00% ⁽¹⁾
GRC Builders (Aus) Pty Ltd	Investment holding	100.00% ⁽²⁾
GRC Buxton Pty Ltd	General building contractor	80.00% ⁽³⁾
Civil Infrastructure		
CES_SDC Pte. Ltd.	Building construction and construction project management	100.00%
CESI (Myanmar) Company Limited ⁽⁴⁾	General building contractor and project management	100.00% ⁽⁵⁾
Prefabrication Technology		
CES-Precast Pte. Ltd.	Manufacturing and trading of precast products	100.00%
CES-Precast Sdn. Bhd.	Manufacturing of precast concrete components	100.00% ⁽⁶⁾
CES_INNOVFAB Pte. Ltd.	Modular building construction (3D printing)	100.00%
Environmental and Sustainability		
CES_Salcon Pte. Ltd.	Construction and supply of equipment for water and wastewater treatment plant	100.00%
CES_Salcon	Process and industrial plant engineering design and	100.00% ⁽⁷⁾

Target Group subsidiary	Principal activities	Effective equity held by the Target
Technologies Pte. Ltd.	consultancy services	
CES Salcon Sdn. Bhd.	Construction of utility projects; purification and distribution of water for water supply purposes; assembly and erection of prefabricated constructions onsite	100.00% ⁽⁷⁾
PT CES Salcon International	Treatment, storage and distribution of raw water	100.00% ⁽⁸⁾
CES Eco Solutions Pte. Ltd.	Engineering design and consultancy services in energy management and clean energy systems	100.00%
Procurement		
Eura Construction Supply Pte. Ltd.	Wholesale of construction materials, hardware, plumbing and heating equipment and supplies	55.00% ⁽⁹⁾
Genswitch Solutions Private Limited	Provision of electrical goods and services	28.05% ⁽¹⁰⁾
Others		
CES_Lodge Pte. Ltd. ⁽¹¹⁾	Acquisition of portable containers / structures to rent out as workers' dormitories and provision of related services	100.00% ⁽¹²⁾

Notes:

- (1) Held via GRC Pacific Pte. Ltd.
- (2) Held via GRC Holdings (Australia) Pty Ltd
- (3) 80.00% held via GRC Builders (Aus) Pty Ltd and 20.00% held by three unrelated third parties
- (4) Under liquidation
- (5) Held via CES_SDC
- (6) Held via CES Precast
- (7) Held via CES_Salcon
- (8) 99.00% held via CES_Salcon and 1.00% held by the Target
- (9) The remaining 45.00% of the issued and paid-up share capital of Eura is held by an unrelated third party, Inception Materials Pte. Ltd.
- (10) 51.00% held by Eura and 49.00% held by an unrelated third party, Redfuse Electric Private Limited
- (11) Dormant
- (12) Held via CES_SDC

2.2 Financial Information of the Target Group

A summary of the audited consolidated financial information of the Target Group for the financial years ended 31 December 2021, 31 December 2022 and 31 December 2023 and the unaudited condensed interim consolidated financial information of the Target Group for the financial period of six (6) months ended 30 June 2024 is set out in the Schedule.

2.3 Independent Valuation of the Target Group

- (a) The Company has engaged RSM SG Corporate Advisory Pte. Ltd., as the independent valuer (the "**Independent Valuer**"), to undertake a valuation of the Target Group. According to the summary valuation report dated 12 November 2024 prepared by the Independent Valuer, the Independent Valuer has assessed that the market value of the Target Group as at the valuation date of 30 June 2024 is in the range of approximately S\$115.3 million to S\$128.4 million. The valuation was prepared based on, *inter alia*, the income approach or net asset value approach (as applicable), depending on the business nature of each entity and availability of information. The market value of 100.00% of the share capital of the Target Group as at the valuation date of 30 June 2024 was derived using the sum-of-parts approach taking into account the shareholding interest of the Target Group in each entity.
- (b) As at 30 June 2024, the (i) book value of the Sale Shares is S\$75,878,000; and (ii) net tangible asset value of the Sale Shares is S\$65,094,000. The shares of the Target are not publicly traded.

2.4 Information on the Vendors

(a) APL

APL is a private company limited by shares incorporated in Singapore on 23 October 1998. As at the date of this Announcement, APL has an issued and paid-up share capital of S\$178,287,924.10 comprising 824,018,676 ordinary shares and the sole shareholder of APL is Tang Dynasty Treasure Pte. Ltd. ("**Tang Dynasty Treasure**"). Tang Dynasty Treasure is collectively wholly owned by Mr. Gordon Tang ("**GT**") and his spouse, Mrs. Celine Tang ("**CT**"). Each of CT and GT is a director of Tang Dynasty Treasure.

Apart from the businesses of the Target Group, APL has businesses in property development and investment, hospitality and education. APL was delisted from the Mainboard of the SGX-ST on 11 April 2023.

(b) Other Vendors

RC, MTC, LD and WTT (collectively the "**Other Vendors**", and each, an "**Other Vendor**") each hold shares in the Target. Further information in relation to each Other Vendor is as follows:

- (i) RC is an executive director of APL and the group chief executive officer of APL. RC is also a director of the Target;
- (ii) MTC is the brother of GT; and
- (iii) each of LD and WTT is:

- (A) a director of certain subsidiaries of Haiyi Holdings Pte. Ltd. ("**Haiyi**"), which are collectively wholly-owned by GT and CT, and/or certain entities controlled by CT and GT (other than through Haiyi); and
- (B) a senior management personnel of Haiyi, where:
 - (1) LD is Haiyi's investment management personnel. LD is responsible for evaluating and executing investments undertaken by Haiyi; and
 - (2) WTT is the executive secretary to GT. She has overall responsibility for office administration, building and maintaining relationships with key stakeholders and spearheading new business ventures in the areas of commodities trading and sports.

3. THE PROPOSED TRANSACTION

3.1 Rationale for the Proposed Transaction

(a) The Group's Journey

Sinobest Technology Holdings Ltd. acquired the Company (then known as OKH Holdings Pte. Ltd.) in a reverse takeover exercise in 2013 and the Group was renamed as OKH Global Ltd., as a local contractor undertaking renovation projects and minor alteration & addition works. Over time, the Group acquired valuable experience, knowledge and capabilities in construction and project management. This enabled the Group to venture into building construction and large-scale alteration & addition works projects for private and public sector clients such as the Singapore Turf Club, SMRT, Singapore Budget Terminal and Singapore Grand Prix.

The Group subsequently diversified its business by venturing into property development in Singapore and found a niche in developing industrial properties for strata sales.

In 2015/2016, the Group faced a confluence of headwinds in economic outlook, industrial strata market, cashflows and internal management challenges, resulting in the sudden downward spiral of the Company's share price in 2016.

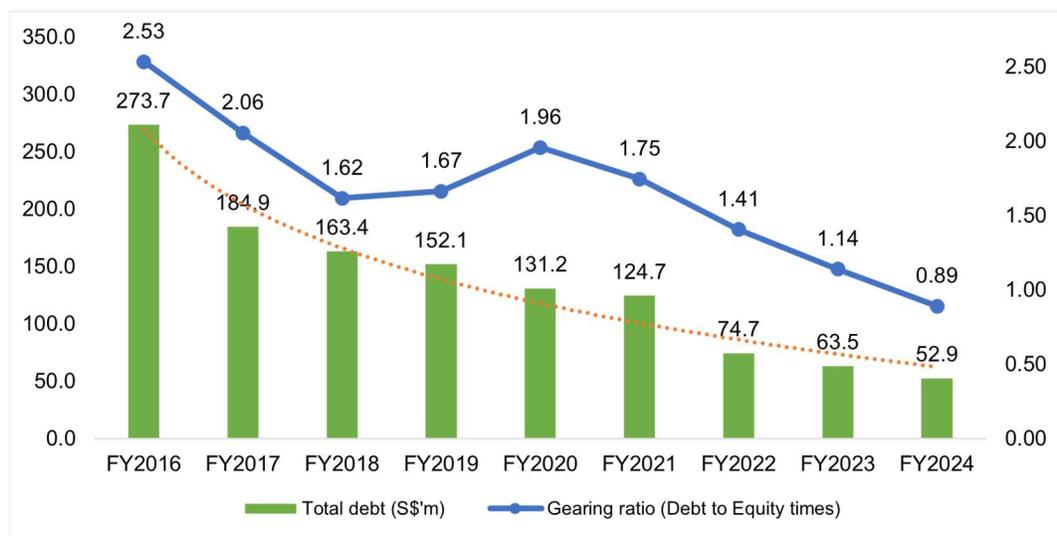
Haiyi, an investment holding company incorporated in Singapore, came on board as the controlling shareholder of the Group in 2016. Haiyi helped to strengthen the Group's balance sheet and restore confidence in the Group by injecting new capital and loans in order for the Group to complete construction of its uncompleted development projects.

As the industrial property market segment continued to suffer from the downturn, the new board of directors of the Company and management team re-strategised to build a sustainable business model for the Group. By leasing out its unsold properties, the Group was able to generate recurring income whilst continuing to focus on completing construction of its uncompleted development projects. Upon completion of its development projects, the Group's construction business was scaled down.

(b) Rationalisation Strategy has Strengthened the Group's Financial Position

The Group's efforts in rationalising its business activities and industry property portfolio to consolidate its strengths and improve its liquidity position have proven to be effective. The Group's current recurring income base is derived mainly from its property investment segment, which comprises industrial properties in Singapore. Since 2016, the Group has been focusing on a strategy of divesting assets to reduce gearing and strengthen its financial position, reducing its debt from S\$274 million in June 2016 to S\$53 million in June 2024, while the Group's gearing ratio (debt to equity) had improved from 2.53 in June 2016 to 0.89 in June 2024.

Some of the material divestments by the Group since 2016 include the disposal of five (5) strata freehold units in LHK Building, the dormitory at Seatown Industrial Centre, the leasehold land at 5 Pioneer Sector Lane and the Group's equity stakes in Equalbase Pte. Ltd. and Amboss Holdings Pte. Ltd. (formerly known as Deltanvil Pte. Ltd.).

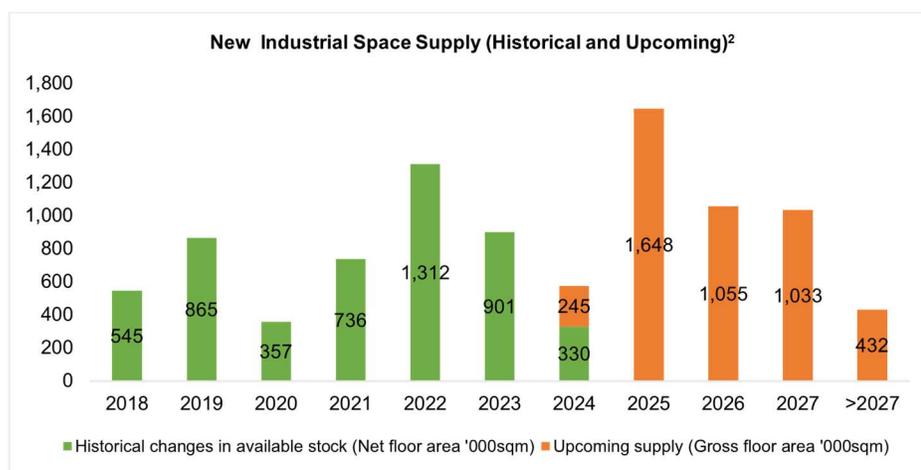


(c) Challenging Outlook for the Group

Looking ahead, the Group faces the following challenges:

- (i) **Tough macro environment due to large supply of factory spaces.** According

to JTC Corporation ("**JTC**")², the vacancy rate of multi-user factory space stood at 8.40% as at the third quarter of 2024, and an additional 1.6 million sqm of industrial space is expected to be completed in 2025. Between 2025 and 2027, an additional 3.7 million sqm of industrial space is expected to be completed. This amounts to an annual average supply of about 1.2 million sqm from now until the end of 2027 which far exceeds the average annual supply and demand for industrial space of approximately 0.9 million sqm and 0.5 million sqm respectively over the past three (3) years. This may push up the overall vacancy rates of the multi-user factory segment, causing the Group to face greater challenges in renewing its leases with tenants at favourable rates.

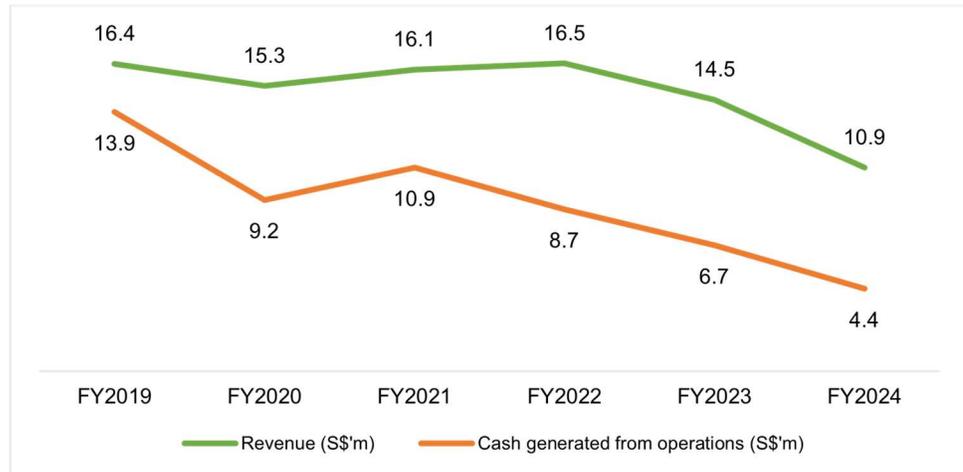


- (ii) **Shortening lease terms erodes asset valuation and threatens business continuity.** The remaining investment properties were (A) all acquired prior to 2016, (B) have remaining lease terms of under 20 years, and (C) are expected to continue to depreciate and decline in valuation in the medium to long term. On the back of the macro headwinds, according to JTC³, the price index of multiple-user factory space with less than 30 years of remaining tenure had declined from 92.2 in the first quarter of 2023 to 88.5 in the third quarter of 2024. More critically, the renewal of the tenure of the Group's assets is pertinent to the continuity of the business. However, there is no certainty that the leases can be extended.
- (iii) **Limited internally generated cashflow unable to support major expansive growth.** Whilst the divestment and gearing reduction strategy has been critical for the successful turnaround of the Group, the monetisation of the Group's investment property portfolio has resulted in a reduction in revenue and cashflow, as shown in the chart below. Cash generated from operations has declined at a compound average rate of 20.44% over the past five (5) financial years. The Group had generated operating cashflow of S\$4.4 million and S\$6.7 million in the financial years ended 30 June 2024 ("**FY2024**") and 30 June 2023 ("**FY2023**"). Whilst this

² JTC Quarterly Market Report (Industrial Properties) Third Quarter 2024.

³ JTC Quarterly Market Report (Industrial Properties) Third Quarter 2024.

is sufficient for the current operations of the Group, it is insufficient to support major expansive growth and business opportunities.



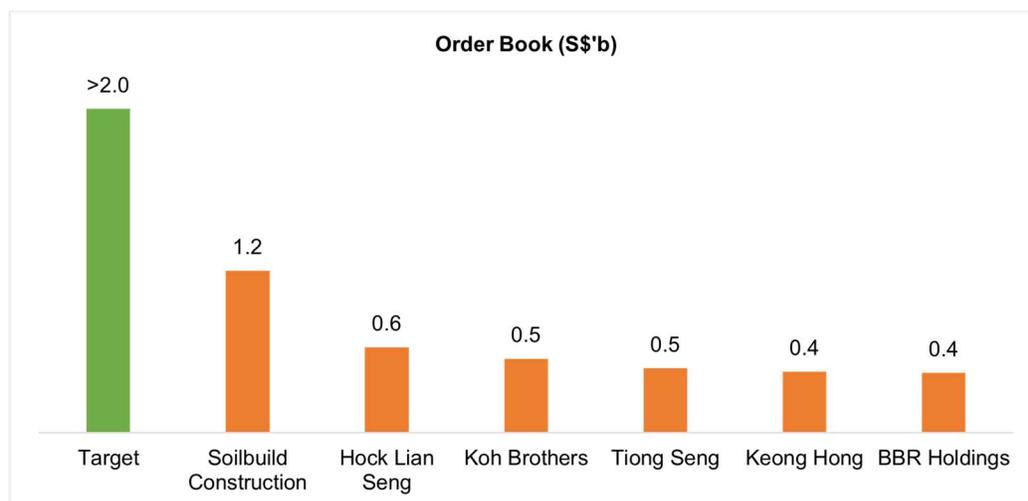
(d) Acquisition to Revitalise the Group with a New Growth Engine

In the past few years, the management team of the Group has been exploring potential acquisitions and business opportunities. Although there were discussions held with various parties, there was no concrete offer from third parties. The management team is of the view that the Proposed Transaction is synergistic for the Group and presents an opportunity to revitalise the Group with a new growth engine.

The Target Group is primarily engaged in six (6) core business segments: (i) building construction; (ii) building construction in Australia; (iii) civil infrastructure; (iv) environmental and sustainability; (v) prefabrication technology; and (vi) procurement. It has attained a suite of credentials and certifications, including (A) A1 Classifications for General Building (CW01) and Civil Engineering (CW02) Contractors, allowing it to tender for public sector projects with unlimited contract value; (B) A1 Classifications for General Building Contractors, permitting it to tender for public sector projects with unlimited contract value; (C) L6 Mechanical Engineering (ME11) Workhead, qualifying it to tender for public sector contracts in Singapore with unlimited tender sums; (D) CR10B "Precast Concrete Works" and Financial Category L6, enabling it to bid for public sector prefabrication contracts of unlimited tender sums; and (E) being an Approved Materials Supplier for HDB projects.

The Group is expected to benefit from the integration of its construction capabilities with that of the Target's. Being able to combine both track records of successfully executing projects and leveraging a broader spectrum of in-house technical knowledge will allow the Group to execute a wider scope of construction work, both for its own development projects and other third-party contracts.

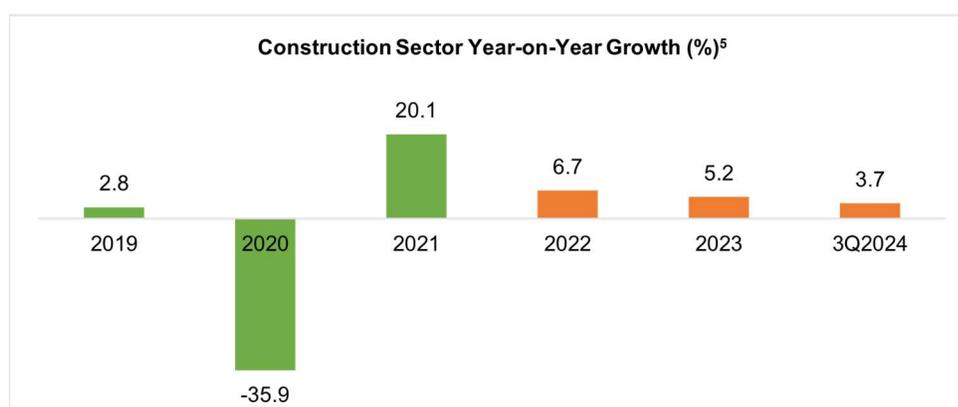
The Target Group's Outstanding Order Book stands in excess of S\$2 billion, which significantly exceeds the order books of other Singapore listed construction companies⁴.



The Proposed Transaction would thus allow the Group to emerge as one of the foremost leading players in the building and construction industry.

(e) Opportunity for OKH to Participate in Robust Demand for the Building and Construction Industry

The construction sector rebounded strongly from the contraction observed during the Covid-19 pandemic. According to the Ministry of Trade and Industry⁵, the construction sector grew 3.70% year-on-year in the third quarter of 2024, following the 4.80% expansion in the previous quarter. The increase in certified progress payments was largely driven by higher outturns in public civil engineering and residential building works.



⁴ Information relating to the order books of the Singapore listed construction companies are extracted from public announcements on the SGX-ST and are as of 30 June 2024, except for Keong Hong's order book which is as of 31 March 2024.

⁵ <https://www.mti.gov.sg/Resources/Economic-Survey-of-Singapore>. Figures presented are based on figures reported in each respective year or period.

Looking ahead, the BCA expects total construction demand to range between S\$32 billion and S\$38 billion for 2024 and between S\$31 billion and S\$38 billion per annum from 2025 to 2028⁶. The public sector is anticipated to continue leading demand with about S\$19 billion to S\$23 billion per annum, supported by building projects and civil engineering works with key developments, such as Mass Rapid Transit projects and various major public sector initiatives. Private sector construction demand is projected to remain steady at approximately S\$12 billion to S\$15 billion per annum from 2025 to 2028, reflecting healthy investment commitments amid Singapore's strong economic fundamentals.

The Target is well-positioned to leverage its leading position and credentials to capitalise on the robust demand in the construction sector.

(f) All-shares Transaction will (i) Strengthen the Group's Capital Base, and (ii) Ensure Alignment of Interest Between the Vendors and the Minority Shareholders of the Group

The Independent Valuer has assessed that the market value of the Target Group as at the valuation date of 30 June 2024 is in the range of approximately S\$115.3 million to S\$128.4 million. The initial consideration of S\$118,548,000 (the "**Initial Consideration**") falls within the lower end of the market value range assessed by the Independent Valuer.

The purchase consideration for the Proposed Acquisition will be satisfied solely by the issuance of new Shares. This allows the Group to preserve cashflow and no debt or equity funds are required to be raised to satisfy the Final Consideration (as defined below in paragraph 3.2(a)).

The Consideration Shares (as defined below in paragraph 3.2(a)) are issued at an issue price of S\$0.05252 per Share (the "**Issue Price**"), which represents a premium of approximately 212.43% over the volume weighted average price ("**VWAP**") of S\$0.01681 per Share for 4 December 2024, being the last full market day prior to the making of this Announcement.⁷ The Issue Price significantly exceeds the closing prices of the Shares for the past five (5) years. As the Issue Price is pegged to the net asset value ("**NAV**") of the Group, the Proposed Issuance will preserve the value of the Group while enabling Shareholders to benefit from a potential value uplift from the Proposed Acquisition.

⁶ <https://www1.bca.gov.sg/about-us/news-and-publications/media-releases/2024/01/15/steady-demand-for-the-construction-sector-projected-for-2024>

⁷ The Issue Price and corresponding premium to VWAP need to be considered in conjunction with the other terms of the Proposed Transaction including the Initial Consideration.



The Vendors are receiving Consideration Shares and not cashing out, ensuring alignment of interest between the Vendors and the Shareholders to work towards further growth and appreciation of the group of companies comprising the Group and the Target Group following completion of the Proposed Transaction ("**Completion**").

(g) Competitive strength of the Target Group

(i) **Established track record well-supported by six (6) pillars of strength**

The Target Group is an established homegrown construction group in Singapore, with its beginnings as a subcontractor of conventional landed properties in the 1960s.

Over the years, the Target Group has built a reputation and track record in Singapore as a specialist in high-contract-value projects for the public residential market. Through organic growth and strategic acquisitions and investments, the Target Group has steadily enhanced its competencies to now include: (A) building construction, (B) building construction in Australia, (C) civil infrastructure, (D) environmental and sustainability, (E) prefabrication technology, and (F) procurement.

These expansions enhance the ability of the Target Group to effectively harness the expertise and capabilities across different areas of specialisation required for projects and to participate and compete in tenders for a broader range of engineering, procurement and construction projects (including building, civil engineering and infrastructure projects), which are of larger scale and/or higher value.

(ii) **Award winning business segments with full suite of credentials and certifications**

As a testament to the Target Group's established track record, the Target Group owns a full suite of credentials and certifications across its various business segments:

(A) Building construction:

- (1) Been consistently awarded the A1 classification by the BCA, being the BCA's highest classification tier for general building contractors. Such classification tier allows tendering for public sector projects with an unlimited contract value; and
- (2) Have also been awarded A2 and B2 gradings as civil engineering contractors, which allows bidding for public sector civil engineering projects with values of up to S\$105 million and S\$16 million respectively;

(B) Civil infrastructure:

Classified by the BCA as an A1 general building (CW01) and civil engineering (CW02) contracting firm, and is qualified to tender for public sector contracts with unlimited tender sums;

(C) Environmental and sustainability:

Registered with the BCA under the L6 mechanical engineering (ME11) Workhead and is thus qualified to tender for public sector contracts in Singapore with unlimited tender sums;

(D) Prefabrication technology:

- (1) Registered with the BCA under the registration head, CR10B "Precast Concrete Works" and Financial Category L6, and is thus qualified to bid for public sector prefabrication contracts of unlimited tender sums; and
- (2) An Approved Material Supplier for HDB projects; and

(E) Procurement:

Eura is an Approved Material Supplier of floor/wall tiles for HDB projects.

As a further testament of the Target Group's commitment to service and quality, the Target Group has received numerous awards and accolades from various government bodies and industry authorities.

It is difficult to replicate the Target Group's track record, credentials, certifications, industry knowledge, understanding and network.

(iii) **Impressive track record built through the years by experienced and committed management team**

The team of executive officers of the Target (the "**Executive Officers**") have significant industry experience. A number of the Executive Officers who have been instrumental to the Target Group's construction activities have more than 25 years of experience in the industry.

In addition to an in-depth knowledge of the construction industry, the Target Group's management team has built up invaluable business relationships with key players over the years. The Target Group has a team of graduate engineers and a large pool of supervisors and coordinators with considerable practical experience in handling complex construction situations. Almost all of the project managers and project engineers hold degrees in construction-related fields.

(iv) **Revenue visibility and sturdy order book pipeline underpin profitability and growth**

The Target Group's Outstanding Order Book stands in excess of S\$2 billion which significantly exceeds the order books of other Singapore listed construction companies⁸.

From the financial year ended 31 December 2020 to the financial year ended 31 December 2023, the Target Group incurred losses, which were attributable to unforeseen circumstances including (A) work restrictions during the Covid-19 pandemic, (B) a higher interest rate environment, and (C) the inflationary impact on material and labour costs during and post-Covid-19 pandemic. The whole construction industry had been adversely impacted.

Moving forward, barring unforeseen circumstances and to the best knowledge of the Target Group's management, the Target Group does not expect to incur further significant losses on its current order book as at 30 June 2024 that will adversely impact the profitability of the Target Group as a whole for the financial year ending 31 December 2024. In addition, contracts secured during and post-Covid-19 pandemic would have factored in the escalated cost structure and provided for healthy margins. As at 30 June 2024, the outstanding order book of contracts secured pre-Covid-19 is approximately S\$0.3 billion, while the outstanding order book of contracts secured during and post-Covid-19 is in excess of S\$2 billion.

⁸ Information relating to the order books of the Singapore listed construction companies are extracted from public announcements on the SGX-ST and are as of 30 June 2024, except for Keong Hong's order book which is as of 31 March 2024.

There has been strong momentum observed in the construction industry and the Target Group intends to ride on the solid market and industry fundamentals by actively bidding for new and significant contracts. Revenue visibility and sturdy order book pipeline underpins profitability and growth for the Target Group, thereby allowing shareholders to benefit from prudent financial management and order book strength.

3.2 Principal Terms of the Proposed Transaction

(a) Consideration

The Initial Consideration for the purchase of all the Sale Shares is S\$118,548,000, subject to adjustment in accordance with the terms and conditions of the SPA (the "**Consideration Adjustment**", and the amount of consideration after any adjustment (if applicable), being the "**Final Consideration**"). Further details of the Consideration Adjustment are set out in paragraph 3.2(b) of this Announcement.

The Initial Consideration for the Proposed Acquisition was arrived at on a willing-buyer willing-seller basis, taking into account *inter alia*, the NAV of the Group as at 30 June 2024 and the market value of the Target Group as at the valuation date of 30 June 2024 as assessed by the Independent Valuer.

The Final Consideration will be satisfied by the proposed allotment and issuance by the Company of an aggregate of up to 2,257,197,258⁹ Shares to the Vendors (the "**Consideration Shares**") at the Issue Price. The Issue Price is pegged at the NAV per Share as at 30 June 2024. The number of Consideration Shares to be issued to each Vendor will be determined by dividing each Vendor's Relevant Consideration Portion¹⁰ by the Issue Price, fractional entitlements to be disregarded.

The Consideration Shares will be issued and credited as fully paid-up. For illustrative purposes only, assuming that the Final Consideration is equal to the Initial Consideration, the number of Consideration Shares to be issued by the Company to each Vendor is as follows:

Vendor	Maximum consideration to be paid by the Company to the Vendor for Sale Shares (S\$) ⁽¹⁾⁽²⁾	Maximum number of Consideration Shares to be allotted and issued by the Company ⁽³⁾	Approximate proportion to the total number of issued Shares (%) ⁽⁴⁾
APL	90,096,910	1,715,478,105	50.67
RC	14,225,545	270,859,576	8.00

⁹ Calculated by dividing the Initial Consideration by the Issue Price, and disregarding fractional entitlements.

¹⁰ "**Relevant Consideration Portion**" means, in relation to a Vendor, the product obtained by multiplying the Final Consideration by the approximate proportion of the total number of issued shares in the Target held by such Vendor.

MTC	11,854,621	225,716,314	6.67
LD	1,778,193	33,857,447	1.00
WTT	592,731	11,285,816	0.33
Total	118,548,000	2,257,197,258	66.67

Notes:

- (1) In this table, any discrepancies between the listed figures and the totals shown thereof are due to rounding. Accordingly, figures shown as totals in this table may not be an arithmetic aggregation of the figures that precede them.
- (2) Based on the Initial Consideration, being S\$118,548,000.
- (3) Calculated by dividing each Vendor's Relevant Consideration Portion by the Issue Price, fractional entitlements to be disregarded.
- (4) Based on the Company's issued and paid-up share capital of 3,385,854,703 Shares upon completion of the Proposed Transaction and rounded to two (2) decimal places.

(b) Consideration Adjustment

Subject to the terms and conditions of the SPA, the Final Consideration shall be determined as follows:

- (i) in the event that the estimated NAV of the Target Group as at the date falling five (5) Business Days before the Completion Date (such amount being the "**Final NAV**") is lower than S\$68,800,000, the Final Consideration shall be calculated as follows:

Final Consideration = Initial Consideration – (S\$68,800,000 – Final NAV); and

- (ii) in the event that the Final NAV is equal to or more than S\$68,800,000, the Final Consideration shall be equal to the Initial Consideration.

(c) Conditions Precedent

Completion is subject to the fulfilment or waiver (as the case may be) of, *inter alia*, the following conditions precedent specified in the SPA (the "**Conditions**"):

- (i) approval by the Shareholders at the SGM of: (A) the Proposed Transaction (including the Proposed Acquisition and the Proposed Issuance); and (B) the waiver of their rights to receive a takeover offer for their Shares as a result of the increase in shareholding in the Company of APL and persons acting in concert with it pursuant to the Proposed Transaction and the Tang Restructuring (as defined below) (the "**Whitewash Resolution**");

- (ii) the Securities Industry Council (the "**SIC**") having granted, and not having revoked or repealed, the Whitewash Waiver (as defined below);
- (iii) the approval of the SGX-ST for the Proposed Transaction having been obtained where necessary and such approval not having been withdrawn or revoked as at the date of completion of the Proposed Transaction (the "**Completion Date**"), and if such approval is subject to any conditions or restrictions imposed by the SGX-ST, such conditions and restrictions being reasonably acceptable to the parties;
- (iv) all consents and approvals as set out in Schedule 9 of the SPA for the acquisition of the Sale Shares and transactions contemplated under the SPA being granted, and where any such consent or approval is subject to any conditions, such conditions being reasonably acceptable to the party on which they are imposed; and if such conditions being fulfilled before the Completion Date, such consents or approvals not being revoked or repealed on or before the Completion Date;
- (v) the listing and quotation notice being received and not having been withdrawn from the SGX-ST for the dealing in, listing of and quotation for the Consideration Shares on the SGX-ST and where such listing and quotation notice is obtained subject to any conditions, such conditions being reasonably acceptable to APL;
- (vi) the obtaining of the consent (in such manner reasonably acceptable to the parties) to substitute the Company as the parent guarantor in replacement of APL from (A) The Hongkong and Shanghai Banking Corporation Limited, (B) United Overseas Bank Limited, (C) Oversea-Chinese Banking Corporation Limited, (D) Malayan Banking Berhad, (E) RHB Bank Berhad, (F) OCBC Bank (Malaysia) Berhad, (G) DBS Bank Ltd, and (H) Changi Airport Group (Singapore) Pte Ltd in respect of the respective banking facilities and/or contracts which APL is or will be providing a parent guarantee under, and where any such consent is subject to any conditions, such conditions being reasonably acceptable to the party on which they are imposed; and if such conditions being fulfilled before the Completion Date, such consents not being revoked or repealed on or before the Completion Date;
- (vii) there being (A) no Material Adverse Change (as reasonably determined by the Company) on the Target Group Companies taken as a whole; and (B) no Material Adverse Change (as reasonably determined by APL) on the Group Companies taken as a whole, in each case occurring on or before the Completion Date, where "**Material Adverse Change**" means any circumstance, development or event that has or is reasonably likely to have a material adverse effect on or material adverse change in (1) the condition (financial or otherwise), business, results of operations, assets or general affairs of the Target Group Companies or the Group Companies (as each applicable); or (2) the ability of the Target Group Companies or the Group Companies (as the case may be) to perform and comply with their obligations under the SPA, in each case which results or would result in the NAV of the Target

Group or the Group (as the case may be) falling below (I) in the case of the Target Group, S\$53,115,000; and (II) in the case of the Group, S\$41,492,000;

(viii) there being no breach of:

(A) the Other Vendor Warranties (as defined in the SPA) and the APL Fundamental Warranties (as defined in the SPA) as at the date of the SPA and as at the Completion Date; and

(B) the APL Warranties (as defined in the SPA) (other than the APL Fundamental Warranties) as at the date of the SPA and as at the Completion Date, as though made on and as at that date except to the extent any such APL Warranty expressly relates to an earlier date (in which case as at such earlier date) and further provided that such breach would result in a Material Adverse Change; and

(ix) there being no breach of:

(A) the Purchaser's Fundamental Warranties (as defined in the SPA) as at the date of the SPA and as at the Completion Date; and

(B) the Purchaser's Warranties (as defined in the SPA) (other than the Purchaser's Fundamental Warranties) as at the date of the SPA and as at the Completion Date, as though made on and as at that date except to the extent any such Purchaser's Warranty expressly relates to an earlier date (in which case as at such earlier date) and further provided that such breach would result in a Material Adverse Change.

(d) Completion

Subject to the Conditions being fulfilled or waived, Completion shall take place on the date falling 10 Business Days¹¹ after the date of fulfilment or waiver of the last of the Conditions (but excluding those Conditions that are required to be fulfilled up to and including Completion), or such other date as may be agreed in writing between the Vendors and the Company.

If any of the Conditions have not been satisfied (or, where applicable, has not been waived in accordance with the SPA) within six (6) months from the date of the SPA (or such other date as the Vendors and the Company may agree in writing), the parties may terminate the SPA and no party under the SPA shall have any claim against the other parties for costs, damages, compensation or otherwise, save for any rights, claims or remedies available or already accrued to such party.

¹¹ "**Business Days**" means a day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks are open for business in Singapore and Bermuda.

(e) Moratorium Undertaking

If necessary, at the Completion Date, the Vendors shall, and shall procure that its shareholder (in the case of a Vendor not being a natural person), deliver to the Company, the executed and dated moratorium undertakings pursuant to which each Vendor and its shareholder (as may be applicable) undertake to comply with any applicable moratorium requirements imposed by the SGX-ST, unless such applicable moratorium requirements have been reduced or waived by the SGX-ST.

3.3 **Proposed Change of Name**

Subject to, amongst others, the approval of the Shareholders at the SGM, it is also intended that the Company shall change its name from "OKH Global Ltd." to "GRC Limited" including the proposed substitution of the name "GRC Limited" for "OKH Global Ltd." wherever the latter name appears in the memorandum of association of the Company and the bye-laws of the Company, after completion of the Proposed Transaction (the "**Proposed Change of Name**"). Further details will be set out in the circular to the Shareholders in respect of the Proposed Transaction (the "**Circular**").

3.4 **Shareholding Restructuring after Completion of the Proposed Transaction**

(a) As at the date of this Announcement:

- (i) Haiyi is a controlling shareholder of the Company holding 500,000,000 Shares (the "**Haiyi Shares**") representing approximately 44.30%¹² of the issued and paid-up capital of the Company;
- (ii) CT and GT collectively hold 100.00% of the issued and paid-up share capital of Haiyi; and
- (iii) each of CT and GT is a director of Haiyi.

(b) On or shortly after the completion of the Proposed Transaction, CT and GT intend to streamline their shareholdings in the Company and accordingly, Haiyi will transfer the Haiyi Shares to APL (the "**Tang Restructuring**").

(c) Based on the Proposed Issuance, APL's resultant shareholding in the Company upon completion of the Proposed Transaction and the Tang Restructuring will be up to 2,215,478,105 Shares, representing approximately 65.43%¹³ of the enlarged share capital of the Company.

¹² Based on the Company's issued and paid-up share capital of 1,128,657,445 Shares as at the date of this Announcement and rounded to two (2) decimal places.

¹³ Based on the Company's issued and paid-up share capital of 3,385,854,703 Shares upon completion of the Proposed Transaction and the Tang Restructuring and rounded to two (2) decimal places.

(d) Further details of the Tang Restructuring will be disclosed in the Circular.

4. WAIVER OF MANDATORY GENERAL OFFER OBLIGATION

4.1 For the purposes of Rule 14.1(b) of the Singapore Code on Take-overs and Mergers (the "**Code**"), persons acting in concert with APL (together with APL, collectively, the "**Concert Party Group**") include Haiyi, RC, MTC, LD and WTT for the reasons set out below:

(a) Haiyi as part of the Concert Party Group

As mentioned above at paragraphs 2.4(a) and 3.4, (i) APL is wholly-owned by Tang Dynasty Treasure; (ii) Haiyi is a controlling shareholder of the Company; and (iii) CT and GT are both directors of, and shareholders who collectively own 100.00% of the issued and paid-up share capital of, each of Haiyi and Tang Dynasty Treasure.

(b) RC and MTC as part of the Concert Party Group

As mentioned above at paragraphs 2.4(b)(i) and 2.4(b)(ii), (i) RC is an executive director of APL and the group chief executive officer of APL; and (ii) MTC is the brother of GT.

(c) LD and WTT as part of the Concert Party Group

As mentioned above at paragraph 2.4(b)(iii)(A), each of LD and WTT is a director of certain subsidiaries of Haiyi, which are collectively wholly owned by GT and CT, and/or certain entities controlled by CT and GT (other than through Haiyi).

As such, each of Haiyi, RC, MTC, LD and WTT is a person acting in concert with APL for the purposes of Rule 14.1(b) of the Code and is part of the Concert Party Group.

4.2 As at the date of this Announcement, the aggregate shareholding of the Concert Party Group in the Company is approximately 500,000,000 Shares representing approximately 44.30%¹⁴ of the issued and paid-up capital of the Company. Based on the Proposed Issuance, APL's resultant shareholding in the Company upon completion of the Proposed Transaction and the Tang Restructuring will be up to 2,215,478,105 Shares, representing approximately 65.43%¹⁵ of the enlarged share capital of the Company, and the aggregate shareholding of the Concert Party Group will be up to 2,757,197,258 Shares, representing approximately 81.43%¹⁶ of the enlarged share capital of the Company upon completion of the Proposed Transaction and the Tang Restructuring.

¹⁴ Based on the Company's issued and paid-up share capital of 1,128,657,445 Shares as at the date of this Announcement and rounded to two (2) decimal places.

¹⁵ Based on the Company's issued and paid-up share capital of 3,385,854,703 Shares upon completion of the Proposed Transaction and the Tang Restructuring and rounded to two (2) decimal places.

¹⁶ Based on the Company's issued and paid-up share capital of 3,385,854,703 Shares upon completion of the Proposed Transaction and the Tang Restructuring and rounded to two (2) decimal places.

- 4.3 In the circumstances described above, unless otherwise waived by SIC, the Concert Party Group will be required under Rule 14.1 of the Code to make a mandatory general offer for the Shares not already owned or controlled by them.
- 4.4 An application was made to the SIC for a waiver (the "**Whitewash Waiver**") of the obligations of the Concert Party Group to make a mandatory general offer for the Company under Rule 14 of the Code as a result of the increase in their shareholding in the Company pursuant to the Proposed Transaction and the Tang Restructuring, subject to the receipt of the Whitewash Resolution. The Whitewash Waiver and the Whitewash Resolution are conditions precedent to the completion of the Proposed Transaction.
- 4.5 The SIC, had on 19 November 2024, granted to the Concert Party Group, a waiver from the requirement under Rule 14.1 of the Code to make a mandatory general offer for the Company in the event the Concert Party Group incurs an obligation to do so as a result of the Proposed Transaction and the Tang Restructuring, subject to, *inter alia*, the following conditions:
- (a) a majority of holders of voting rights of the Company approve at a general meeting, before the issue of the Consideration Shares to APL, a resolution by way of a poll to waive their rights to receive a general offer from APL and its concert parties;
 - (b) the Whitewash Resolution is separate from other resolutions;
 - (c) APL, its concert parties and parties not independent of them abstain from voting on the Whitewash Resolution;
 - (d) APL and its concert parties did not acquire or are not to acquire any Shares or instruments convertible into and options in respect of the Shares (other than subscriptions for, rights to subscribe for, instruments convertible into or options in respect of new Shares which have been disclosed in the Circular):
 - (i) during the period between the announcement of the Proposed Transaction and the Tang Restructuring and the date Shareholders' approval is obtained for the Whitewash Resolution; and
 - (ii) in the six (6) months prior to the announcement of the Proposed Transaction but subsequent to negotiations, discussions or the reaching of understandings or agreements with the directors of APL in relation to such issue;
 - (e) the Company appoints an independent financial adviser to advise the Independent Shareholders¹⁷, on the Whitewash Resolution;
 - (f) the Company sets out clearly in its Circular to shareholders:

¹⁷ "**Independent Shareholders**" means Shareholders who are considered independent for the purpose of the proposed Whitewash Resolution, which, for the avoidance of doubt, excludes the Concert Party Group and parties not considered independent of the Concert Party Group.

- (i) details of the proposed issue of the Consideration Shares to APL pursuant to the Proposed Transaction and Tang Restructuring;
 - (ii) the dilution effect to existing holders of voting rights of the Company upon the issue of the Consideration Shares to APL;
 - (iii) the number and percentage of voting rights in the Company as well as the number of instruments convertible into, rights to subscribe for and options in respect of Shares held by APL and its concert parties as at the latest practicable date prior to the date of the Circular;
 - (iv) the number and percentage of voting rights to be acquired by APL upon the issue of the Consideration Shares to APL;
 - (v) specific and prominent reference to the fact that the Proposed Transaction and Tang Restructuring would result in APL and its concert parties holding Shares carrying over 49.00% of the voting rights of the Company and that APL and its concert parties will be free to acquire further Shares without incurring any obligation under Rule 14 of the Code to make a general offer; and
 - (vi) specific and prominent reference to the fact that Shareholders, by voting for the Whitewash Resolution, are waiving their rights to a general offer from APL at the highest price paid by APL and its concert parties for the Shares in the past six (6) months preceding the commencement of the offer;
- (g) the Circular states that the waiver granted by the SIC to APL from the requirement to make a general offer under Rule 14 of the Code is subject to the conditions stated in paragraphs 4.5(a) to (f) above;
 - (h) APL and the Company obtain the SIC's approval in advance for those parts of the Circular that refer to the Whitewash Resolution; and
 - (i) to rely on the Whitewash Resolution, the approval of the Whitewash Resolution must be obtained within three (3) months from 19 November 2024 and the acquisition of the Consideration Shares by APL must be completed within three (3) months of the approval of the Whitewash Resolution.

5. THE PROPOSED TRANSACTION AS A "VERY SUBSTANTIAL ACQUISITION" UNDER RULE 1006 OF THE LISTING MANUAL

For the purposes of Chapter 10 of the Listing Manual, the relative figures for the Proposed Transaction using the bases of comparison set out in Rule 1006 of the Listing Manual are as follows:

(a)	The NAV of the assets to be disposed of, compared with the Group's NAV	Not applicable ⁽¹⁾
(b)	The net profits ⁽²⁾ attributable to the assets acquired or disposed of, compared with the Group's net profits	-429.45%
(c)	The aggregate value of the consideration given or received, compared with the Company's market capitalisation based on the total number of issued shares (excluding treasury shares)	624.83% ⁽³⁾
(d)	The number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue	199.99% ⁽⁴⁾

Notes:

- (1) Rule 1006(a) of the Listing Manual is not applicable to an acquisition of assets.
- (2) Under Rule 1002(3) of the Listing Manual, "net profits" is defined as profit or loss including discontinued operations that have not been disposed and before income tax and non-controlling interests. Based on the net losses of the Target Group for the 12 months ended 30 June 2024 of S\$17,878,000 (derived from the Target Group's unaudited condensed interim consolidated financial information for the six (6) months ended 30 June 2024 and for the six (6) months ended 30 June 2023 and the Target Group's audited consolidated financial information for financial year ended 31 December 2023) and the net profits of the Group for the financial year ended 30 June 2024 of S\$4,163,000.
- (3) The Company's market capitalisation of approximately S\$18,972,732 is determined by multiplying 1,128,657,445 Shares by the VWAP of S\$0.01681 per Share for 4 December 2024, being the last full market day prior to the making of this Announcement.
- (4) Based on the consideration of up to S\$118,548,000 for the Proposed Transaction and the Issue Price, an aggregate of up to 2,257,197,258 Consideration Shares will be issued (disregarding fractional entitlements). The Company has an issued and paid-up share capital of 1,128,657,445 Shares as at the date of this Announcement.

As the relative figures under Rule 1006(b), (c) and (d) of the Listing Manual exceed 100.00%, the Proposed Transaction constitutes a "very substantial acquisition" pursuant to Rule 1015 of the Listing Manual. Accordingly, the Proposed Transaction is subject, *inter alia*, to the approval of the SGX-ST and of the Shareholders.

6. FINANCIAL EFFECTS OF THE PROPOSED TRANSACTION

- 6.1 The financial effects of the Proposed Transaction on the Group as set out in this paragraph 6 are for illustrative purposes only and do not reflect the actual financial performance or position of the Group after completion of the Proposed Transaction. The financial effects of the Proposed Transaction have been prepared based on the Group's latest audited consolidated financial statements for the financial year ended 30 June 2024, the Target Group's unaudited condensed interim consolidated financial information for the six (6) months ended 30 June 2024 and for the six

(6) months ended 30 June 2023 and the Target Group's audited consolidated financial information for financial year ended 31 December 2023 and the following assumptions:

- (a) the Proposed Transaction is accounted for as a business combination involving entities under common control with the following assumptions:
- (i) no adjustments are made to reflect the fair values on the date of combination, or recognise any new assets and liabilities;
 - (ii) no goodwill is recognised as a result of the combination;
 - (iii) any difference between the consideration paid/transferred and the equity "acquired" is reflected within the equity as merger reserve; and
 - (iv) the consolidated statement of comprehensive income reflects the full year results of the combining entities; and
- (b) adjustments were made to eliminate the lease from OKH (Woodlands) Pte. Ltd. to the Target Group, to reflect the acquisition of the Target Group and on the accrual of the estimated professional expenses relating to the Proposed Transaction.

Shareholders are advised to read the assumptions made in relation to the preparation of the pro forma financial effects carefully.

6.2 Net Tangible Assets ("**NTA**")

Assuming that the Proposed Transaction was completed on 30 June 2024, the pro forma financial effect of the Proposed Transaction on the NTA of the Group for FY2024 is as follows:

	Before the Proposed Transaction	After the Proposed Transaction
NTA (S\$'000)	59,274	124,258
Applicable Number of issued Shares ('000)	1,128,657	3,385,855
NTA per Share (Singapore cents)	5.25	3.67

6.3 Earnings per Share ("EPS")

Assuming that the Proposed Transaction was completed on 1 July 2023, the pro forma financial effect of the Proposed Transaction on the EPS of the Group for FY2024 is as follows:

	Before the Proposed Transaction	After the Proposed Transaction
Profit / (Loss) attributable to Shareholders (S\$'000)	3,620	(11,755)
Applicable Number of issued Shares ('000)	1,128,657	3,385,855
EPS (Singapore cents)	0.32	(0.35)

6.4 Potential Dilution

For illustrative purposes only, the effect of the Proposed Transaction on the shareholding structure of the Company is as follows:

Shareholder	Before the Proposed Transaction		After the Proposed Transaction	
	No. of issued Shares	% ⁽¹⁾⁽³⁾	No. of issued Shares	% ⁽²⁾⁽³⁾
Current Shareholders (excluding the Vendors and their associates)	628,657,445	55.70	628,657,445	18.57
Vendors and their associates	500,000,000	44.30	500,000,000	14.77
Consideration Shares	-	-	2,257,197,258 ⁽⁴⁾	66.67
Total	1,128,657,445	100.00	3,385,854,703	100.00

Notes:

- (1) The percentages are calculated based on 1,128,657,445 issued Shares as at the date of this Announcement, and are rounded to two (2) decimal places.
- (2) The percentages are calculated based on 3,385,854,703 Shares upon completion of the Proposed Transaction, and are rounded to two (2) decimal places.
- (3) In this table, any discrepancies between the listed figures and the totals shown thereof are due to rounding. Accordingly, figures shown as totals in this table may not be an arithmetic aggregation of the figures that precede them.

- (4) Based on fractional entitlements being disregarded.

7. THE PROPOSED TRANSACTION AS AN INTERESTED PERSON TRANSACTION

7.1 Interested Person Transactions under Chapter 9 of the Listing Manual

(a) APL as an Interested Person

CT is a director and the non-executive chairman of the Company. Further, CT and GT are controlling shareholders of the Company as they are deemed interested in the Haiyi Shares which represent approximately 44.30%¹⁸ of the total number of Shares as at the date of this Announcement.

CT and GT collectively hold 100.00% of the issued and paid-up share capital of Tang Dynasty Treasure, which in turn holds 100.00% of the total number of issued shares of APL. CT is also the non-executive chairman and non-executive director of APL.

Accordingly, APL is an associate of CT and GT and is regarded as an "interested person" within the meaning of Chapter 9 of the Listing Manual.

(b) MTC as an Interested Person

GT is a controlling shareholder of the Company as he is deemed interested in the Haiyi Shares, which represent approximately 44.30%¹⁹ of the total number of Shares as at the date of this Announcement. MTC is the brother of GT.

Accordingly, MTC is an associate of GT and is regarded as an "interested person" within the meaning of Chapter 9 of the Listing Manual.

The Proposed Transaction therefore constitutes an "interested person transaction" under Chapter 9 of the Listing Manual. As the consideration for the Proposed Transaction, being up to S\$118,548,000, represents approximately 200.00% of the Group's latest audited NTA, being approximately S\$59.27 million, this value exceeds 5.00% of the Group's latest audited NTA and the Proposed Transaction requires the approval of the Shareholders.

Pursuant to Rule 919 of the Listing Manual, CT, GT, APL, MTC and each of their associates are to abstain from voting (either in person or by proxy) in respect of the resolutions relating to the Proposed Transaction at the SGM to be convened.

¹⁸ Based on the Company's issued and paid-up share capital of 1,128,657,445 Shares as at the date of this Announcement and rounded to two (2) decimal places.

¹⁹ Based on the Company's issued and paid-up share capital of 1,128,657,445 Shares as at the date of this Announcement and rounded to two (2) decimal places

7.2 **Total Value of all Interested Person Transactions**

As at the date of this Announcement:

- (a) the total value of all the interested person transactions entered into with CT, GT, APL, MTC and each of their associates during the course of the current financial year, excluding transactions which are less than S\$100,000 and including the Proposed Transaction, is approximately S\$119,512,000; and
- (b) the total value of all interested persons transactions entered into for the current financial year, excluding transactions which are less than S\$100,000 and including the Proposed Transaction, is approximately S\$119,512,000.

8. **PROPOSED CHANGE OF AUDITORS**

The Company proposes to seek the approval of the Shareholders at the SGM for Ernst & Young LLP to be appointed as the new auditor of the Company, in place of BDO LLP, upon Completion (the "**Proposed Change of Auditors**"). Further details will be set out in the Circular.

9. **SPECIAL GENERAL MEETING AND CIRCULAR**

The Company will convene a SGM to seek the approval of the Shareholders for, *inter alia*:

- (a) the Proposed Transaction (including the Proposed Acquisition and the Proposed Issuance);
- (b) the Whitewash Resolution;
- (c) the Proposed Change of Name; and
- (d) the Proposed Change of Auditors.

The Circular containing, *inter alia*, details of the Proposed Transaction, will be despatched to the Shareholders in due course.

10. **INTERESTS OF THE DIRECTORS AND SUBSTANTIAL SHAREHOLDERS**

10.1 **Interests of Directors**

The interests of the directors of the Company (the "**Directors**", and each, a "**Director**") in the Shares, as recorded in the Register of Directors' Shareholdings of the Company as at the date of this Announcement, are set out below.

Directors	Direct Interest		Deemed Interest		Total Interest	
	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾
CT	-	-	500,000,000 ⁽²⁾	44.30	500,000,000	44.30

Notes:

- (1) The percentage interest is based on the Company's issued and paid-up share capital of 1,128,657,445 Shares as at the date of this Announcement and rounded to two (2) decimal places.
- (2) CT is deemed interested in the 500,000,000 Shares held by Haiyi.

10.2 Interests of Substantial Shareholders

The interests of the Substantial Shareholders²⁰ of the Company in the Shares, as recorded in the Register of Substantial Shareholders of the Company as at the date of this Announcement, are set out below.

Substantial Shareholders of the Company	Direct Interest		Deemed Interest		Total Interest	
	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾
Haiyi	500,000,000	44.30	-	-	500,000,000	44.30
GT	-	-	500,000,000 ⁽²⁾	44.30	500,000,000	44.30
CT	-	-	500,000,000 ⁽³⁾	44.30	500,000,000	44.30
Li Lee Yu	63,754,800	5.65	-	-	63,754,800	5.65

Notes:

- (1) The percentage interest is based on the Company's issued and paid-up share capital of 1,128,657,445 Shares as at the date of this Announcement and rounded to two (2) decimal places.
- (2) GT is deemed to be interested in the 500,000,000 Shares held by Haiyi.
- (3) CT is deemed to be interested in the 500,000,000 Shares held by Haiyi.

10.3 CT is both a Director and a director of APL. Accordingly, CT has abstained and will abstain on all decisions of the Directors in relation to the Proposed Transaction.

²⁰ "**Substantial Shareholders**" means a person which has an interest in one or more voting shares of a company and the total votes attached to that share, or those shares, are not less than 5.00% of the total votes attached to all voting shares in that company.

- 10.4 Mr. Lock Wai Han is a Director and the chief executive officer of the Company and was a director of APL up till 30 September 2024. For good corporate governance, he has abstained and will abstain on all decisions of the Directors in relation to the Proposed Transaction.
- 10.5 Save as disclosed above and in this Announcement, none of the Directors or Substantial Shareholders of the Company has any interest, direct or indirect, in the Proposed Transaction.

11. INDEPENDENT FINANCIAL ADVISER

The Company has appointed Stirling Coleman Capital Limited as the independent financial adviser to advise:

- (a) on the Whitewash Resolution; and
- (b) whether the Proposed Transaction as an interested person transaction is on normal commercial terms and not prejudicial to the interests of the Company and its minority shareholders.

The opinion of the independent financial adviser on the Whitewash Resolution and Proposed Transaction will be set out in the Circular.

12. STATEMENT FROM THE AUDIT COMMITTEE

The audit committee of the Company (the "**Audit Committee**") will form its views on the Proposed Transaction after taking into account the opinion of the independent financial adviser. The opinion of the Audit Committee will be set out in the Circular.

13. BOARD OF DIRECTORS OF THE COMPANY

The parties are discussing the post-Completion composition of the Board. Further details of any changes to the composition of the Board will be disclosed in due course.

14. DOCUMENTS AVAILABLE FOR INSPECTION

The SPA and the summary valuation report and full valuation report prepared by the Independent Valuer will be available for inspection by Shareholders at 171 Chin Swee Road, CES Centre, #02-01, Singapore 169877, during normal business hours for a period of three (3) months from the date of this Announcement.

15. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Announcement (save for information relating to the Target, the Target Group and the Vendors) and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Announcement constitutes full and true disclosure of all material facts about the Proposed Transaction, the Whitewash Resolution, the Proposed Change of Auditor, the Proposed Change of Name and the Group, and the Directors are not aware of any facts the omission of which would make any statement in this Announcement misleading.

Where information in this Announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Announcement in its proper form and context.

16. CAUTIONARY STATEMENT

The Board would like to advise Shareholders that, although the SPA has been entered into, completion is subject to the Conditions being fulfilled or waived and there is no certainty or assurance as at the date of this Announcement that the Proposed Transaction will be completed. Accordingly, Shareholders are advised to exercise caution before making any decision in respect of their dealings in the Shares. Shareholders who are in any doubt as to the action they should take should consult their stockbrokers, bank managers, solicitors or other professional advisers. Further announcements will be made by the Company in accordance with the Listing Manual.

**BY ORDER OF THE BOARD OF
OKH GLOBAL LTD.**

Hwang Soo Chin
Lead Independent Director

4 December 2024

Forward-Looking Statements

All statements other than statements of historical facts included in this Announcement are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as "aim", "seek", "expect", "anticipate", "estimate", "believe", "intend", "project", "plan", "strategy", "forecast", "target" and similar expressions or future or conditional verbs such as "will", "would", "shall", "should", "could", "may" and "might". These statements reflect the current expectations, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of currently available information.

Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results may differ materially from those described in such forward-looking statements. Shareholders and investors should not place undue reliance on such forward-looking statements, and none of the Directors undertake any obligation to update publicly or revise any forward-looking statements.

SCHEDULE

SUMMARY OF THE FINANCIAL INFORMATION OF THE TARGET GROUP

A summary of the audited consolidated financial information of the Target Group for the financial years ended 31 December 2021, 31 December 2022 and 31 December 2023 and the unaudited condensed interim consolidated financial information of the Target Group for the financial period of six (6) months ended 30 June 2024 is set out below:

(a) Results of operations of the Target Group

	6 months ended 30 June 2024	Full year ended 31 December 2023	Full year ended 31 December 2022	Full year ended 31 December 2021
	S\$'000	S\$'000	S\$'000	S\$'000
Revenue	253,183	521,167	627,522	411,226
Cost of sales	(228,664)	(521,055)	(585,662)	(391,974)
Gross profit	24,519	112	41,860	19,252
Profit/(Loss) before tax	7,221	(32,789)	18,461	719
Profit/(Loss) after tax	5,423	(28,108)	16,300	1,208
Total comprehensive income	5,403	(28,571)	15,847	1,118

(b) Financial position of the Target Group

	As at 30 June 2024	As at 31 December 2023	As at 31 December 2022	As at 31 December 2021
	S\$'000	S\$'000	S\$'000	S\$'000
Current assets	257,146	290,071	325,261	298,339
Non-current assets	74,455	76,765	61,234	64,613
Total assets	331,601	366,836	386,495	362,952
Current liabilities	221,478	257,750	199,198	189,491
Non-current liabilities	34,245	38,660	88,171	90,182
Total liabilities	255,723	296,410	287,369	279,673

Share capital	127,222	127,222	100,550	100,550
Other reserves	17,027	17,046	17,509	17,962
Accumulated losses	(67,977)	(73,393)	(18,933)	(35,233)
Non-controlling interests	(394)	(449)	–	–
Total equity	75,878	70,426	99,126	83,279