

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

PROPOSED JOINT VENTURE WITH PAN ASIA LOGISTICS SINGAPORE PTE. LTD. (“JOINT VENTURE”) – EXECUTION OF JOINT VENTURE AGREEMENT

Unless otherwise defined, all capitalised terms used in this announcement shall bear the same meanings as in the Company’s announcements dated 15 July 2013, 7 August 2013 and 12 September 2013 (the “Previous Announcements”).

1. INTRODUCTION

Further to its Previous Announcements, the Board of Directors of OKH Global Ltd. (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that its wholly-owned subsidiary, OKH TransHub Pte. Ltd. (“**OKH TransHub**”) has entered into a definitive joint venture agreement dated 9 October 2013 (“**JVA**”) with Pan Asia Logistics Holdings Singapore Pte. Ltd. (“**JV Partner**”) to formalize the relationship of the parties and to jointly undertake to carrying out the business of developing, owning and managing logistic buildings by Pan Asia Logistics Investments Holdings Pte. Ltd. (“**JV Company**”).

The JV Company was incorporated on 4 September 2013 in Singapore with an initial issued and paid-up share capital of S\$1.00 comprising of 1 share wholly owned by the JV Partner. The JV Company has not commenced business since its incorporation.

2. SALIENT TERMS OF THE AGREEMENT

The terms of the Agreement were negotiated amongst OKH TransHub and the JV Partner on a commercial basis taking into account, *inter alia*, normal business and operational considerations.

2.1 Proposed Acquisition by JV Company

It is intended that upon the completion of the restructuring exercise by JV Partner on its group of companies, the JV Company shall enter into a sale and purchase agreement with Pan Asia Logistics Singapore Pte. Ltd. (“**PAL Singapore**”) for the acquisition by the JV Company of PAL Singapore’s entire shareholding in the capital of Pan Asia Logistics Investments Pte. Ltd., which in turn will hold the entire shareholdings in the capital of Pan Asia Logistics PTP Malaysia Sdn. Bhd. and Pan Asia Logistics (Korea) Ltd. (collectively, the “**JVC Group**”).

The JVC Group will own the following properties (the “**Properties**”) located in Singapore, Malaysia and Korea respectively:-

No.	Location	Tenure
1	Private Lot A3001226 MI 07 4180N at Tuas Bay Drive, Tuas View Industrial Estate, Singapore	30 years commencing from 16 September 2012
2	CP3A and CP3C, part of HS (D) 303868 PTD No 2423, Mukim Tanjung Kupang, District of	43 years commencing from 1 March 2012

	Johor Bahru, integral part of Pelepas Free Zone, Port of Tanjung Pelepas, Gelang Patah, Johor, Malaysia	
3	300-1, 465-7 of Dangchon-ri, Iljuk-myeon, Anseong-si Gyeonggi-do, Korea	Freehold

2.2 Shareholding Structure

The shareholding structure of the JV Company is as follows:

Name	Number of shares held in the JV Company	Subscription Price	Shareholding Percentage
OKH TransHub	30,000,000	S\$30,000,000	40%
JV Partner	45,000,000	S\$45,000,000	60%
Total	75,000,000	S\$75,000,000	100%

It is the intention of the Company to fund its share of the cost of equity participation in JV Company in the following manner:-

Internal cash resources and/or proceeds from issuance of new equity	S\$5,000,000
Redeemable Exchangeable Preference Shares to be issued by OKH TransHub pursuant to the Letter Agreement and Supplemental Letter Agreement as announced on 19 July 2013 and 22 August 2013 respectively	S\$10,000,000
Bank loans	S\$15,000,000
Total	S\$30,000,000

2.3 Directors and management of the JV Company

The board of directors of the JV Company (“**JV Board**”) shall comprise 2 directors nominated by JV Partner and 1 director nominated by OKH TransHub (“**JV Directors**”). The chairman of the JV Board will be nominated by a simple majority vote of the JV Directors but shall not be entitled to a second or casting vote at any meeting of the JV Board or at general meeting of the JV Company.

The chief executive officer and chief financial officer of the JV Company shall be nominated by the JV Partner and OKH TransHub respectively.

3. RATIONALE

Following the Company's business transformation in 2013, which involved the Company's expansion into the property development market, the Company has been actively exploring business expansion initiatives in the real estate market through acquisitions, joint ventures and/or strategic alliances as part of its future plans, which includes sourcing for opportunities to develop, manage and rent commercial and industrial property developments.

Leveraging on the Company's strong property development track record, the Joint Venture provides an opportunity for the Company to develop, own and manage logistic buildings in Asia in order to derive recurrent income. The Company believes that the extension of its business to lease and manage the Properties is complementary to the Group's current portfolio.

4. FINANCIAL EFFECTS

The Joint Venture is not, in itself, expected to have any material impact on the consolidated net tangible assets per share of the Group for the current financial year ending 30 June 2014. The Joint Venture is expected to have a positive impact to the earnings per share of the Group for the financial year ending 30 June 2014 due to the rental income that it will receive from the lease of the Properties.

5. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

As at the date of this announcement, none of the OKH Directors has any other interest, direct or indirect, in the Joint Venture (other than by reason only of being a director of OKH TransHub). As at the date of this announcement, the Company has not received any notification from any of the Company's controlling shareholders that it has or they have any interest, direct or indirect, in the Joint Venture (other than by reason of their shareholding interest in the Company).

6. GENERAL INFORMATION

A copy of the JVA is available for inspection during normal business hours at 701 Sims Drive Unit 02-06 LHK Building Singapore 387383, for a period of three months from the date of this announcement.

BY ORDER OF THE BOARD

MR BON WEEN FOONG
EXECUTIVE CHAIRMAN AND CHIEF EXECUTIVE OFFICER
9 October 2013

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.