

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 queries below raised by the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) dated 10 August 2023, regarding the Company’s announcement of the rescission of public tender contract on 10 August 2023. The Company sets out below its responses to the queries raised by the SGX-ST:

SGX-ST’s Query 1:

Please disclose the reason(s) that the Purchaser and the Vendor was not able to obtain the JTC Confirmation by the JTC Confirmation Deadline and whether any concerns were raised in relation to the application. If none, please disclose the reason for the rescission instead of an extension of time for completion.

Company’s Response 1:

JTC requires the application form for the in-principle Approval to be submitted together with the approval from the Development Control and Licensing Department of the National Environment Agency (“NEA”) for the proposed use of the Property after completion of the purchase of the Property (“NEA Approval”). Application to NEA was submitted by the Purchaser via NEA’s Industrial Allocation System on 21 December 2022 and they have been in regular contact with NEA and provided information to NEA as and when requested by NEA. As at 8 August 2023, NEA Approval still has not been issued, hence no application can be submitted to JTC.

Time being of the essence in the transaction and not having any indication of when a satisfactory response will be obtained from NEA, the Purchaser ultimately decided to terminate the contract.

SGX-ST’s Query 2:

Please disclose the current market valuation and the current fair value of the property located at 12 Tai Seng Link (the “Property”) and whether it had changed since the previous valuation which valued the Property at S\$38 million as at 30 June 2022. If so, please also disclose the current market valuation of the Property, the valuation date and the identity of the valuer, where applicable. If not, please disclose how the current fair value of the Property has been determined.

Company’s Response 2:

The current market valuation of the Property is S\$35 million as at 30 June 2023, this is supported by an independent valuation report by the independent valuer, United Valuers Pte. Ltd., dated 12 July 2023.

SGX-ST's Query 3:

On 31 May 2023, the Company announced the lease of nine units in the Property to subsidiaries of Chip Eng Seng Corporation Ltd ("CES") for a period of three years commencing 1 August 2023 and ending 31 July 2026, at an aggregate sum of S\$135,719 per month (the "Lease"). The Company stated that it was not allowed to lease to other third parties as CES is purchasing the Property for their own use. Given that the Contract has been rescinded, please disclose whether there are any changes to the value of the Lease and its rental price and terms and conditions. To confirm that these are transacted on normal commercial terms and are not prejudicial to the Company and its minority shareholders and to provide details and the basis to substantiate your response.

Company's Response 3:

There are no changes to the value of the Lease and its rental prices and terms and conditions. The terms of the Lease are supported by an independent valuation by the independent valuer, SRE Global Pte Ltd. (the "Valuer"). Based on the Valuer's rental valuation report dated 17 May 2023 which uses market approach, the rental prices are transacted on market rental price. Therefore, the Lease are transacted on normal commercial terms and not prejudicial to the Company and its minority shareholders.

BY ORDER OF THE BOARD

LOCK WAI HAN
Executive Director and Chief Executive Officer
11 August 2023