

OKP HOLDINGS LIMITED

(Incorporated in Singapore with Registration No. 200201165G)

PROPOSED PURCHASE OF PROPERTY AT 7 WOODLANDS INDUSTRIAL PARK E2 SINGAPORE 757450

Introduction

The Board of Directors of OKP Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce that Or Kim Peow Contractors (Private) Limited (the “**Purchaser**”), a wholly-owned subsidiary of the Company, has entered into an agreement dated 24 July 2017 (the “**Agreement**”) to purchase a property known as 7 Woodlands Industrial Park E2 Singapore 757450 (the “**Property**”) from Advance-Tec Engineering Pte. Ltd. (the “**Vendor**”) at the price of S\$2,205,000 (the “**Proposed Purchase**”).

The Property

The Property comprises a 3-storey terrace factory with workshop, office and dormitory, and occupies a lot area of approximately 680 square metres. The Property has a leasehold tenure of 60 years, commencing from 25 September 2006.

The Group intends to purchase the Property for investment.

Purchase Price

The purchase price of the Property of S\$2,205,000 (the “**Purchase Price**”) was arrived at through negotiations between the Purchaser and the Vendor, taking into account the prevailing market conditions and the market value of the Property.

According to the independent valuation report dated 22 June 2017 (the “**Valuation Report**”) by HBA Group Property Consultants Pte. Ltd., which was commissioned by the Purchaser, the open market value of the Property as at 22 June 2017 was S\$2,210,000, using the direct comparison method of valuation.

The Purchase Price is payable as follows:

- (a) a sum of S\$10,000 has been paid upon the signing of the Agreement; and
- (b) the balance sum of S\$2,195,000 shall be paid on the completion of the Proposed Purchase on 28 July 2017 or such earlier date as may be agreed between the parties.

The Purchase Price will be funded by internal resources.

Salient Terms of the Proposed Purchase

The salient terms of the Proposed Purchase include:

- (a) The title of the Property shall be properly deduced and shall be in order and free from encumbrances on completion.
- (b) The Property is sold subject to all restrictive or other covenants and conditions affecting the same and the Purchaser shall be deemed to have full knowledge and notice of such restrictive or other covenants and conditions.
- (c) The Property is sold with vacant possession to be given on completion.

- (d) The Purchaser has inspected the Property on or before the date of the Agreement and the Purchaser shall buy with full notice in all respects of the actual state and conditions of the Property sold as regards area, access, repair, drainage and in all other respects and shall take the Property as it is.

Relative Figures under Rule 1006 of Listing Manual

The relative figures computed on the bases set out in Rule 1006 of the Listing Manual of Singapore Exchange Securities Trading Limited (the “**Listing Manual**”) in relation to the Proposed Purchase are as follows:-

	Basis	Relative figure
Rule 1006(a)	Net asset value of assets to be disposed of, compared with the Group's net asset value	Not applicable
Rule 1006(b)	Net profit attributable to the assets acquired, compared with the Group's net profit	Not applicable
Rule 1006(c)	Aggregate value of consideration given, compared with the Company's market capitalisation (as at 21 July 2017) ⁽¹⁾	1.92%
Rule 1006(d)	Number of equity securities issued by the Company as consideration for the acquisition, compared with the number of equity securities previously in issue	Not applicable
Rule 1006(e)	Aggregate volume or amount of proved and probable reserves to be disposed of, compared with aggregate of the group's proved and probable reserves	Not applicable

Note:

- (1) The Company's market capitalisation of S\$114,859,553 was computed based on the Company's existing issued share capital of 308,430,594 shares and the volume weighted average price of the Company's shares of S\$0.3724 transacted on 21 July 2017 (being the market day preceding the date of the Agreement).

The Proposed Purchase is a non-discloseable transaction pursuant to Rule 1008 of the Listing Manual.

Financial Impact

The Proposed Purchase will not have any material impact on the net tangible assets per share and earnings per share of the Company for the financial year ending 31 December 2017.

Interests of Directors and Controlling Shareholders

None of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the Proposed Purchase, save through their shareholdings in the Company (if any).

By Order of the Board

Or Toh Wat
Group Managing Director
25 July 2017