

**OKP HOLDINGS LIMITED**

(Incorporated in Singapore with Company Registration No. 200201165G)

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**RESPONSE TO SGX'S QUERY**

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The Board of Directors of OKP Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to the query raised by the Singapore Exchange Securities Trading Limited on 11 April 2022 in relation to the Company’s Annual Report for the financial year ended 31 December 2021 (“**FY2021**”). The Company wishes to provide its response below.

Query

We refer to the Corporate Governance Report on page 111 of the annual report for the financial year ended 31 December 2021. The Company has explained that the Board is of the opinion that based on the Group’s current size and operations, it is not necessary nor cost-effective to have independent directors make up majority of the Board even though the Group Chairman is part of management and is an immediate family member of the Group Managing Director, and independent directors only comprise one-third of the Board. Please elaborate further on what is meant by the Group’s current size and operations, and why this results in it not being necessary nor cost-effective to have independent directors make up majority of the Board.

Company’s Response

The Board is of the view that the Group’s current size is relatively small and the business and operations of the Group are not overly complex. Based on the audited financial statements for FY2021, the Group has generated revenue of \$90.0 million with net profit attributable to equity holders of \$1.5 million. 92.8% of revenue was generated in Singapore.

In light of the above, the Board is of the view that it is not necessary for independent directors to make up the majority of the Board, as the appointment of additional independent directors will result in the Board becoming disproportionately large for the Group’s current scale of business and operations. The appointment of additional independent directors would also result in additional cost to the Group.

By Order of the Board

Or Toh Wat  
Group Managing Director  
12 April 2022