

CIRCULAR DATED 20 MAY 2022

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.**

If you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

If you have sold or transferred all your shares in the capital of OKH Global Ltd. (the “Company”) held through The Central Depository (Pte) Limited (“CDP”), you need not forward this circular with the Notice of Special General Meeting (“SGM”) and the attached Proxy Form to the purchaser or transferee as arrangements will be made by CDP for a separate circular with the Notice of SGM and the attached Proxy Form to be sent to the purchaser or transferee. If you have sold or transferred all your shares in the capital of the Company represented by physical share certificate(s), you should at once hand this circular with the Notice of SGM and the attached Proxy Form immediately to the purchaser or transferee or to the bank, stockbroker or agent through whom you effected the sale or transfer, for onward transmission to the purchaser or transferee.

The Singapore Exchange Securities Trading Limited (the “SGX-ST”) assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained in this Circular.

This Circular has been made available on SGXNET today and may be found at the URL <https://www.sgx.com/securities/company-announcements> and is also available on the Company’s website at the URL <https://www.okh.com.sg>. **A printed copy of this Circular (together with the Notice of SGM) will be despatched to Shareholders.**

Due to the current COVID-19 restriction orders in Singapore, Shareholders will not be able to attend the SGM in person and can only participate in the SGM via electronic means. Alternative arrangements have been put in place to allow Shareholders to electronically access the SGM by (a) watching the SGM proceedings via “live” audio-visual webcast or listening to the SGM proceedings via “live” audio-only stream, (b) submitting questions to the Chairman of the SGM in advance or during the SGM via an “Ask a Question” feature, and/or (c) by appointing the Chairman of the SGM as proxy and voting electronically during the SGM. Questions related to the proposed resolutions to be tabled for approval at the SGM may be submitted in the following manner:

- (a) via the pre-registration website at the URL <https://conveneagm.com/sg/okh> by 5.00 p.m. on 27 May, being at least 7 calendar days after the publication of the Notice of SGM;
- (b) in hard copy by sending personally or by post and lodging the same at the office of the Company at The Herencia, 46 Kim Yam Road, #01-11, Singapore 239351 by 5.00 p.m. on 27 May, being at least 7 calendar days after the publication of the Notice of SGM;
- (c) by email to the Company at [admin@okh.com.sg](mailto:admin@okh.com.sg) by 5.00 p.m. on 27 May; or
- (d) during the SGM via an “Ask a Question” feature.

Please refer to Section 13 of this Circular and the Notice of SGM for further information, including the steps to be taken by Shareholders to participate at the SGM. The Notice of SGM has been made available on SGXNET and may be found at the URL <https://www.sgx.com/securities/company-announcements> and on the Company’s website at the URL <https://www.okh.com.sg>.

Shareholders should note that the Company may make further changes to its SGM arrangements (including but not limited to any applicable alternative arrangements as may be prescribed or permitted (as the case may be) under the Infectious Diseases Regulations and the COVID-19 (Temporary Measures) Act 2020 and any regulations promulgated thereunder (including the COVID-19 Order) as well as other guidelines issued by the relevant authorities) as the situation evolves. Shareholders are advised to keep abreast of any such changes as may be announced by the Company as may be made from time to time on SGXNET.



(Incorporated in Bermuda)  
(Company Registration Number: 35479)

## CIRCULAR TO SHAREHOLDERS

### IN RELATION TO

**PROPOSED DIVESTMENT OF ENTIRE MINORITY INTERESTS IN EQUALBASE PTE. LTD. (FORMERLY KNOWN AS PAN ASIA LOGISTICS INVESTMENTS HOLDINGS PTE. LTD.) AND DELTANVIL PTE. LTD. (FORMERLY KNOWN AS PAN ASIA LOGISTICS HOLDINGS SINGAPORE PTE. LTD.) UPON:**

- A. SALE OF 30,000,000 SHARES IN EQUALBASE PTE. LTD. (CONSTITUTING A 40% EQUITY INTEREST) TO DELTANVIL PTE. LTD. FOR S\$43.40 MILLION; AND**
- B. SALE OF 2,584,923 SHARES IN DELTANVIL PTE. LTD. (CONSTITUTING A 15% EQUITY INTEREST) TO MR BISCHOFF CHRISTIAN PAUL FOR S\$8.00 MILLION**

#### Important Dates and Times:

Last date and time for lodgement of Proxy Form	:	5 June 2022 at 2.30 p.m.
Date and time of Special General Meeting	:	7 June 2022 at 2.30 p.m.
Place of Special General Meeting	:	The SGM will be held by electronic means. Please refer to Section 13 of this Circular for more details

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## DEFINITIONS

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The following definitions apply throughout in this Circular except where the context otherwise requires:

- “Announcement” : The announcement of the Company dated 2 March 2022 relating to the proposed divestment of the Group’s entire minority equity interests in Deltanvil Pte. Ltd. and Equalbase Pte. Ltd. pursuant to the Deltanvil SPA and the Equalbase SPA
- “2014 Acquisition Agreement” : The sale and purchase agreement dated 18 August 2014 and entered into between Chronoz Investment Holding Pte. Ltd. (a wholly-owned subsidiary of the Company), as buyer, and Mr Bischoff Christian Paul, as seller, pursuant to which:
- (a) Chronoz purchased 646,231 existing ordinary shares in Deltanvil Pte. Ltd. (constituting about 3.4% of the total number of ordinary shares of Deltanvil Pte. Ltd. then) for S\$4.30 million from Mr Bischoff Christian Paul; and
  - (b) Mr Bischoff Christian Paul granted a put option to Chronoz which upon exercise of such option by Chronoz in its discretion, during the option exercise period of 36 months from 1 July 2015 would require Mr Bischoff to purchase from Chronoz 646,231 ordinary shares in Deltanvil Pte. Ltd. for cash at:
    - (i) 1.12 times of S\$4.30 million if the option is exercised within the first 12 months of the option exercise period;
    - (ii) 1.24 times of S\$4.30 million if the option is exercised after the 12 months and up to the 24th month of the option exercise period; and
    - (iii) 1.36 times of S\$4.30 million if the option is exercised after the 24th month up till the 36th month.
- “Mr Bischoff” : Mr Bischoff Christian Paul
- “Bermuda Act” : The Companies Act 1981 of Bermuda, as amended, modified or supplemented from time to time
- “Board” : The board of Directors of the Company
- “CDP” : The Central Depository (Pte) Limited

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## DEFINITIONS

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“Chronoz”	:	Chronoz Investment Holding Pte. Ltd., a wholly-owned subsidiary of the Company
“Circular”	:	This circular to Shareholders dated 20 May 2022
“Code”	:	The Singapore Code on Take-overs and Mergers
“Companies Act”	:	The Companies Act 1967 of Singapore, as amended, modified or supplemented from time to time
“Company”	:	OKH Global Ltd.
“Controlling Shareholder”	:	Haiyi Holdings Pte. Ltd., a shareholder of the Company, and as at Latest Practicable Date, with an interest of about 44.3% in the total number of issued Shares of the Company
“Corporate Exercise”	:	A selective share buy-back or capital reduction exercise that may be undertaken by Deltanvil to acquire or cancel the Deltanvil Sale Shares for S\$8.00 million (which is the same amount as the Deltanvil Purchase Price) on and subject to the terms and conditions of the Deltanvil SPA
“COVID-19 Act”	:	COVID-19 (Temporary Measures) Act 2020
“Deltanvil”	:	Deltanvil Pte. Ltd. (formerly known as Pan Asia Logistics Holdings Singapore Pte. Ltd.), a company that is 15% owned by Chronoz (which is a wholly-owned subsidiary of the Company)
“Deltanvil Purchase Price”	:	The sum of S\$8.00 million
“Deltanvil Sale Shares”	:	2,584,923 ordinary shares in Deltanvil (constituting 15% of the total number of ordinary shares of Deltanvil) to be sold by Chronoz under the Deltanvil SPA for the sum of S\$8.00 million
“Deltanvil SPA”	:	The share sale and purchase agreement dated 2 March 2022 for the sale by Chronoz of 2,584,923 ordinary shares in Deltanvil (constituting 15% of the total number of ordinary shares of Deltanvil) to Mr. Bischoff for S\$8.00 million
“Director(s)”	:	The director(s) of the Company for the time being
“EPS”	:	The earnings per share

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## DEFINITIONS

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“Equalbase”	:	Equalbase Pte. Ltd. (formerly known as Pan Asia Logistics Investments Holdings Pte. Ltd.), a company that is 40% owned by OKH Transhub (which is a wholly-owned subsidiary of the Company)
“Equalbase Purchase Price”	:	The sum of S\$43.40 million
“Equalbase Sale Shares”	:	30,000,000 ordinary shares in Equalbase (constituting 40% of the total number of ordinary shares of Equalbase) to be sold by OKH Transhub under the Equalbase SPA for the sum of S\$43.40 million
“Equalbase SPA”	:	The share sale and purchase agreement dated 2 March 2022 for the sale by OKH Transhub of 30,000,000 ordinary shares in Equalbase (constituting 40% of the total number of ordinary shares of Equalbase) to Deltanvil for S\$43.40 million
“Group”	:	The Company and its subsidiaries, collectively
“Latest Practicable Date” or “LPD”	:	13 May 2022, being the latest practicable date prior to the printing of this Circular
“Letter of Undertaking”	:	The irrevocable letter of undertaking executed by Haiyi Holdings Pte. Ltd., as detailed in paragraph 4.1 of this Circular
“Listing Manual”	:	The Mainboard Rules of the SGX-ST, as amended, modified or supplemented from time to time
“Notice of SGM”	:	The notice of SGM which is set out on pages 28 to 30 of this Circular
“NTA”	:	The net tangible assets
“OKH Transhub”	:	OKH Transhub Pte. Ltd., a wholly-owned subsidiary of the Company
“Proposed Divestment”	:	Equalbase SPA and Deltanvil SPA collectively

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## DEFINITIONS

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“2014 Deltanvil Put Option”	:	<p>The put option granted by Mr Bischoff to Chronoz pursuant to the 2014 Acquisition Agreement which, upon exercise by Chronoz in its discretion, within the option exercise period of 36 months from 1 July 2015, would require Mr Bischoff to purchase from Chronoz 646,231 ordinary shares in Deltanvil for cash sum at:</p> <ul style="list-style-type: none"><li>(i) 1.12 times of S\$4.30 million if the option is exercised within the first 12 months of the option exercise period;</li><li>(ii) 1.24 times of S\$4.30 million if the option is exercised after the 12 months and up to the 24th month of the option exercise period; and</li><li>(iii) 1.36 times of S\$4.30 million if the option is exercised after the 24th month up till the 36th month.</li></ul>
“Deltanvil Put Option Shares”	:	<p>The 646,231 ordinary shares in the capital of Deltanvil which are the subject of the 2014 Deltanvil Put Option</p>
“Resolution”	:	<p>The ordinary resolution set out in the Notice of SGM on pages 28 to 30 of this Circular</p>
“SGM”	:	<p>The special general meeting of the Company to be convened and held by electronic means at 2.30 p.m. on 7 June 2022, notice of which is set out on pages 28 to 30 of this Circular</p>
“SGX-ST”	:	<p>Singapore Exchange Securities Trading Limited</p>
“Shareholders”	:	<p>Shareholders of the Company from time to time</p>
“Shareholders’ Loans”	:	<p>Loans that have been extended by the Controlling Shareholder to the Company from time to time which are still outstanding as at the date of this Circular, particulars of which are described in Section 7 below and the total amount outstanding as at 31 December 2021 was S\$52.586 million</p>
“Shares”	:	<p>Ordinary shares in the capital of the Company</p>
“2017 Transactions”	:	<p>The transactions contemplated in (a) the share sale and purchase agreements dated 9 March 2017 for the sale by OKH Transhub to Deltanvil of 30,000,000 ordinary shares in Equalbase for the sum of S\$40.00 million; and (b) the share sale and purchase agreement dated 9 March 2017 for the sale by Chronoz to Mr Bischoff of 2,584,923 ordinary shares in Deltanvil for the sum of S\$9.00 million</p>

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## DEFINITIONS

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“S\$” and “cents”	:	Dollars and cents respectively of the currency of Singapore
“%”	:	Per centum or percentage

The terms “Depositor” and “Depository Register” shall have the meanings ascribed to them in Section 81SF of the Securities and Futures Act 2001 of Singapore. The term “subsidiary” shall have the meaning ascribed to it in Section 5 of the Companies Act.

Under the Bermuda Act, only those persons who agree to become shareholders of a Bermuda company and whose names are entered on the register of members of such a company are considered members. Accordingly, Depositors holding Shares through CDP would not be recognised as members under Bermuda law and their rights in respect of the Shares under Bermuda law are derived through CDP.

Words importing the singular shall, where applicable, include the plural and vice versa and words importing the masculine shall, where applicable, include the feminine and neuter gender and vice versa. References to persons shall, where applicable, include corporations.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any term defined under the Companies Act, the Bermuda Act, the Listing Manual, the Code or any statutory modification thereof and used in this Circular shall, where applicable, have the meaning assigned to it under the Companies Act, the Bermuda Act, the Listing Manual, the Code or any statutory modification thereof, as the case may be, unless otherwise provided.

Any reference to a time of day shall be a reference to Singapore time unless otherwise stated.

Any discrepancy in the tables included herein between the listed amounts and totals thereof are due to rounding. Accordingly, figures shown as totals in this Circular may not be an arithmetic aggregation of the figures that precede them.

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## LETTER TO SHAREHOLDERS

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### OKH GLOBAL LTD.

(Incorporated in Bermuda)  
(Company Registration Number: 35479)

#### Board of Directors:

Celine Tang, Non-executive Chairman  
Lock Wai Han, Executive Director, Chief Executive Officer  
Ong Soon Teik, Lead Independent Director  
Ng Kheng Choo, Independent Director  
Lim Eng Hoe, Independent Director

#### Registered Office:

Clarendon House  
2 Church Street  
Hamilton HM11  
Bermuda

20 May 2022

To: The Shareholders of the OKH Global Ltd. (the “**Company**”, and together with its subsidiaries, the “**Group**”)

Dear Sir/Madam

**PROPOSED DIVESTMENT OF ENTIRE MINORITY INTERESTS IN EQUALBASE PTE. LTD. (FORMERLY KNOWN AS PAN ASIA LOGISTICS INVESTMENTS HOLDINGS PTE. LTD.) AND DELTANVIL PTE. LTD. (FORMERLY KNOWN AS PAN ASIA LOGISTICS HOLDINGS SINGAPORE PTE. LTD.) UPON:**

- A. SALE OF 30,000,000 SHARES IN EQUALBASE PTE. LTD. (CONSTITUTING A 40% EQUITY INTEREST) TO DELTANVIL PTE. LTD. FOR S\$43.40 MILLION; AND**
- B. SALE OF 2,584,923 SHARES IN DELTANVIL PTE. LTD. (CONSTITUTING A 15% EQUITY INTEREST) TO MR BISCHOFF CHRISTIAN PAUL FOR S\$8.00 MILLION**

#### 1. INTRODUCTION

1.1 On 2 March 2022, the Company announced (the “**Announcement**”) that the Group had entered into two conditional share sale and purchase agreements to dispose of its entire minority interests in Deltanvil Pte. Ltd. (“**Deltanvil**”) and Equalbase Pte. Ltd (“**Equalbase**”) (collectively, the “**Proposed Divestment**”) for an aggregate consideration of S\$51.40 million:

- (a) a share sale and purchase agreement dated 2 March 2022 (“**Deltanvil SPA**”) between Chronoz Investment Holding Pte. Ltd. (“**Chronoz**”), as seller, and Mr Bischoff Christian Paul (“**Mr Bischoff**”), as buyer, for the sale of 2,584,923 ordinary shares in Deltanvil (the “**Deltanvil Sale Shares**”) (constituting a 15% shareholding interest in Deltanvil) for a consideration of S\$8.00 million (“**Deltanvil Purchase Price**”); and
- (b) a share sale and purchase agreement dated 2 March 2022 (“**Equalbase SPA**”) between OKH Transhub Pte. Ltd. (“**OKH Transhub**”), as seller, and Deltanvil, as buyer, for the sale of 30,000,000 ordinary shares in Equalbase (“**Equalbase Sale Shares**”) (constituting a 40% shareholding interest in Equalbase) for a consideration of S\$43.40 million (“**Equalbase Purchase Price**”).



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## LETTER TO SHAREHOLDERS

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The transactions under the Deltanvil SPA and the Equalbase SPA are inter-conditional in that the completion of the sale and purchase under the Deltanvil SPA is conditional upon completion of the sale and purchase under the Equalbase SPA. However, please note that the completion of the Equalbase SPA is not conditional upon the completion of the sale and purchase under the Deltanvil SPA.

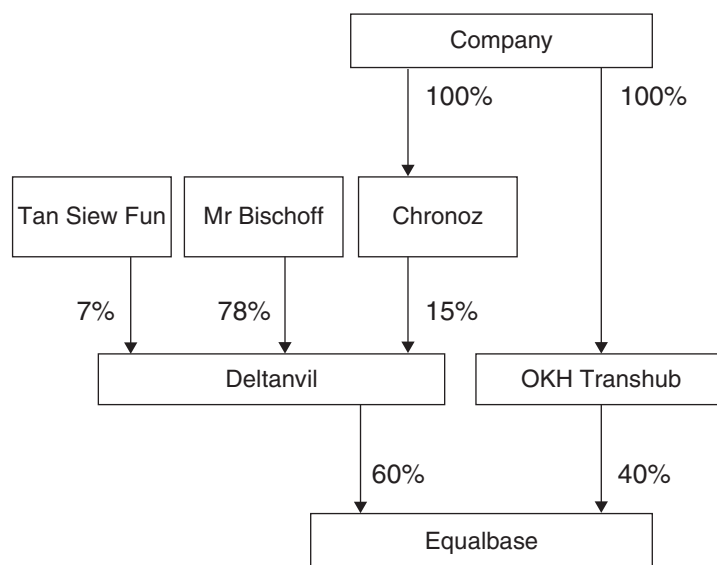
- 1.2 As at the date of the Announcement, OKH Transhub and Chronoz are both wholly-owned subsidiaries of the Company. Mr Bischoff (the purchaser in the Deltanvil SPA) is the executive chairman and majority shareholder (with a 78.0% shareholding interest) of Deltanvil. Deltanvil (the purchaser in the Equalbase SPA) is the majority shareholder (with a 60% shareholding interest) of Equalbase. On completion of the Equalbase SPA, Equalbase will be wholly-owned by Deltanvil. Mr Bischoff is not a shareholder of Equalbase.
- 1.3 As elaborated below, the Group is of the view that its investments in both Equalbase and Deltanvil no longer fit its needs. Therefore, the Proposed Divestment is for the Group to dispose of its entire interests in both Equalbase and Deltanvil. The parties to the Deltanvil SPA are only prepared to proceed with completion under the Deltanvil SPA if there is completion of the Equalbase SPA (the larger of the two transactions in terms of purchase consideration). The parties to the Deltanvil SPA are not willing to proceed with completion of the Deltanvil SPA without the completion of the Equalbase SPA. Therefore, and as mentioned above, the completion of the Deltanvil SPA is conditional upon the completion of Equalbase SPA. This means that neither Chronoz nor Mr Bischoff will be required to proceed with completion under the Deltanvil SPA if there is no completion under the Equalbase SPA. It should however be noted that the completion of the Equalbase SPA is not conditional upon the completion of the Deltanvil SPA. This means that the completion of the Equalbase SPA shall proceed notwithstanding the non-completion of the Deltanvil SPA.
- 1.4 The Proposed Divestment is a major transaction for the purposes of Chapter 10 of the Listing Manual of the Singapore Exchange Securities and Trading Limited (“**SGX-ST**”) and is subject to the approval of the shareholders of the Company (“**Shareholders**”). Please refer to Section 5 below. As announced by the Company in a supplemental announcement dated 13 May 2022, for the reasons set out in paragraph 4.1, SGX-ST takes the view that the Proposed Divestment is also an interested person transaction for the purposes of Chapter 9 of the Listing Manual. The purpose of this Circular is to provide Shareholders with relevant information relating to the Proposed Divestment and to seek Shareholders’ approval in respect of the same at the SGM, the Notice of SGM is set out on pages 28 to 30 of this Circular.

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## LETTER TO SHAREHOLDERS

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### 2. BACKGROUND INFORMATION



- 2.1 The following section pertains to the diagram above.
- 2.2 OKH Transhub and Chronoz are both investment holding companies, and as mentioned above, they are both wholly-owned subsidiaries of the Company.
- 2.3 In October 2013, OKH Transhub acquired a 40% minority equity stake in Equalbase (comprising 30,000,000 ordinary shares in Equalbase, which is the same number of ordinary shares as the Equalbase Sale Shares) for the sum of S\$30.00 million. The other shareholder of Equalbase holding the balance 60% equity stake was Deltanvil. At the time of this acquisition, none of the Directors (or any of their associates) were related to Equalbase, Deltanvil or Mr Bischoff.
- 2.4 As at the date of the Announcement, none of the Directors and the substantial shareholders of Company and their respective associates are related to Equalbase, Deltanvil or their directors or substantial shareholders and respective associates save that Mr Lock Wai Han, Executive Director and CEO of the Company is also a director of Equalbase. As at the date of the Announcement, the shareholders of Equalbase are OKH Transhub and Deltanvil, each with the same percentage shareholding interest in Equalbase as at the time of the completion of the acquisition in October 2013.
- 2.5 On 18 August 2014, Chronoz acquired a 15% minority equity stake in Deltanvil (comprising 3,231,154 ordinary shares in Deltanvil) for the sum of S\$21.50 million. This acquisition was carried out in two transactions, namely:
- a subscription of 2,584,923 new ordinary shares in Deltanvil for S\$17.20 million; and
  - a purchase of 646,231 existing ordinary shares in Deltanvil from Mr Bischoff for S\$4.30 million (the “**2014 Acquisition Agreement**”).

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## LETTER TO SHAREHOLDERS

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- 2.6 Under the 2014 Acquisition Agreement, Mr Bischoff granted Chronoz a put option (“**2014 Deltanvil Put Option**”) which, upon exercise by Chronoz in its discretion within the option exercise period of 36 months from 1 July 2015, would require Mr Bischoff to purchase from Chronoz 646,231 ordinary shares in Deltanvil (“**Deltanvil Put Option Shares**”) for the cash at:
- (a) 1.12 times of S\$4.30 million if the option is exercised within the first 12 months of the option exercise period;
  - (b) 1.24 times of S\$4.30 million (which is S\$5.332 million) if the option is exercised after the 12th month and up to the 24th month of the option exercise period; and
  - (c) 1.36 times of S\$4.30 million if the option is exercised after the 24th month up till the 36th month.

The number of ordinary shares comprising the Deltanvil Put Option Shares is the same as the number of ordinary shares in Deltanvil that was purchased by Chronoz from Mr Bischoff under the 2014 Acquisition Agreement.

- 2.7 At the time of the acquisition of shares in Deltanvil, Deltanvil was 95% owned by Mr Bischoff and 5% owned by Tan Siew Fun (a business partner and colleague of Mr Bischoff) and none of the Directors and the substantial shareholders of Company and their respective associates were related to Equalbase, Deltanvil or their directors or substantial shareholders and respective associates. As at the date of the Announcement, Mr Bischoff is still the majority shareholder of Deltanvil (with an 78.0% shareholding interest) and none of the Directors and the substantial shareholders of Company and their respective associates are related to Equalbase, Deltanvil or their directors or substantial shareholders and respective associates save that Mr Lock Wai Han, Executive Director and CEO of the Company is also a director of Equalbase. Chronoz continues to hold a 15% minority equity stake in Deltanvil (represented by the Deltanvil Sale Shares). The number of Deltanvil Sale Shares is less than the initial 3,231,154 ordinary shares in Deltanvil acquired by Chronoz in 2014 as there was a share buy-back exercise undertaken by Deltanvil in June 2016.
- 2.8 Consequent upon the acquisitions in October 2013 and August 2014, the Group acquired a 49% effective interest in Equalbase.
- 2.9 Under the Proposed Divestment, the Group will dispose of its entire minority interests in Equalbase and Deltanvil by selling its equity stakes in Equalbase and Deltanvil back to the other shareholders in these companies, namely, Deltanvil and Mr Bischoff.

### Equalbase

- 2.10 Equalbase is a logistics warehouse owner cum developer. Equalbase and its subsidiaries currently own and manage three logistics properties, namely,
- (a) a property at 93 Tuas Bay Drive, Singapore (with a gross floor area of 432,876 square feet) which has been leased to a freight forwarding company in Singapore;
  - (b) a property with a gross floor area of 528,486 square feet located in Senai Airport Free Zone, Senai International Airport, 81250 Johor Bahru, Johor, Malaysia which has been leased to a member of a multi-national automotive corporation; and

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## LETTER TO SHAREHOLDERS

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- (c) a property with a net lettable floor area of 1,150,391 square feet located within Port of Tanjung Pelepas, Gelang Patah, Johor, Malaysia (“**Tanjung Pelepas Property**”), which has been fully leased to 2 multi-national automotive corporations and to several other tenants. The Tanjung Pelepas Property has an unexpired lease period of about 33 years (inclusive of the renewal period) and the buildings erected thereon are about 3 years old.

Please note that Equalbase Sdn. Bhd. (formerly known as PALI PTP Sdn. Bhd. and a wholly-owned subsidiary of Equalbase), as seller, had entered into a conditional sale and purchase agreement dated 11 April 2022 with RHB Trustees Berhad (as trustee for AXIS Real Estate Investment Trust (whose units are listed on Bursa Malaysia Securities Berhad)), as purchaser, for the sale and lease back of the Tanjung Pelepas Property (“**Sale and Lease Back**”). Under the Sale and Lease Back, Equalbase Sdn. Bhd. is committed to a 10-year lease back of the Tanjung Pelepas Property at a monthly rental sum (which is the same for the first 3 years, and at a monthly sum that increases annually for the balance 7 years of the term of the lease back) which is higher than the current monthly rental income received by Equalbase Sdn. Bhd. from the Tanjung Pelepas Property. Under the leaseback arrangement, Equalbase Sdn. Bhd. is also required to keep the interior and exterior of the Tanjung Pelepas Property in good and tenable repair and condition, to pay all charges for utilities, amenities and services directly to the relevant authorities or service provider and to be responsible for the repair, maintenance, replacement and upkeep of the structure, shell, core, interior, exterior, façade, internal and/or external compound of the Tanjung Pelepas Property. The sale price of the Tanjung Pelepas Property is Malaysia Ringgit 390 million (which is the same as the valuation sum). The carrying value of the Tanjung Pelepas Property as at 31 December 2021 was Malaysia Ringgit 280 million. Subject to the fulfilment of all the conditions precedent, the Sale and Lease Back is expected to be completed in the second half of 2022.

- 2.11 Although a warehouse development project undertaken by Equalbase comes with a long-term lease upon completion (which generates revenue for Equalbase), such a project requires a significant amount of capital expenditure in the initial stage of development, and Equalbase relies on borrowings to finance such project. This results in a Equalbase requiring additional capital injection from shareholders when new projects are identified.

### Deltanvil

- 2.12 Deltanvil is headquartered in Singapore and is a holding company, with investments in Equalbase (logistic warehouse owner cum developer) and Panalogs (specialized freight forwarder in projects forwarding (a niche area involving the handling of any out of size cargo and/or cargo that requires special handling, for example wind turbine) and time critical shipments. At the time of Chronoz’s acquisition in August 2014, Deltanvil’s main business was to provide integrated global transportation and logistics solutions, with offices in 11 countries. Due to challenges that it faced in the logistics sector with low returns and high risk of default by customers notwithstanding high sales volume, Deltanvil sold off its logistics business in January 2018. Currently, Deltanvil is a holding company with 2 main investments as described above. The operations of Deltanvil are not significant to the Group as the Group only has a small minority interest of 15% in Deltanvil.

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## LETTER TO SHAREHOLDERS

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### 3. RATIONALE OF THE PROPOSED DIVESTMENT

- 3.1 When the Group first acquired its equity stake in Equalbase in 2013, the Group's intention then was to diversify its earning bases. At the material time, the Group was relying on property development for its revenue, which was cyclical in nature, and hence having recurring income from a stake in Equalbase would help to complement the property development segment of the Group then. The Group had since built up on its own recurring incoming portfolio through its investment properties, which include strata units at ACE@Buroh and Loyang Enterprise and the properties at 12 Tai Seng Link and The Herencia.
- 3.2 More importantly, although the investments in Equalbase did generate profit for the Group, this was not translated into cash flow into the Group (which the Group had expected) except for those amounts mentioned in paragraph 4.3(ii) below. This is because the cash flow generated by Equalbase was generally ploughed back or retained by Equalbase to fund its expansion into new development projects, such as the Tanjung Pelepas Property which was completed in October 2018. It should also be noted that Group does not have management control over the affairs and directions of Equalbase. OKH Transhub is entitled to 1 board seat on the board of directors of Equalbase and the other directors are Mr Bischoff, Tan Siew Fun (who is also the CEO of Equalbase) and Nicholas Christian Bischoff. OKH Transhub is also a minority shareholder and is unable to pass any resolutions in a general meeting of Equalbase without the concurrence of the majority shareholder, Deltanvil (which is controlled by Mr Bischoff).
- 3.3 As mentioned above, development projects undertaken by Equalbase requires substantial amount of capital expenditure. Given the Group's overall cash flow position, the Group will also not be able to meet and it would not be prudent for the Group to provide additional funding to meet the needs of Equalbase for its capital expenditure for its development projects, especially given the Group minority position in Equalbase. In addition, the Group also needs to improve its overall cash flow position, which would be facilitated with the sale proceeds received from the Equalbase SPA.
- 3.4 As for Deltanvil, it encountered very challenging environment for its logistics business after the Group's investment in 2014, leading to the eventual disposal of its logistics business about 3 to 4 years later in January 2018 for a small profit with the sale proceeds used mainly to repay existing debts of Deltanvil and its subsidiaries. The Group is not optimistic about the prospect of the logistics sector in the long term. Following the disposal of its logistics business, Deltanvil currently provides projects forwarding and time critical services. As previously stated in the circular for the 2017 Transactions, the Group had acquired the 15% equity stake in Deltanvil with a view for a quick exit through an initial public offering exercise of Deltanvil. However, this did not materialize due to market conditions.
- 3.5 Taking into consideration the Group's small 15% equity stake in Deltanvil and its lack of management control over the affairs and directions of Deltanvil, the cash tied down in the Group's small equity stake in Deltanvil could be freed through the sale under the Deltanvil SPA and the sale proceeds could be used to service the Group's loans and/or to reduce the Group's high gearing ratio and financing cost. In fact, in November 2016, Chronoz had exercised the 2014 Deltanvil Put Option, to reduce its equity stake in Deltanvil. However, completion of the 2014 Deltanvil was held in abeyance for the 2017 Transactions (which had included the sale of the ordinary shares comprising the 2014 Deltanvil Put Option). It should be noted that the rights of Chronoz under the 2014 Deltanvil Put Option have been reserved under the Deltanvil SPA in the manner set out in paragraph 4.2(f) below.

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- 3.6 It should also be noted that in the first half of 2017 (after the Controlling Shareholder became the controlling shareholder of the Company in September 2016), the Group had entered into agreements with Deltanvil and Mr Bischoff during the first half of 2017 for the sale and disposal of the Group's entire minority equity interests in Equalbase and Deltanvil ("**2017 Transactions**"). This was because the Company was of the view that the Group's investments in Equalbase and Deltanvil did not fit the Group's needs, given the large amount of cash that was tied up in these investments and the lack of management control over the affairs and directions of Equalbase and Deltanvil.
- 3.7 Under the 2017 Transactions, the agreed consideration payable was S\$49.00 million. Shareholders' approval was obtained for the 2017 Transactions. However, Deltanvil and Mr Bischoff, in default of their obligations under the agreements entered into for the 2017 Transactions, failed to complete the 2017 Transactions, and this was notwithstanding several extensions of time granted for the completion. In early 2018, the parties agreed on the termination of the agreements entered into for the 2017 Transactions and the Group received payment of a settlement sum of S\$1.62 million.
- 3.8 Since 2018, the Group had continued to engage with Deltanvil and Mr Bischoff from time to time on the Group's exit. The Group had also looked for third-party buyers but there were no interested parties in acquiring the Group's minority interests in Deltanvil and Equalbase.
- 3.9 Given the lack of substantial cashflow generated from the Group's investments in Deltanvil and Equalbase, the large sum that was tied up with Group's investments in Equalbase and Deltanvil and the challenging business environment faced by the Group, the Group had to obtain the support of its controlling shareholder, Haiyi Holdings Pte Ltd (the "**Controlling Shareholder**"), in extending shareholders' loans to the Group for its working capital. As at 31 December 2021, the total amount owing by the Company to the Controlling Shareholder for loans extended to it by the Controlling Shareholder is S\$52.586 million. This amount is due and repayable on 31 July 2022. In addition to shareholders' loans from the Controlling Shareholder, the Company also has other borrowings from banks. More details of the shareholders' loans extended to the Company by the Controlling Shareholders are set out in Section 7 below.
- 3.10 For the reasons set out above, the Company continues to be of the view that Group's investments in Equalbase and Deltanvil no longer fits the Group's needs. Furthermore, the sale proceeds from the Proposed Divestment can also be used to repay the Group's borrowings and thus reducing its overall gearing and financing cost. Accordingly, the Group is proceeding with the Proposed Divestment.

#### 4. KEY TERMS AND CONSIDERATION OF THE PROPOSED DIVESTMENT

##### 4.1 Material conditions to the Proposed Divestment

###### Shareholders' approval:

The Proposed Divestment is conditional upon Shareholders passing the following resolution ("**Resolution**") as an ordinary resolution to approve:

- (a) the Equalbase SPA and the transactions contemplated thereunder, such approval remaining in full force and effect and not being revoked prior to and on the completion of Equalbase SPA; and

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- (b) the Deltanvil SPA and the transactions contemplated thereunder, such approval remaining in full force and effect and not being revoked prior to and on the completion of Deltanvil SPA.

As at the date of the Announcement, the Controlling Shareholder, with a shareholding interest of about 44.3%, has irrevocably undertaken pursuant to a letter of undertaking to vote in favour of the Resolution to approve the Proposed Divestment pursuant to the terms of the Equalbase SPA and the Deltanvil SPA (the “**Letter of Undertaking**”). However, SGX-ST is of the view that the Proposed Divestment (with its significant loss on disposal) and the substantial use of sale proceeds from the Proposed Divestment to repay the Shareholders’ Loans is in substance a single transaction and an interested person transaction and the provisions of Chapter 9 will apply and accordingly pursuant to Rule 919 of the Listing Manual, the Controlling Shareholder must not vote on the Resolution.

The long-stop date for obtaining Shareholders’ approval for the Proposed Divestment is 18 June 2022.

### Inter-conditionality:

In addition to Shareholders’ approval having been obtained for the Proposed Divestment, the completion of the Deltanvil SPA is conditional upon completion of the Equalbase SPA, as explained in paragraph 1.3 above. However, the completion of the Equalbase SPA is not conditional upon completion of Deltanvil SPA.

### 4.2 Other key terms

- (a) Completion: Under each sale and purchase agreement of the Proposed Divestment (“**SPA**”), completion shall take place on the 30th day after the date of the Resolution (the “**Completion Date**”) pursuant to which Shareholders shall have approved of the Proposed Divestment.
- (b) Deferred Completion: The purchaser in each SPA may defer completion to a date (the “**Deferred Completion Date**”) no later than 180 days after the Completion Date, in which case, the purchaser will have to pay interest at the rate of 12.5% per annum on the purchase consideration stipulated in the relevant SPA; and
- (i) in respect of the Equalbase SPA, from the Completion Date to the date of completion under that SPA; and
- (ii) in respect of the Deltanvil SPA, from the Completion Date to the earlier of (aa) the date of completion; or (bb) the Deferred Completion Date; or (cc) the date of completion of the Corporate Exercise (each, a “**Closing Date**”) under that SPA; and

such interest shall accrue on a daily basis and payable monthly and all accrued and unpaid interest shall be payable on the date of completion under that SPA or the Closing Date, as applicable.

- (c) Selective share buy-back/capital reduction under the Deltanvil SPA: Notwithstanding the deferment of completion under the Deltanvil SPA to the Deferred Completion Date but subject to completion under the Equalbase SPA having occurred, Mr Bischoff may procure Deltanvil to undertake a selective share buy-back or capital reduction exercise to respectively acquire or cancel the Deltanvil Sale Shares for the Deltanvil Purchase Price (“**Corporate Exercise**”) and the Corporate Exercise shall be completed on or prior to the Deferred Completion Date. On the completion of the Corporate Exercise,

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Mr Bischoff shall pay Chronoz all accrued and unpaid interest referred to in paragraph 4.2(b) above and thereafter neither Chronoz nor Mr Bischoff shall have any right against the other party under the Deltanvil SPA for the sale and purchase of the Deltanvil Sale Shares.

- (d) Liquidated Damages under Equalbase SPA: If completion of the Equalbase SPA does not take place due to the breach by Deltanvil, Deltanvil shall pay OKH Transhub a sum equivalent to S\$1,085,000, being 2.50% of the purchase consideration stipulated in Equalbase SPA.

The aggregate amount of all interest payments payable by the Deltanvil under the Equalbase SPA (including interest payments referred to in paragraph 4.2(b) above) and the liquidated damages preferred to in the preceding paragraph shall not exceed the aggregate sum of S\$3,797,500, being equivalent to 8.75% of the consideration payable under the Equalbase SPA.

- (e) Liquidated Damages under Deltanvil SPA: If completion of the Deltanvil SPA does not take place due to the breach by Deltanvil, Deltanvil shall pay OKH Transhub a sum equivalent to S\$200,000, being 2.50% of the purchase consideration stipulated in Equalbase SPA.

The aggregate amount of all interest payments payable by Mr Bischoff under the Deltanvil SPA (including interest payments referred to in paragraph 4.2(b) above) and the liquidated damages preferred to in the preceding paragraph shall not exceed the aggregate sum of S\$700,000, being equivalent to 8.75% of the consideration payable under the Deltanvil SPA.

- (f) Non-completion of Deltanvil SPA: Completion of the Deltanvil SPA is conditional upon the completion of Equalbase SPA. If completion under the Equalbase SPA does not take place for any reason, neither Chronoz nor Mr Bischoff is obliged to proceed with completion under the Deltanvil SPA.

If completion of Deltanvil SPA does not take place, Chronoz may by written notice require Mr Bischoff to complete the purchase of the Deltanvil Put Option Shares (referred to in paragraph 2.6) for the sum of S\$5.332 million within 30 days after the date of such written notice.

In addition, if completion of the Deltanvil SPA does not take place due to the non-completion of the Equalbase SPA and the non-completion of the Equalbase SPA is due solely to the breach by Deltanvil under the Equalbase SPA, Mr Bischoff shall pay Chronoz liquidated damages referred to in paragraph 4.2(e) above together with any unpaid interest payment referred to in paragraph 4.2(b) above.

### 4.3 Consideration

- (a) The aggregate purchase consideration payable under the Proposed Divestment is S\$51.40 million (the "**Consideration**"), payable in the following manner:
- (i) S\$43.40 million shall be paid to OKH Transhub in cash on completion of the Equalbase SPA on the Completion Date (which is the 30th day after the date of the passing of the Resolution to approve the Proposed Divestment) in consideration of Equalbase Sale Shares to be transferred to Deltanvil; and



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- (ii) S\$8.00 million shall be paid to Chronoz in cash on completion of the Deltanvil SPA on the Completion Date (which is the 30th day after the date of the passing of the Resolution to approve the Proposed Divestment) in consideration of the Deltanvil Sale Shares to be transferred to Mr Bischoff.

As stated in paragraph 4.2(b) above, completion under the Equalbase SPA and the Deltanvil SPA could be deferred by the purchaser in each SPA to the Deferred Completion Date.

It is intended for the Consideration to be applied as follows:

- (aa) about S\$48 million (for about 93.4% of the Consideration) will be used for the partial repayment of the Shareholders' Loans owing to the Controlling Shareholders;
- (bb) about S\$130,000 (for about 0.25% of the Consideration) will be used to meet the costs and expenses incurred in relation to the Proposed Divestment; and
- (cc) the balance sum of the Consideration will be used for the working capital of the Group

For the balance of the Shareholders' Loans that would remain outstanding notwithstanding the repayment contemplated in sub-paragraph (aa) above following completion of the Proposed Divestment, the Company will request the Controlling Shareholder to extend the date for their repayment.

- (b) The Consideration was arrived at on a "willing-buyer and willing-seller" basis after due arm's length negotiations, and the Group also took into account the financial position and business prospects of Equalbase and Deltanvil, as well as the following:
  - (i) The Consideration is at a 5.3% premium to the Valuation:

The Company commissioned AVA Associates Limited ("**AVA**"), an independent valuer, to value the Group's minority equity interests in Equalbase and Deltanvil. The valuer is registered with the Institute of Valuers and Appraisers, Singapore as a Chartered Valuer and Appraiser.

In its valuation report dated 25 February 2022 (the "**Valuation Report**"), AVA has valued the Group's minority equity interests in Equalbase and Deltanvil at an aggregate value of S\$48.80 million as at 31 December 2021 (with the Group's interest in Equalbase at \$42.10 million and the Group's interest in Deltanvil at S\$6.70 million). The Consideration is at a 5.3% premium to the valuation amount.

The valuation of the Group's minority equity interests in Equalbase and Deltanvil were based on a combination of market, income and cost approaches, as selected and applied by the business and property valuers, with adherence to the relevant valuation standards. The investment properties were valued by the property valuers using a combination of market approach, via the direct comparison method, and cost approach, using the depreciated replacement costs. The value of the Group's minority equity interests in Equalbase and Deltanvil is derived by combining the value of the revalued net asset of the companies, taking into account the market value of the investment properties, and the value of the businesses. The value of each of the businesses is determined using the market approach, publicly-traded guideline company methodology, where a valuation multiple is calculated from those of selected

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comparable listed companies and applied to the company. Adjustments for lack of control and lack of marketability are then applied to arrive at the market values of the Group's minority equity interests in Equalbase and Deltanvil.

A summary of the Valuation Report is annexed hereto as Appendix A.

(ii) Other relevant factors:

No.	<b>Equalbase SPA: Group's 40% equity stake in Equalbase</b>	<b>Amount</b>
(1)	Aggregate amount paid by the Group at the time of acquisition	S\$30.00 million
(2)	Book value of the Group's 40% equity stake in Equalbase based on the Group's latest audited financial statements for the year ended 30 June 2021 <sup>1</sup>	S\$59.01 million
<b>Deltanvil SPA: Group's 15% equity stake in Deltanvil</b>		<b>Amount</b>
(3)	Aggregate amount paid by the Group at the time of acquisition	S\$21.50 million
(4)	Book value of the Group's 15% equity stake in Deltanvil, based on the Group's latest audited financial statements for the year ended 30 June 2021 <sup>2</sup>	S\$9.00 million
<b>Group's aggregate receipts from its equity interests in Equalbase and Deltanvil</b>		<b>Amount</b>
(5)	Receipts from share buy-back exercise carried out by Deltanvil in June 2016	S\$3.72 million
(6)	Dividend payment in December 2019 from Deltanvil	S\$0.24 million
(7)	Dividend payment in December 2019 from Equalbase	S\$1.60 million
	Total receipts	S\$5.56 million
<b>Proposed Divestment (Equalbase SPA and Deltanvil SPA)</b>		<b>Amount</b>
	Purchase consideration for Equalbase SPA	S\$43.40 million
	Purchase consideration for Deltanvil SPA	S\$8.00 million
	Sub-total (Purchase consideration for Equalbase SPA and Deltanvil SPA)	S\$51.40 million ("A")

<sup>1</sup> The book value of the Group's 40% equity stake in Equalbase reflected in this item (2) was accounted for as an investment in an associate and the results, assets and liabilities of Equalbase were incorporated into the Company's consolidated financial statements using equity method of accounting. Under the equity method of accounting, an investment is initially recognized at cost and thereafter to recognize the Company's share of the profit and loss and other comprehensive income of the associate. Hence over the years, the share of profits of Equalbase that were recognized in the books of the Company had led to the increase in the book value of Equalbase.

<sup>2</sup> The book value of the Group's 15% equity stake in Deltanvil reflected in this item (4) was accounted for as a financial asset at fair value through profit or loss and the decrease in the book value was due to impairment loss recognized through the years since acquisition and also due to a share buy-back as shown in item (5) of the table.

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No.	Equalbase SPA: Group's 40% equity stake in Equalbase	Amount
	Aggregate of (2) and (4) above (the book values of interests to be disposed of under Equalbase SPA and Deltanvil SPA)	S\$68.01 million ("B")
	Net loss on the Proposed Divestment ("B" less "A")	S\$16.61 million

Based on the table above, the Group is expected to record a net loss of about S\$16.61 million for the Proposed Divestment before transaction costs and a net loss of about S\$16.74 for the Proposed Divestment after transaction costs.<sup>3</sup>

(iii) Benefit of Proposed Divestment

As set out in the table above, the Group paid a total of S\$51.50 million for its minority equity stakes in Equalbase and Deltanvil and the Group received gross receipts of S\$5.56 million from its investments in Equalbase and Deltanvil. If such receipts of S\$5.56 million are netted off against the aggregate sum of S\$51.50 million paid by the Group for its acquisition of interests in Equalbase and Deltanvil, the total cash outlay of the Group for its minority equity stakes in Equalbase and Deltanvil would be S\$45.94 million as against the Consideration of S\$51.40 million to be received by the Group on completion of the Equalbase SPA and the Deltanvil SPA under the Proposed Divestment.

(iv) Minority interest

The Group also considered the Proposed Divestment as a single package, to dispose of its entire interests in Deltanvil and Equalbase and it is mindful that a minority stake in any company with no control is also unlikely to be attractive to most investors.

### 5. RELATIVE FIGURES UNDER CHAPTER 10 OF THE LISTING MANUAL

- 5.1 For the purposes of Chapter 10 of the Listing Manual of the Singapore Exchange Securities Trading Limited, the relative figures for the Proposed Divestment<sup>(1)</sup> computed on the bases set out in Rule 1006 and based on the latest announced unaudited financial results of the Group for the period ended 31 December 2021 are as follows:

Relative figures under Rule 1006:

Rule	Bases	Relative Figure (%)
1006(a)	The net asset value of the assets to be disposed of <sup>(2)</sup> , compared with the Group's net asset value. This basis is not applicable to an acquisition of assets.	83.27
1006(b)	The net profits attributable to the assets disposed of, compared with the Group's net profits <sup>(3)</sup>	19.3

<sup>3</sup> It should be noted that the aforesaid book values for the Company's minority equity interests in Equalbase and Deltanvil in items (2) and (4) were determined in accordance with International Financial Reporting Standards. They do not take in factors like lack of control and lack of marketability and the other factors taken into account by the Valuer to determine the market value. See paragraph 4.3(b)(i) above. This explains the loss incurred for the Proposed Divestment notwithstanding that it is at market value and above acquisition costs.

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1006(c)	The aggregate value of the consideration given, compared with the Company's market capitalisation based on the total number of issued shares excluding treasury shares. <sup>(4)</sup>	182.2
1006(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.	Not applicable
<b>Rule</b>	<b>Bases</b>	<b>Relative Figure</b>
1006(e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the group's proved and probable reserves. This basis is applicable to a disposal of mineral, oil or gas assets by a mineral, oil and gas company, but not to an acquisition of such assets.	Not applicable

**Notes:**

- (1) Note that the relative figures in the table below are computed based on an aggregate purchase consideration of S\$51.40 million for the Proposed Divestment, that is, the completion of both Equalbase SPA and Deltanvil SPA.
- (2) The net asset value of the assets to be disposed is based on the management accounts of Equalbase Pte Ltd and its subsidiaries and the management accounts of Deltanvil Pte Ltd as at 31 December 2021. This is computed based on an aggregate of 40% of the net asset value of Equalbase and 15% of the net asset value of Deltanvil.
- (3) The net profits attributable to the assets disposed of is based on the share of profits of associates recorded in the Group's latest announced consolidated financial statements as at 31 December 2021.
- (4) The market capitalisation of the Company, determined by multiplying the 1,128,657,445 Shares in issue as at 2 March 2022, the date of the Announcement, by the weighted average price of the Company's shares of approximately S\$0.025 on 1 March 2022, which is the market day preceding the date of the Equalbase SPA and Deltanvil SPA.

5.2 As the relative figures under Rules 1006(a), (b) and (c) of the Listing Manual exceed 20% as set out above, the Proposed Divestment constitutes a major transaction as defined in Chapter 10 of the Listing Manual. The Company is therefore seeking approval from its Shareholders for the Proposed Divestment at the SGM. Following the completion of the Proposed Divestment, the Company will continue with its current business of sales and leasing of industrial property.

### 6. FINANCIAL EFFECTS OF THE PROPOSED DIVESTMENT

6.1 The financial effects of the Proposed Divestment on the Group as set out below are for illustrative purposes only and are not intended to reflect the actual future financial performance or position of the Group immediately after the completion of the Proposed Divestment. They have been prepared based on the Group's latest audited consolidated financial statements for the financial year ended 30 June 2021.

#### 6.2 Share Capital

The Proposed Divestment will have no impact on the Company's issued share capital.

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### 6.3 Net Tangible Assets (“NTA”)

Assuming that the Proposed Divestment was completed on 30 June 2021, the pro forma financial effects of the Proposed Divestment on the consolidated NTA of the Group are as follows:

	<b>Before the Proposed Divestment</b>	<b>After the Proposed Divestment</b>
NTA of the Group (excluding non-controlling interests) as at 30 June 2021 (S\$'000)	71,658	55,044
Number of issued and paid-up shares ('000)	1,128,657	1,128,657
NTA per Share (cents)	6.32	4.85

### 6.4 Earnings per Share (“EPS”)

Assuming that the Proposed Divestment had been completed on 1 July 2020, the impact of the Proposed Divestment on the EPS of the Group would be as follows:

	<b>Before the Proposed Divestment</b>	<b>After the Proposed Divestment</b>
Profit (Loss) after income tax and minority interests for the period ended 30 June 2021 (S\$'000)	3,630	(10,303)
Weighted average number of issued and paid-up shares ('000)	1,128,657	1,128,657
EPS for the period ended 30 June 2021 (cents)	0.32	(0.91)

### 6.5 Gearing Ratio

Assuming that the Proposed Divestment had been completed on 31 December 2021, the impact of the Proposed Acquisition on the gearing of the Group is as follows:

	<b>Before the Proposed Divestment</b>	<b>After the Proposed Divestment</b>
Total Borrowings as at 31 December 2021 (S\$'000)	128,033	81,048
Total equity (S\$'000)	75,836	54,876
Gross gearing (times)	1.7	1.5

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### 7. SHAREHOLDERS' LOANS

7.1 As mentioned in paragraph 3.9 above, the Controlling Shareholder had extended substantial loans to the Company. As at the Latest Practicable Date, the Controlling Shareholder had extended the following loans to the Company ("**Shareholders' Loans**") for its working capital:

- (a) an unsecured loan for S\$10.00 million pursuant to an agreement dated 20 May 2016 ("**Loan 1**");
- (b) an unsecured loan for S\$10.00 million pursuant to an agreement dated 16 September 2016 ("**Loan 2**"); and
- (c) a secured loan for S\$34.00 million pursuant to an agreement dated 19 June 2018 ("**Loan 3**").

All these 3 loans were short term loans, each with repayment period not longer than 12 months from the date of disbursements of funds. The Controlling Shareholder had extended the repayment dates for these loans from time to time upon the Company's request. All these 3 loans are repayable on 31 July 2022. The last repayment date for these loans was 31 July 2021. The current interest rate chargeable for all these 3 loans is the same at 4.8% per annum.

7.2 The Company had made partial repayments of these loans from time to time. As mentioned in paragraph 3.9 above, the total outstanding amount of the Shareholders' Loans as at 31 December 2021 was S\$52.586 million comprising:

- (a) the total outstanding principal amount of S\$3 million under Loan 1 with accrued interest of S\$2.601 million; and
- (b) the total outstanding principal amount S\$40.537 million under Loan 2 and Loan 3 with accrued interest of S\$6.448 million.

7.3 The repayment of Loan 3 is secured by the following:

- (a) a first legal share charge created in favour of the Controlling Shareholder over 1,938,692 ordinary shares in Deltanvil held by Chronoz; and
- (b) a first legal share created in favour of the Controlling Shareholder over 30,000,000 ordinary shares in Equalbase held by OKH Transhub (which is the same number of ordinary shares of the Equalbase Sale Shares).

7.4 Pursuant to a supplemental deed 30 June 2020, the repayment date of Loan 2 was further extended to 31 July 2021 and the repayment of Loan 2 was also secured by two second legal share charges over the same shares and by the same parties mentioned in paragraph 7.3 above.

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- 7.5 On the completion of the Proposed Divestment, the share charges referred to in paragraphs 7.3 and 7.4 will have to be released and discharged. Loan 2 and Loan 3 will have to be repaid. As for the unsecured Loan 1, it would remain unpaid and the Company would request the Controlling Shareholder to further extend the date for its repayment. Loan 1 will remain unsecured and the outstanding amount would remain as S\$5.601 million as at 31 December 2021.

### 8. USE OF SALE PROCEEDS

It is intended that the sale proceeds from the Proposed Divestment will be used as follows

- (a) about S\$48 million (for about 93.4% of the Consideration) will be used for the partial repayment of the Shareholders' Loans (which would be Loan 2 and Loan 3 as mentioned in Section 7 above);
- (b) about S\$130,000 (for about 0.25% of the Consideration) will be used to meet the costs and expenses incurred in relation to the Proposed Divestment; and
- (c) the balance sum of the Consideration will be used for the working capital of the Group.

With the proposed repayment of the Shareholders' Loans referred to in sub-paragraph (a) above, the Group's financing costs will be reduced by approximately S\$1.9 million annually. As for Loan 1 mentioned in Section 7 above, the Company would request the Controlling Shareholder to further extend the repayment date.

### 9. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDER/CONTROLLING SHAREHOLDER TO ABSTAIN FROM VOTING

- 9.1 As stated in Section 8, the proceeds from the Proposed Divestment will be used for the partial repayment of Shareholders' Loans. Save as expressly set out in this Circular, none of the Directors or controlling shareholder of the Company has any interest, directly or indirectly, in the Proposed Divestment.
- 9.2 As mentioned in paragraph 4.1, SGX-ST is of the view that the Proposed Divestment (with its significant loss on disposal) and the substantial use of sale proceeds from the Proposed Divestment to repay the Shareholders' Loans is in substance a single transaction and an interested person transaction and the provisions of Chapter 9 of the Listing Manual will apply; and accordingly pursuant to Rule 919 of the Listing Manual, the Controlling Shareholder and its associates must not vote on the Resolution nor accept appointments as proxies unless specific instructions as to voting are given. Therefore, the Controlling Shareholder is required to and will abstain from exercising its voting rights to approve the Proposed Divestment.

### 10. SERVICE AGREEMENT

No person is proposed to be appointed as a Director in connection with the Proposed Divestment. Accordingly, no service agreement is proposed to be entered into between the Company and any such person.

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### 11. DIRECTORS' RECOMMENDATIONS

- 11.1 As stated in Section 8, the sale proceeds from the Proposed Divestment will be used primarily for the repayment of Shareholders' Loans. Mrs Celine Tang, the non-executive Chairman of the Company, is also the controlling shareholder and a director of the Controlling Shareholder. According, Mrs Celine Tang will abstain from making any recommendations relating to the Proposed Divestment.
- 11.2 Having considered the rationale for the Proposed Divestment as set out in Section 3, the terms Equalbase SPA and Deltanvil SPA, the financial effects of the Proposed Divestment (including the fact that the Proposed Divestment would result in a loss to the Group), the Shareholders' Loans which will be due and repayable and the reduction in the Group's financing costs through repayment of its borrowings, the Directors (excluding Mrs Celine Tang) are of the opinion that the Proposed Divestment is in the best interest of the Company. Accordingly, the Directors (excluding Mrs Celine Tang) recommend that Shareholders vote in favour of the Resolution in respect of the Proposed Divestment. Any Shareholder who may require specific advice should consult his stockbroker, accountant, bank manager or other professional adviser.

### 12. SPECIAL GENERAL MEETING

- 12.1 The SGM will be held via electronic means on 7 June 2022 at 2.30 p.m. am for the purpose of considering and, if thought fit, to pass the Resolution as an ordinary resolution, with or without modifications, as set out in the Notice of SGM on pages 28 to 30 of this Circular.

#### ***COVID-19 Measures***

- 12.2 The COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 (the "**COVID-19 Order**") was issued by the Minister of Law on 13 April 2020 pursuant to the COVID-19 Act and was gazetted to take effect from 27 March 2020, and subsequently amended on 14 April 2020, 24 April 2020, 29 September 2020 and 6 April 2021. The COVID-19 Order prescribes alternative arrangements in respect of the conduct of general meetings of, amongst others, listed companies in Singapore and compliance with these alternative arrangements will be deemed to be compliant with the relevant provisions of written law or legal instrument in respect of which the alternative arrangements are made. Such alternative arrangements include the conduct of a general meeting of a company wholly or partly by electronic means provided that a listed company must publish the minutes of the meeting on SGXNET and the company's website (if available) within one month after the date of the relevant meeting.
- 12.3 On the same day, the Accounting and Corporate Regulatory Authority, the Monetary Authority of Singapore and the Singapore Exchange Regulation issued the joint statement, together with an updated checklist, to guide, amongst others, listed companies in Singapore on the conduct of general meetings arising from the COVID-19 situation. The joint statement was subsequently updated on various occasions, the latest being 4 February 2022.
- 12.4 At the forthcoming SGM, the Company will comply with the COVID-19 precautionary measures recommended or imposed by the Singapore Government to minimise the risk of community spread of COVID-19 as may be appropriate, including the Infectious Diseases Regulations and the COVID-19 Order, on the holding of general meetings amid COVID-19.



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## LETTER TO SHAREHOLDERS

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Please refer to Section 13 of this Circular for more details on the action Shareholders should take pursuant to the COVID-19 Act and any regulations promulgated thereunder, including without limitation, the Order, as well as the joint statement.

**Shareholders should note that the Company may make further changes to its SGM arrangements as the COVID-19 situation evolves. Shareholders are advised to keep abreast of any such changes as may be announced by the Company as may be made from time to time on SGXNET.**

### 13. ACTION TO BE TAKEN BY SHAREHOLDERS

13.1 Shareholders should note and consider taking the following actions:

(a) **No physical attendance at SGM**

Due to the current COVID-19 restriction orders in Singapore, Shareholders will not be able to attend the SGM in person and can only participate in the SGM via electronic means. Alternative arrangements relating to the attendance at the SGM have been put in place to allow Shareholders to electronically access the SGM by (a) watching the SGM proceedings via “**live**” audio-visual webcast or listening to the SGM proceedings via “**live**” audio-only stream, (b) submitting questions to the Chairman of the SGM in advance or during the SGM via an “Ask a Question” feature, and/or (c) by appointing a proxy(ies) to attend and vote electronically during the SGM. Please see the paragraphs below for these alternative arrangements.

(b) **Registration to attend the SGM remotely**

The proceedings of the SGM will be conducted by way of electronic means. Shareholders will be able to watch these proceedings through a “live” audio-visual webcast via their mobile phones, tablets or computers or listen to these proceedings through a “live” audio-only stream. In order to do so, Shareholders should follow these steps:

- (i) Shareholders who wish to (i) attend and vote (in real time) or (ii) appoint a proxy(ies) to attend and vote (in real time) at the SGM via electronic means must pre-register online by **2.30 p.m. on 5 June 2022** (“**Registration Cut-Off Date**”) (being 48 hours before the time fixed for the SGM), at the URL <https://conveneagm.com/sg/okh> to provide requisite details on the Shareholder and proxy(ies) (if applicable) for verification purposes. A Shareholder who wishes to appoint a proxy(ies) must also submit a proxy form in accordance with paragraph 13.1(d) below.

Corporate shareholders who wish to attend the SGM must also submit the Corporate Representative Certificate to the Company at email address [shareregistry@incorp.asia](mailto:shareregistry@incorp.asia).

Following successful verification, authenticated Shareholders and their appointed proxies (if any) will receive email instructions on how to access the webcast and audio stream of the SGM proceedings by **2.30 p.m. on 6 June 2022**.

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## LETTER TO SHAREHOLDERS

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- (ii) Shareholders who do not receive an email by **2.30 p.m. on 6 June 2022**, but who registered by the Registration Cut-Off Date, should contact the Company's Share Transfer Agent at the email address [shareregistry@incorp.asia](mailto:shareregistry@incorp.asia).

(c) **Submission of questions**

Shareholders who pre-register online may also submit questions related to the proposed resolutions to be tabled for approval at the SGM in the following manner:

- (i) via the pre-registration website at the URL <https://conveneagm.com/sg/okh> by **5.00 p.m. on 27 May 2022**, being at least 7 calendar days after the publication of the Notice of SGM;
- (ii) in hard copy by sending personally or by post and lodging the same at the office of the Company at The Herencia, 46 Kim Yam Road, #01-11, Singapore 239351 by **5.00 p.m. on 27 May 2022**, being at least 7 calendar days after the publication of the Notice of SGM;
- (iii) by email to the Company at [admin@okh.com.sg](mailto:admin@okh.com.sg) by **5.00 p.m. on 27 May 2022**, being at least 7 calendar days after the publication of the Notice of SGM; or
- (iv) during the SGM via an "Ask a Question" feature.

The Company will endeavour to respond to substantial and relevant questions either by **2.30 p.m. on 2 June 2022**, being at least 72 hours prior to the closing date and time for the lodgement of the Proxy Forms (via an announcement on SGXNet and the Company's website), or at the SGM.

Shareholders will need to identify themselves when posing questions by providing the following details:

- the Shareholder's full name (as per CDP records);
- the Shareholder's NRIC/Passport/UEN number;
- the Shareholder's contact number and email address; and
- the manner in which the Shareholder holds his/her/its shares in the Company (e.g. via CDP).

Please note that the Company will not be able to answer questions from persons who provide insufficient details to enable the Company to verify his/her/its shareholder status.

The Company will, within one month after the date of the SGM, publish the minutes of the SGM on SGXNET and the Company's website, and the minutes will include the responses to the questions referred to above.

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## LETTER TO SHAREHOLDERS

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(d) **Voting (in real time via electronic means (either personally or via appointment of proxy)(ies))**

Shareholders who wish to vote at the SGM may pre-register online at URL <https://conveneagm.com/sg/okh> by **2.30 p.m. on 5 June 2022**, being not less than 48 hours before the time for holding the SGM to:

- (a) (where such shareholders are individuals) attend and vote (in real time) at the SGM via electronic means; or
- (b) (where such shareholders are individuals or corporates) appoint a proxy(ies) (other than Chairman of the SGM) to vote (in real time) at the SGM via electronic means on their behalf. Please refer to the paragraph below for instructions for submission of proxy form; or
- (c) (where such shareholders are individuals or corporates) appoint Chairman of the SGM as their proxy to vote on their behalf at the SGM.

(e) **Submission of proxy form**

For the avoidance of doubt, Shareholders who have pre-registered to appoint a proxy to attend and vote at the SGM via electronic means on their behalf must also submit a completed proxy form for the appointment of such proxy(ies). All proxy forms must be received by the Company by **2.30 p.m. on 5 June 2022**, being not less than 48 hours before the time for holding the SGM.

Shareholders (whether individual or corporate) appointing the Chairman of the SGM as proxy must give specific instructions as to their manner of voting, or abstentions from voting, in the proxy form, failing which the appointment will be treated as invalid. For the avoidance of doubt, pre-registration is not required if a Shareholder only intends to appoint the Chairman of the SGM as proxy and does not intend to attend the SGM.

To be valid, the instrument appointing a proxy or proxies, or nominating a proxy or proxies together with the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power or authority, must be submitted personally or by post, be deposited at the office of the Company's Share Transfer Agent, In.Corp Corporate Services Pte. Ltd. at 30 Cecil Street, #19-08 Prudential Tower, Singapore 049712 by **2.30 p.m. on 5 June 2022**, being not less than 48 hours before the time for holding the SGM, and in default the instrument of proxy shall not be treated as valid.

Completion and return of the instrument appointing the Chairman of the SGM or an individual as proxy(ies) will not prevent a Shareholder from attending and voting via electronic means at the SGM if he/she/it subsequently wishes to do so, provided that in the event of such attendance by the Shareholder via electronic means, the relevant instrument submitted by the Shareholder shall be deemed to be revoked.

A Shareholder who wishes to submit the proxy form must first download, complete and sign the proxy form, before submitting it personally or by post to the address provided above.

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## LETTER TO SHAREHOLDERS

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13.2 **Depositor not member.** A Depositor will not be regarded as a member of the Company entitled to attend the SGM and to speak and vote thereat unless he is shown to have Shares entered against his name in the Depository Register as certified by CDP to the Company at least 48 hours before the SGM.

### 14. LEGAL COUNSEL

The Company has appointed Legal Options LLC as its legal adviser for the Proposed Divestment. The Company has not engaged any other lawyers for the Proposed Divestment prior to Legal Options LLC's appointment as its legal adviser for the Proposed Divestment.

### 15. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Divestment, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in the Circular 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 Circular in its proper form and context.

### 16. DOCUMENTS FOR INSPECTION

A copy of each of the following documents is available for inspection at the head office of the Company currently at The Herencia, 46 Kim Yam Road, #01-11, Singapore 239351 during the Company's normal business hours from the date hereof up to and including the later of the date of the SGM or three (3) months from the date of the Announcement:

- (a) the Equalbase SPA;
- (b) the Deltanvil SPA;
- (c) the Valuation Report;
- (c) the constitution of the Company; and
- (d) the Letter of Undertaking.

Yours faithfully  
For and on behalf of the Board of Directors of  
**OKH GLOBAL LTD.**

Lock Wai Han  
Executive Director and Chief Executive Officer

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## NOTICE OF SPECIAL GENERAL MEETING

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### OKH GLOBAL LTD.

(Company Registration Number: 35479)  
(Incorporated in Bermuda)  
(the “Company”)

**NOTICE IS HEREBY GIVEN** that a Special General Meeting of **OKH GLOBAL LTD.** (the “Company”) will be held by way of electronic means on 7 June 2022 at 2.30 p.m. for the purpose of considering and, if thought fit, passing, with or without modifications, Resolution 1 which will be proposed as an ordinary resolution:

*All capitalised terms used in this Notice which are not defined herein shall have the same meanings ascribed to them in the Circular to Shareholders dated 20 May 2022 (the “Circular”).*

*This Notice has been made available on SGXNET at the URL <https://www.sgx.com/securities/company-announcements> and the Company’s website at the URL <https://www.okh.com.sg>. A printed copy of this Notice will be despatched to members.*

#### ORDINARY RESOLUTION

#### RESOLUTION 1 – PROPOSED DIVESTMENT:

THAT:

- (a) the sale by OKH Transhub of its entire interest in 30,000,000 shares in Equalbase Pte. Ltd. on the terms and subject to the conditions set out in Equalbase SPA entered into between OKH Transhub and Deltanvil, the principal terms of which are set out in the Circular, be approved, authorised, confirmed and ratified; and
- (b) the sale by Chronoz of its entire interest of 2,584,923 shares in Deltanvil on the terms and subject to the conditions set out in Deltanvil SPA entered into between Chronoz and Mr Bischoff and the transactions contemplated thereunder (including the disposal by Chronoz of its entire interest of 2,584,923 shares in Deltanvil pursuant to a selective share buy-back exercise or capital reduction exercise which may be undertaken by Deltanvil subject to the terms and conditions of the Deltanvil SPA to respectively acquire or cancel all such shares referred to above), the principal terms of which are set out in the Circular, be approved, authorised, confirmed and ratified; and
- (c) the Directors or any one of them be authorised to complete and do all such acts and things (including without limitation, to execute all such documents and to approve any amendments, alteration or modification to any documents) as the Directors or any of them may consider necessary, desirable or expedient to give effect to this Resolution.

#### **By Order of the Board**

Siau Kuei Lian  
Company Secretary  
20 May 2022

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## NOTICE OF SPECIAL GENERAL MEETING

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### Notes:

#### **Important Notice from the Company on COVID-19**

As the COVID-19 situation continues to evolve, the Company is closely monitoring the situation, including any precautionary measures which may be required or recommended by government agencies to minimise the risk of community spread of COVID-19. **Shareholders should note that the Company may be required (including at short notice) to make further changes to its SGM arrangements as the situation evolves, and Shareholders are advised to keep abreast of any such changes as may be announced by the Company as may be made from time to time on SGXNET.**

#### **1. No physical attendance at SGM**

Alternative arrangements have been put in place to allow Shareholders to electronically access the SGM by (a) watching the SGM proceedings via “live” audio-visual webcast or listening to the SGM proceedings via “live” audio-only stream, (b) submitting questions to the Chairman of the SGM in advance or during the SGM via an “Ask a Question” feature, and/or (c) by appointing the Chairman of the SGM as proxy and voting electronically during the SGM. Please see the paragraphs below for these alternative arrangements.

#### **2. Registration to attend the SGM Remotely**

The proceedings of the SGM will be conducted via electronic means. Shareholders will be able to watch these proceedings through a “live” audio-visual webcast via their mobile phones, tablets or computers or listen to these proceedings through a “live” audio-only stream. In order to do so, Shareholders should follow these steps:

- (i) Shareholders who wish to watch the “live” audio-visual webcast or listen to the “live” audio-only stream must pre-register by 2.30 p.m. on 5 June 2022 (“**Registration Cut-Off Date**”) (being **48 hours** before the time fixed for the SGM), at the URL <https://conveneagm.com/sg/okh>. Shareholders will be required to provide their full name, NRIC/Passport No./Company Registration No. and address for verification purposes. Corporate shareholders who wish to attend the SGM must also submit the Corporate Representative Certificate to the Company at [shareregistry@incorp.asia](mailto:shareregistry@incorp.asia).
- (ii) Following verification, authenticated Shareholders will receive email instructions on how to access the audio-visual webcast and audio-only stream of the SGM proceedings by 2.30 p.m. on 6 June 2022 and the link to access the “live” audio-visual webcast and “live” audio only stream of the SGM proceedings.
- (iii) Shareholders who do not receive an email by 2.30 p.m. on 6 June 2022, but who registered by the Registration Cut-Off Date, should contact the Company’s Share Transfer Agent at the email address [shareregistry@incorp.asia](mailto:shareregistry@incorp.asia).

#### **3. Submission of questions**

##### Submitting questions via online chat box

Shareholders who pre-registered for and are verified to attend the SGM will be able to ask questions related to the resolutions to be tabled for approval for the SGM by submitting text-based questions via an online chat box during the SGM.

##### Submitting questions in advance of the SGM

Shareholders may also submit questions related to the resolutions to be tabled for approval at the SGM:

- (i) All questions must be submitted by 5.00 p.m. on 27 May 2022, being at least 7 calendar days after the publication of the Notice of SGM:
  - via the pre-registration website at the URL <https://conveneagm.com/sg/okh>;
  - in hard copy by sending personally or by post and lodging the same at the office of the Company at The Herencia, 46 Kim Yam Road, #01-11, Singapore 239351; or
  - by email to the Company at [admin@okh.com.sg](mailto:admin@okh.com.sg).

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## NOTICE OF SPECIAL GENERAL MEETING

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- (ii) Shareholders will need to identify themselves when posing questions by providing the following details:
  - the shareholder's full name (as per CDP records);
  - the shareholder's NRIC/Passport/UEN number;
  - the shareholder's contact number and email address; and
  - the manner in which the shareholder holds his/her/its shares in the Company (e.g. via CDP).
- (iii) The Company will address substantial and relevant questions relating to the resolutions to be tabled for approval at the SGM before the SGM on SGXNET at the URL <https://www.sgx.com/securities/company-announcements> and the Company's website at the URL <https://www.okh.com.sg>.
- (iv) The Company will, within one month after the date of the SGM, publish the minutes of the SGM on SGXNET and the Company's website, and the minutes will include the responses to the questions referred to above.

#### 4. Voting (in real time via electronic means (either personally or via appointment of proxy(ies)))

Shareholders who wish to vote at the SGM may pre-register online at URL <https://conveneagm.com/sg/okh> by 2.30 p.m. on 5 June 2022, being not less than 48 hours before the time for holding the SGM to:

- (a) (where such shareholders are individuals) attend and vote (in real time) at the SGM via electronic means; or
- (b) (where such shareholders are individuals or corporates) appoint a proxy(ies) (other than Chairman of the SGM) to vote (in real time) at the SGM via electronic means on their behalf. Please refer to the paragraph below for instructions for submission of proxy form, or
- (c) (where such shareholders are individuals or corporates) appoint Chairman of the SGM as their proxy to vote on their behalf at the SGM.

Shareholders (whether individual or corporate) appointing the Chairman of the SGM as proxy must give specific instructions as to their manner of voting, or abstentions from voting, in the proxy form, failing which the appointment will be treated as invalid.

The proxy form, together with the letter or power of attorney or other authority under which it is signed (if applicable) or a duly certified copy thereof, must be submitted to the Company's Share Transfer Agent, In.Corp Corporate Services Pte. Ltd. at 30 Cecil Street, #19-08 Prudential Tower, Singapore 049712 by 2.30 p.m. on 5 June 2022 (being 48 hours before the time fixed for the SGM).

The Chairman of the SGM, as proxy, need not be a member of the Company.

The instrument appointing the Chairman of the SGM as proxy must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing the Chairman of the SGM as proxy is executed by a corporation, it must be executed either under its seal, executed as a deed in accordance with the Companies Act or under the hand of an attorney or an officer duly authorised, or in some other manner approved by the Directors. Where the instrument appointing the Chairman of the SGM as proxy is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument of proxy.

The Company shall be entitled to reject the instrument appointing the Chairman of the SGM as proxy if it is incomplete, improperly completed or illegible, or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing the Chairman of the SGM as proxy. In addition, in the case of Shares entered in the Depository Register, the Company may reject any instrument appointing the Chairman of the SGM as proxy lodged if the member, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at forty-eight (48) hours before the time appointed for holding the SGM, as certified by The Central Depository (Pte) Limited to the Company.

Please refer to Section 13 of the Circular for more details on how members may attend and participate in the SGM.

#### PERSONAL DATA PRIVACY

By submitting a proxy form appointing the Chairman of the SGM as proxy to attend and vote at the SGM and/or any adjournment thereof, and/or by registering to attend the SGM as detailed in Section 13 of the Circular, a member of the Company consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing and administration by the Company (or its agents or service providers) of the appointment of the Chairman of the SGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the SGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines.

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## APPENDIX A

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### SUMMARIZED AVA VALUATION REPORT

#### Asia Valuation & Advisory Services Pte Ltd

(UEN 201218356M)

7500A Beach Road, #04-326 The Plaza, Singapore 199591

25 February 2022

To  
Board of Directors  
**OKH Global Limited**  
701 Sims Drive  
#02-06 LHK Building  
Singapore 387383

Dear Sirs,

Asia Valuation & Advisory Services Pte Ltd (“**AVA**”) has been engaged by OKH Global Limited (“**OKH**” or the “**Client**”) to perform a valuation of (1) the 15% equity interest in Deltanvil Pte Ltd and its subsidiaries (“**Deltanvil Group**”) and (2) the 40% equity interest in Equalbase Pte Ltd and its subsidiaries (“**Equalbase Group**”) as at 31 December 2021 (“**Valuation Date**”) in relation to a proposed disposal of OKH’s interest in Deltanvil Group and Equalbase Group. No other use, direct or indirect, of our analysis is intended or inferred or shall be relied upon by the Client other than explicitly specified in our engagement letter dated 10 January 2022.

#### Definition of Value

In estimating the value of OKH’s equity interests in Deltanvil Group and Equalbase Group as going concerns, our efforts were based on the following premise of value:

**Market Value** – *“The estimated amount for which an asset should exchange on the date of valuation between a willing buyer and a willing seller in an arm’s-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.”* Such value represents an estimate based on the economic theory of equilibrium price for an asset in a perfect market. Unless otherwise noted, in estimating the Market Value, we have assumed that the business and its assets will remain a going concern in accordance with the relevant literature.

#### Scope of Work

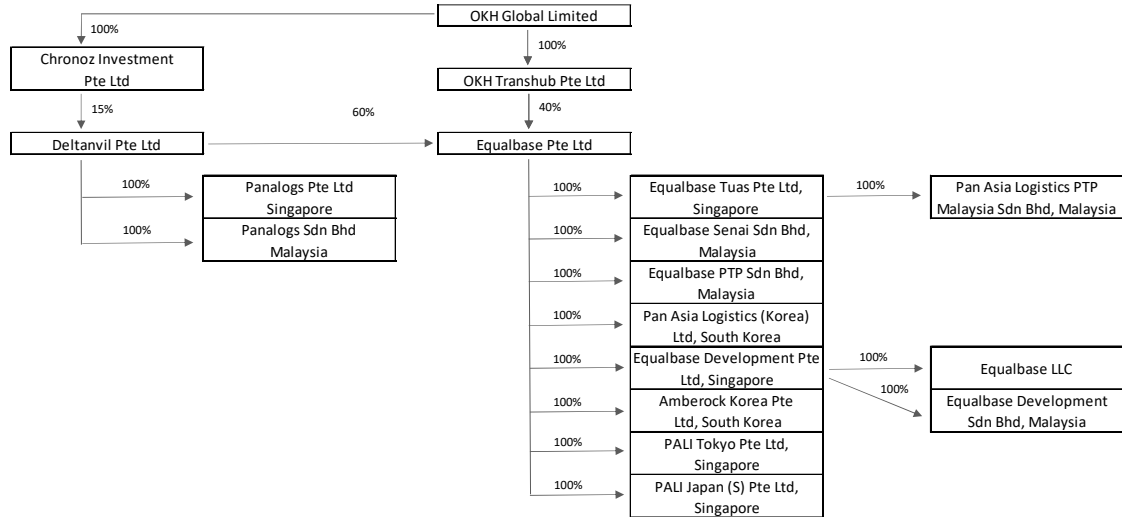
We understand OKH is considering a divestment of its equity interests in Deltanvil Group and Equalbase Group. The company has a 15% interest in Deltanvil Group who owns a 60% interest in Equalbase Group. OKH owns the remaining 40% interest in Equalbase Group through its wholly-owned subsidiary, OKH Transhub Pte Ltd, an investment holding company.



## APPENDIX A

### SUMMARIZED AVA VALUATION REPORT

The diagram below illustrates the shareholding structure.



Deltanvil Group provides logistic services through its subsidiaries, Panalogs Pte Ltd and Panalogs Sdn Bhd, and also owns the 60% interest in Equalbase Group.

Equalbase Group, through its subsidiaries, is in the business of investment holding with warehouse properties in Singapore and Malaysia and provides facility management services through Equalbase Development Sdn Bhd, Equalbase LLC and Pan Asia Logistics (Korea) Ltd.

To comply with its internal process, OKH engaged AVA to assist in the determination of the Market Value of each of the equity interests, to be carried out as at Valuation Date, for internal reference by the Board of Directors of OKH and possible disclosure to the shareholders of OKH.

For this exercise, we have been provided with and relied on valuation reports, prepared by licensed independent property valuers, PERMAS Valuers & Property Consultants Pte Ltd (Singapore) and C H Williams Talhar & Wong Sdn Bhd (Malaysia) (the “**Independent Property Valuers**”), dated 9 February 2022 and 7 February 2022 respectively, on the properties held by Equalbase Group, as part of our valuation workings. The properties are as follows.

- A 4-storey single-user warehouse development with ancillary office on 2<sup>nd</sup> to 4<sup>th</sup> mezzanine floors locate at 93 Tuas Bay Drive, Singapore 637041, measuring 17,756.7 square metres (“**Tuas Property**”)
- An industrial premise comprising a single storey warehouse, a 2-storey office annex, a shipping & receiving office, a M&E room and other ancillary buildings, forming part of Lot No. PTD 8797, located in Senai Airport Free Zone, Senai International Airport, 81250 Johor Bahru, Johor, Malaysia, measuring 1,103,374.8 square feet (“**Senai Property**”)
- A parcel of industrial land with a 2-storey ramp-up logistic warehouse, a 3-storey office, a rooftop park deck, a rooftop facility management office and other ancillary buildings, forming part of Lot No. PTD 2423, located at Plot DW1 & DW2, Jalan Tanjung A/2, Distripark A, Port of Tanjung Pelepas, 81560 Gelang Patah, Johor, Malaysia, measuring 74,462.16 square metres (“**PTP Property**”)

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## APPENDIX A

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### SUMMARIZED AVA VALUATION REPORT

Our valuation and report are prepared in accordance with the International Valuation Standards (2020 edition) as published by the International Valuation Standard Committee. The procedures used in our analysis included such substantive steps, as we considered necessary, including, but not necessarily limited to, the following:

- Preparation of an information checklist for information gathering;
- Discussion with the appropriate parties regarding the identified assets, proposed valuation methodologies, current/proposed operations and historical/forecast financials of Deltanvil Group and Equalbase Group, as well as its prospects, etc;
- Development of appropriate valuation models pertinent to the exercise;
- Preparation of draft reports for discussion with the Client; and
- Submission of the final report for the purpose of this exercise.

### Sources of Information

As part of our due diligence, we relied upon documents supplied by OKH, including, but not limited to, the following:

- Valuation report, dated 9 February 2022, prepared by PERMAS Valuers & Property Consultants Pte Ltd, on the market value of a property located at 93 Tuas Bay Drive, Singapore 637041;
- Valuation report, dated 7 February 2022, prepared by C H Williams Talhar & Wong Sdn Bhd, on the market value of an industrial premise at Lot No. PTD 8797, located in Senai Airport Free Zone, Senai International Airport, 81250 Johor Bahru, Johor, Malaysia;
- Valuation report, dated 7 February 2022, prepared by C H Williams Talhar & Wong Sdn Bhd, on the market value of an industrial premise at Lot No. PTD 2423, located at Plot DW1 & DW2, Jalan Tanjung A/2, Distripark A, Port of Tanjung Pelepas, 81560 Gelang Patah, Johor, Malaysia;
- Unaudited financials of Deltanvil Pte Ltd and its subsidiaries for the 12-month period ending 31 December 2021;
- Unaudited financials of Equalbase Pte Ltd and its subsidiaries for the 12-month period ending 31 December 2021;
- Unaudited consolidated financials of Deltanvil Pte Ltd and its subsidiaries for the 12-month period ending 30 June 2021;
- Unaudited consolidated financials of Equalbase Pte Ltd and its subsidiaries for the 12-month period ending 30 June 2021;
- Audited financials for Deltanvil Pte Ltd for the years ended 31 December 2019 and 31 December 2020;
- Audited financials for Equalbase Pte Ltd for the years ended 31 December 2019 and 31 December 2020;
- Audited financials for Panalogs Pte Ltd for the years ended 31 December 2017, 31 December 2018 and December 2019;
- Audited financials for Pan Asia Logistics Holdings Pte Ltd for the year ended 31 December 2019;
- Unaudited financials for Pan Asia Logistics Holdings Pte Ltd and its subsidiaries for the year ended 31 December 2020; and
- Other relevant documentations.

We planned and performed our valuation so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to express our opinion on the subject asset. In the course of our valuation, we held discussions with the management of OKH concerning the

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## APPENDIX A

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### SUMMARIZED AVA VALUATION REPORT

history and current conditions of the business, financial and general outlook of Deltanvil Group and Equalbase Group. We assumed that the data we obtained in the course of the valuation, along with the opinions and representations provided to us by the companies are true and accurate. We have, however, made reasonable enquiries and exercised our judgement on the reasonable use of such information and representations (as deemed necessary) provided to us, and have found no reason to doubt the accuracy or reliability of such information or representations which we have relied on. We also used financial and other information obtained from private and public sources we considered reliable. Our conclusions are dependent on such information being complete and accurate in all material respects. We believe the valuation procedures we employed provide a reasonable basis for our opinion.

### Statement of Independence

We confirm that we have no present or contemplated interest in OKH and the subject of this valuation, Deltanvil Group and Equalbase Group, and are acting independently of all parties.

### Valuation Theory

Our approach in valuing the equity interests relied on using the appropriate techniques to arrive at our conclusion of value. We considered the three generally recognized approaches to value: the income, market and cost approaches.

An overview of the three approaches considered is as follows:

- The Income Approach focuses on the income-producing capability of a business or asset. The income approach measures the current value of a business or asset by calculating the present value of its future economic benefits such as cash earnings, cost savings, tax deductions, and proceeds from disposition. Value indications are developed by discounting expected cash flows to their present value at a rate of return that incorporates the risk-free rate for the use of funds, the expected rate of inflation, and risks associated with the particular investment. The discount rate selected is generally based on rates of return available from alternative investments of similar type and quality as of the valuation date.
- The Market Approach measures the value of a business or asset through an analysis of recent sales or offerings of comparable businesses or assets. In estimating the value of a business under the market approach there are two methodologies: the publicly-traded guideline company methodology and the recent transaction methodology. The publicly traded guideline company methodology develops an indication of value for the subject company by calculating market pricing multiples for selected publicly-traded guideline companies and applying these multiples to the appropriate financial measures of the subject company. The recent transaction methodology develops an indication of value for the subject company by calculating market pricing multiples based on actual acquisitions of similar businesses and applying these multiples to the appropriate financial measures of the subject company. After deriving a value, adjustments are then made to account for differences between the subject business or asset being valued and the comparable businesses or assets used in the analysis.
- The Cost Approach measures the value of a business or asset by the cost to reconstruct or replace it with another of like utility. To the extent that the assets being valued provide less utility than new assets, the reproduction or replacement cost would be adjusted to reflect appropriate

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### SUMMARIZED AVA VALUATION REPORT

physical deterioration, functional obsolescence, and economic obsolescence. The cost approach recognizes that a prudent investor would not ordinarily pay more for property or an asset than the cost to replace them new.

The valuation of Deltanvil Group and Equalbase Group were based on a combination of market, income and cost approaches, as selected and applied by the business and property valuers, with adherence to the relevant valuation standards.

The investment properties were valued by the Independent Property Valuers using a combination of market approach, via the direct comparison method, and cost approach, using the depreciated replacement costs. The value of the equity interest in Deltanvil Group and Equalbase Group were derived by combining the value of the revalued net asset of the companies, taking into account the market value of the investment properties, and the value of the businesses. The value of each of the businesses is determined using the market approach, publicly-traded guideline company methodology, where a valuation multiple is calculated from those of selected comparable listed companies and applied to the company. Adjustments for lack of control and lack of marketability are then applied to arrive at the market value of the relevant minority stake in Deltanvil Group and Equalbase Group.

#### **Selected Approach – Equalbase Group**

Equalbase Group, through its subsidiaries, (1) owns warehouse properties that are leased out for rental income (“**Equalbase Investments**”) and (2) provides facility management services through Equalbase Development Sdn Bhd, Equalbase LLC and Pan Asia Logistics (Korea) Ltd (“**Equalbase Business**”).

#### **Valuation of Equity Interest in Equalbase Investments**

The most appropriate way to estimate the value of the equity interest in this business of owning industrial land and buildings for rental income is to look at its balance sheet and estimate a revalued net asset value (“**RNAV**”) based on the Market Value of the properties. This is a form of cost approach that measures the value of a business or asset by the cost to reconstruct or replace it with another of like utility. The cost approach recognizes that a prudent investor would not ordinarily pay more for an asset or business than the cost to replace them new.

To derive the RNAV of Equalbase Investments, we looked at its balance sheet and updated the value of its assets and liabilities to its Market Value equivalents, and summed them to arrive at the RNAV. The value of its principal assets, Tuas Property, Senai Property and PTP Property, are based on valuation performed by Independent Property Valuers, who have been engaged by OKH to estimate the Market Value of the warehouse properties as at Valuation Date.

Following our discussion with and representations from OKH on the balance sheet items, the revalued balance sheet of Equalbase Group is presented as follows.

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EQUALBASE PTE. LTD. AND ITS SUBSIDIARIES			
Statements of Financial Position			
As at 31 December 2021			
	Book Value	Adjustment	Revalued
	Group		Group
	31.12.2021		31.12.2021
	\$		\$
<b>ASSETS</b>			
<b>Non-current assets</b>			
Plant and equipment	1,682,502	(1,620,660)	61,842
Investment properties	197,219,602		197,219,602
Deferred tax assets	(214,536)		(214,536)
<b>Total non-current assets</b>	<b>198,687,568</b>		<b>197,066,908</b>
<b>Current assets</b>			
Trade and other receivables	5,642,036		5,642,036
Other non-financial assets	18,040,754		18,040,754
Cash and cash equivalents	38,063,449		38,063,449
Income tax recoverable	32,764		32,764
<b>Total current assets</b>	<b>61,779,003</b>		<b>61,779,003</b>
<b>Total assets</b>	<b>260,466,571</b>		<b>258,845,911</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Total equity</b>	<b>138,145,090</b>		<b>136,524,430</b>
<b>Non-current liabilities</b>			
Other financial liabilities	96,195,786		96,195,786
Other non-financial liabilities	2,016,075		2,016,075
Deferred tax liabilities	(433,955)		(433,955)
<b>Total non-current liabilities</b>	<b>97,777,907</b>		<b>97,777,907</b>
<b>Current liabilities</b>			
Trade and other payables	9,979,256		9,979,256
Other financial liabilities	8,052,881		8,052,881
Other non-financial liabilities	6,266,969		6,266,969
Income tax payable	244,469		244,469
<b>Total current liabilities</b>	<b>24,543,574</b>		<b>24,543,574</b>
<b>Total liabilities</b>	<b>122,321,481</b>		<b>122,321,481</b>
<b>Total equity and liabilities</b>	<b>260,466,571</b>		<b>258,845,911</b>

The RNAV of Equalbase Investments, as at Valuation date, is thus S\$136,524,430 of which cash is S\$38,063,449. The RNAV, excluding cash, is S\$98,460,981.

#### Valuation of Equity Interest in Equalbase Business

Equalbase Business provides facility management services, principally in Malaysia and Korea. We have estimated the value of the business using the market approach, employing publicly-traded guideline company methodology.

Under this method, we performed the following:

- Selected comparable companies that are publicly-listed (the “**Equalbase Business CompCos**”);
- Obtained valuation metrics of the Equalbase Business CompCos as at Valuation Date;
- Analyzed the market capitalization-to-revenue or valuation metric; and

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- Applied the market capitalization-to-revenue multiple calculated to Equalbase Business's financials to derive an implied valuation of Equalbase Development Sdn Bhd, Equalbase LLC and Pan Asia Logistics (Korea) Ltd as at Valuation Date.

We were provided with the unaudited revenue of Equalbase Development Sdn Bhd, Equalbase LLC and Pan Asia Logistics (Korea) Ltd for the 12-month period ending 31 December 2021. As these companies are relatively small, we have chosen the market capitalization-to-revenue multiple of 1.59, being the median multiple for the group of Equalbase Business CompCos with market capitalization below US\$1 billion. Below are the calculations.

Equalbase Dev Sdn Bhd	
Revenue (S\$)	502,992
	Based on unaudited revenue for 2021
Multiple	1.59
	Based on median multiple (Below US\$1 billion)
<b>Implied Value (S\$)</b>	<b>797,781</b>

Equalbase LLC & PAL Korea	
Revenue (S\$)	759,218
	Based on unaudited revenue for 2021
Multiple	1.59
	Based on median multiple (Below US\$1 billion)
<b>Implied Value (S\$)</b>	<b>1,204,175</b>

#### Valuation of Equalbase Group

The summation of the value of Equalbase Investments and Equalbase Business forms the value of the equity interest in Equalbase Group. As AVA has been tasked to derive the value of a 40% stake in Equalbase Group, consideration has been given to discounts for lack of control ("DLOC") and lack of marketability ("DLOM") in arriving at our opinion of value.

Following the above calculations, the following table summarizes our calculation to arrive at the value of the 40% equity interest in Equalbase Group.

Valuation of 40% Interest in Equalbase PL	
RNAV of Equalbase PL (including Equalbase Development Sdn Bhd, Equalbase LLC and PAL Korea) (excludes cash)	98,460,981 <i>a</i>
Less: NAV of Equalbase Development Sdn Bhd (excludes intercompany receivables and payables)	(8,085) <i>b</i>
Less: NAV of Equalbase LLC and PAL Korea (excludes intercompany payables at PAL Korea)	(14,481,171) <i>c</i>
Value of Equalbase Development Sdn Bhd - Business	797,781 <i>d</i>
Value of Equalbase LLC and PAL Korea - Business	1,204,175 <i>e</i>
<b>Value of 100% Equity Interest (excluding cash)</b>	<b>85,973,681</b> <i>f = a + b + c + d + e</i>
Control Premium (Real Estate/Rental/Leasing)	13.1%
Implied DLOC	11.6% (9,958,048) <i>g</i>
	76,015,633 <i>h = f + g</i>
Restricted Stock Equivalent Discount (Average)	11.6%
Block Size Discount (30% to 40% size)	0.0%
Effective DLOM	11.6% (8,817,813) <i>i</i>
Adjusted Value of 100% Interest in Equity (excluding cash)	67,197,819 <i>j = h + i</i>
Value of Excess Cash (Equalbase PL including Equalbase Development Sdn Bhd, Equalbase LLC and PAL Korea)	38,063,449 <i>k</i>
Adjusted Value of 100% Equity Interest	105,261,268 <i>l = j + k</i>
<b>Value of 40% Interest in Equity of Equalbase PL</b>	<b>42,104,507</b> <i>m = l * 40%</i>

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We began with the RNAV of Equalbase Group, updated with value of Equalbase Investments and excluded cash, at S\$98,460,981. Cash was excluded as DLOC and DLOM do not apply to this asset. The NAV of Equalbase Development Sdn Bhd, Equalbase LLC and Pan Asia Logistics (Korea) Ltd, which all make up Equalbase Business, was excluded as well, given we have measured the value of these companies using the market approach.

These values, S\$797,781 representing the value of the business of Equalbase Development Sdn Bhd, S\$1,204,175 for Equalbase LLC and Pan Asia Logistics (Korea) Ltd, were added to arrive at the 100% equity value of Equalbase Group of S\$85,973,681.

Discounts, for both lack of control and lack of marketability, were then applied. These discounts are explained in the following section of this report.

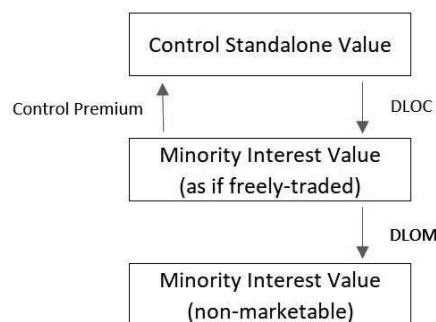
After applying the discounts, the cash belonging to Equalbase Group of S\$38,063,449, was added back. The Market Value of the 40% stake was then calculated as S\$42,104,507, rounded to S\$42,100,000 for the purpose of this exercise.

Key assumptions are as follows:

- In determining the RNAV as the market value, we assume there is no additional costs associated with realizing the value of each asset and liability.
- It is assumed that markets are working in normal conditions with normal volatility.

#### Discounts – Lack of Control and Lack of Marketability

As mentioned, we have to consider DLOC and DLOM as a 40% stake in Equalbase Group does not provide the owner with control over the business, thus the assets, and the owner will require time to convert this holding to cash as Equalbase Group is a private company. Below is an illustration of the levels of value.



#### DLOC

A controlling interest is generally considered to have greater value than a minority interest (40% in this case) because of the purchaser's ability to effect changes in the overall business structure and to influence business policies. Control premiums can vary greatly, as seen in various research and empirical studies over the years. Mergerstat Control Premium Study listed the following factors as those that affect the magnitude of control premium include:

- The nature and magnitude of nonoperating assets.
- The nature and magnitude of discretionary expenses.
- The perceived quality of existing management.

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- The nature and magnitude of business opportunities which are not currently being exploited.
- The ability to integrate the acquiree into the acquirer's business or distribution channels.

In a report by American Society of Appraisers in 2016, the author describes the prerogatives of control to be as follows:

- Appointing or changing operational management;
- Electing members of the board of directors;
- Determining management compensation and perquisites;
- Setting operational and strategic policy for the business;
- Acquiring, leasing, or liquidating business assets;
- Selecting suppliers, vendors, and subcontractors;
- Negotiating and consummating mergers and acquisitions;
- Liquidating, dissolving, selling, or recapitalizing the company;
- Selling or acquiring treasury shares;
- Registering the company's equity securities for an initial or secondary public offering;
- Registering the company's debt securities for public offering;
- Declaring and paying dividends;
- Changing the articles of incorporation or bylaws;
- Selecting joint venture and other business partners;
- Making product and service offering decisions;
- Making marketing and pricing decisions;
- Entering into licensing and other agreements regarding intellectual property; and
- Blocking any or all of the above actions.

The DLOC selected for this exercise is 11.6%, an inverse based on a control premium of 13.1% for the real estate, rental and leasing industry, as compiled in Mergerstat Control Premium Study (May 2021).

#### **DLOM**

Marketability refers to the speed of converting a holding to cash. In this case, a DLOM is considered to account for the time needed to convert a large block of 40% stake in a private company to cash. The DLOM is commonly estimated using various studies and/or empirical research. For this exercise, we have relied on "2021 edition of the Stout Restricted Stock Study Companion Guide", prepared by Stout, Risius, Ross LLC ("**Stout**"). The company is a global investment bank and advisory firm specializing in corporate finance, valuation, financial disputes, and investigations. More information is available at their website <https://www.stout.com/en/>

The guide illustrated the benchmark average discount and approach where DLOM is based on discount seen for restricted stock for various time periods and data on private placements of unregistered common stock issued by public companies, compiled from 1991 to 2021. We selected 15.8% as the applicable discount, being the average of study. Stout continued to explain that DLOM should consider block size discount, as larger blocks have greater degree of illiquidity. From their study, we selected the discount of 33.2% as OKH's interest in Equalbase Group is 40%.

The DLOM, taking into account the restricted nature and size of the 40% stake, yields a compound discount of 43.8%.



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#### Selected Approach – Deltanvil Group

Deltanvil Group's value comprises of (a) its 60% ownership of Equalbase Group, which can be determined from AVA's calculation of the value of Equalbase Group and (b) its logistic services business ("Deltanvil Business").

#### Valuation of Equity Interest in Deltanvil Pte Ltd (company-level)

The most appropriate way to estimate the value of the equity interest in this company is to look at its balance sheet and estimate a RNAV as its principal business is investment holding. To derive the RNAV of Deltanvil Pte Ltd, at the company level, we looked at its balance sheet and updated the value of its assets and liabilities to its Market Value equivalents, and summed them to arrive at the RNAV. The value of its principal assets, 60% stake in Equalbase Group, is based on valuation performed by AVA, as mentioned earlier.

The RNAV indicates how much it would cost to recreate Deltanvil Pte Ltd by assembling the same set of assets and liabilities as at Valuation Date. This method is suitable for this valuation as Deltanvil Pte Ltd is essentially an investment holding company that own a 60% stake in Equalbase Group.

We have in the previous section above estimated the value of the 40% interest in Equalbase Group. To arrive at the value of the 60% interest, we applied the same calculation, seen in the table below, but excluded DLOC as a 60% stake does give the holder a controlling stake in the company. This equates S\$68,438,509 as the value of Deltanvil Group's 60% stake in Equalbase Group.

<b>Valuation of 60% Interest in Equalbase PL</b>		
RNAV of Equalbase PL (including Equalbase Development Sdn Bhd, Equalbase LLC and PAL Korea) (excludes cash)	98,460,981	<i>a</i>
Less: NAV of Equalbase Development Sdn Bhd (excludes intercompany receivables and payables)	(8,085)	<i>b</i>
Less: NAV of Equalbase LLC and PAL Korea (excludes intercompany payables at PAL Korea)	(14,481,171)	<i>c</i>
Value of Equalbase Development Sdn Bhd - Business	797,781	<i>d</i>
Value of Equalbase LLC and PAL Korea - Business	1,204,175	<i>e</i>
<b>Value of 100% Equity Interest (excluding cash)</b>	<b>85,973,681</b>	<i>f = a + b + c + d + e</i>
Control Premium (Real Estate/Rental/Leasing)	0.0%	
Implied DLOC	0.0%	<i>g</i>
	<b>85,973,681</b>	<i>h = f + g</i>
Restricted Stock Equivalent Discount (Average)	11.6%	
Block Size Discount (30% to 40% size)	0.0%	
Effective DLOM	11.6%	<i>i</i>
	<b>76,000,734</b>	<i>j = h + i</i>
Adjusted Value of 100% Interest in Equity (excluding cash)	76,000,734	<i>j = h + i</i>
Value of Excess Cash (Equalbase PL including Equalbase Development Sdn Bhd, Equalbase LLC and PAL Korea)	38,063,449	<i>k</i>
	<b>114,064,182</b>	<i>l = j + k</i>
Adjusted Value of 100% Equity Interest	114,064,182	<i>l = j + k</i>
<b>Value of 60% Interest in Equity of Equalbase PL</b>	<b>68,438,509</b>	<i>m = l * 60%</i>

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Following our discussion with OKH on the balance sheet items, below is the balance sheet of Deltanvil Pte Ltd, at the company level, as at Valuation Date, as provided to us by OKH, together with the adjustments to arrive at the RNAV.

<b>Deltanvil Pte Ltd (Company)</b>			
<b>Statements of Financial Position</b>			
<b>As at 31 December 2021</b>			
	<b>Book Value</b>	<b>Adjustment</b>	<b>Revalued</b>
	<u>Group</u>		<u>Group</u>
	<u>31.12.2021</u>		<u>31.12.2021</u>
	\$		\$
<b>ASSETS</b>			
<b>Non-current assets</b>			
Plant and equipment	2,362		2,362
Investment in subsidiaries	45,032,427	(45,032,427)	-
Investment - 60% of Equalbase Pte Ltd		68,438,509	68,438,509
<b>Total non-current assets</b>	<b>45,034,789</b>		<b>68,440,871</b>
<b>Current assets</b>			
Trade and other receivables	87,164		87,164
Other non-financial assets	7,823,017	(795,411)	7,027,606
Cash and cash equivalents	984,810		984,810
<b>Total current assets</b>	<b>8,894,991</b>		<b>8,099,580</b>
<b>Total assets</b>	<b>53,929,780</b>		<b>76,540,451</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Total equity</b>	<b>28,850,575</b>		<b>51,461,247</b>
<b>Non-current liabilities</b>			
Other financial liabilities	8,000,000		8,000,000
<b>Total non-current liabilities</b>	<b>8,000,000</b>		<b>8,000,000</b>
<b>Current liabilities</b>			
Trade and other payables	55,984		55,984
Other non-financial liabilities	17,009,374	-	17,009,374
Income tax payable	13,846		13,846
<b>Total current liabilities</b>	<b>17,079,205</b>		<b>17,079,205</b>
<b>Total liabilities</b>	<b>25,079,205</b>		<b>25,079,205</b>
<b>Total equity and liabilities</b>	<b>53,929,780</b>		<b>76,540,451</b>

The RNAV of Deltanvil Pte Ltd, as at Valuation date, is S\$51,461,247 of which cash is S\$984,810. The RNAV, excluding cash, is S\$50,476,437.

#### **Valuation of Equity Interest in Deltanvil Group**

Deltanvil Business is involved in the business of providing freight forwarding services in Singapore and Malaysia. As with Equalbase Business, we have estimated the value of the Deltanvil Business using the same market approach, employing publicly-traded guideline company methodology.

Under this method, we performed the following:

- Selected comparable companies that are publicly-listed (the “**Deltanvil Business CompCos**”);
- Obtained valuation metrics of the Deltanvil Business CompCos as at Valuation Date;
- Analyzed the market capitalization-to-revenue or valuation metric; and

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- Applied the market capitalization-to-revenue multiple calculated to Deltanvil Business's financials to derive an implied valuation of the business as at Valuation Date.

We were provided with the unaudited revenue of Panalogs Pte Ltd and Panalogs Sdn Bhd for the 12-month period ending 31 December 2021. As these companies are relatively small, we have chosen the market capitalization-to-revenue multiple of 0.54, being the median multiple for the group of Deltanvil Business CompCos with market capitalization below US\$10 billion. Below are the calculations.

Panalogs Pte Ltd & Panalogs Sdn Bhd		
Revenue (S\$)	8,697,442	Based on unaudited revenue for 2021
Multiple	0.54	Based on median multiple (Below US\$10 billion)
<b>Implied Value (S\$)</b>	<b>4,710,722</b>	

The value of the 100% equity interest in Deltanvil Group is equal to the value of Deltanvil Pte Ltd and Deltanvil Business. Given OKH's minority interest of 15% in Deltanvil Group, we considered DLOC and DLOM in arriving at our valuation of that level of equity interest.

#### Valuation of Deltanvil Group

The table below summarizes our calculation to arrive at the value of the 15% equity interest in Deltanvil Group.

Valuation of 15% Interest in Deltanvil PL		
Value of Panalogs Pte Ltd and Panalogs Sdn Bhd - Business	4,710,722	<sup>1</sup>
Net Asset Value of Deltanvil Pte Ltd (excludes company-level cash)	50,476,437	<sup>2</sup>
	55,187,158	<sup>3 = 1 + 2</sup>
Control Premium (Real Estate/Rental/Leasing)	13.1%	
Implied DLOC	11.6%	(6,392,147) <sup>4</sup>
	48,795,012	<sup>5 = 3 + 4</sup>
Restricted Stock Equivalent Discount (Average)	11.6%	
Block Size Discount (10% to 20% size)	0.0%	
Effective DLOM	11.6%	(5,660,221) <sup>6</sup>
Adjusted Value of 100% Interest in Equity	43,134,790	<sup>7 = 5 + 6</sup>
Value of Cash (Deltanvil Pte Ltd, Panalogs Pte Ltd and Panalogs Sdn Bhd)	1,696,486	<sup>8</sup>
Adjusted Value of 100% Equity Interest	44,831,276	<sup>9 = 7 + 8</sup>
<b>Value of 15% Interest in Equity of Deltanvil PL</b>	<b>6,724,691</b>	<sup>10 = 9 * 15%</sup>

We began with the value of the business of Deltanvil Business, estimated earlier as S\$4,710,722.

The RNAV of Deltanvil Pte Ltd, updated with value of the investment in Equalbase Group, and excludes cash, is S\$50,476,437. Cash was excluded as DLOC and DLOM do not apply to this asset.

The values, representing the value of the business of Deltanvil Business and RNAV of Deltanvil Pte Ltd without cash, were added to arrive at the 100% equity value of Deltanvil Group of S\$55,187,158.

Discounts, for both lack of control and lack of marketability, were then applied.

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After applying the discounts, the cash belonging to Deltanvil Pte Ltd, Panalogs Pte Ltd and Panalogs Sdn Bhd of S\$1,696,486, was added back. The market value of the 15% stake was then calculated as S\$6,724,691, rounded to S\$6,700,000 for this exercise.

Key assumptions are as follows:

- In determining the RNAV as the market value, we assume there is no additional costs associated with realizing the value of each asset and liability.
- It is assumed that markets are working in normal conditions with normal volatility.

### Conclusion of Value

Based on the information provided, our analyses and conclusions of the various proposed scenarios, and subject to the attached Statement of General Assumptions and Limiting Conditions, we are of the opinion that, as at Valuation Date, the Market Value of the equity interests are tabled below.

Asset	Market Value (S\$)
40% equity interest in Equalbase Pte Ltd	42,100,000
15% equity interest in Deltanvil Pte Ltd	6,700,000

The conclusion of value for the equity interests are based on the accepted valuation procedures and practices that rely substantially on the use of numerous assumptions and the consideration of many uncertainties, not all of which can be easily quantified or ascertained.

While the assumptions and consideration of such matters are considered to be reasonable, they are inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond the control of AVA, OKH, Deltanvil Group and Equalbase Group.

Since the procedures we performed as related to the financial statements and projections on this assignment are limited in scope, and do not constitute an examination, review, or compilation of historical information in accordance with generally accepted auditing standards or an examination, review, or compilation of prospective information in accordance with established standards, we do not express an opinion on the financial, statistical, or other data provided by management included in our summary of findings.

Users of this valuation report should be mindful that value is time dependent. In estimating the value, AVA has taken into consideration the available information, all known factors and market environment of the subject of valuation as at Valuation Date. The Valuation Date is the specific point in time as of which our opinion of value applies. This fundamental principle forbids the application of hindsight and removes any use of retrospective evidence such as data or information in forming the assessment of value, unless these facts would reasonably have been known or knowable as at Valuation Date. Our valuation is strictly guided by this principle.

We do not intend to express any opinion on matters which require legal or other specialized expertise or knowledge, beyond what is customarily employed by valuers. Our conclusions assume continuations of prudent management over whatever period of time that is reasonable and necessary to maintain the character and integrity of the assets valued.

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### SUMMARIZED AVA VALUATION REPORT

This report is issued based on the understanding that management of Deltanvil Group and Equalbase Group have drawn our attention to all material matters which may have an impact on our report up to the date of this report. We are not required to update our report or any other information provided to you for events and circumstances arising after the issue of our final report.

The information contained in this report may include proprietary, sensitive and confidential information that has not been publicly disclosed. Release of this information to any other party could be damaging to OKH, Deltanvil Group and Equalbase Group.

Respectfully submitted,  
**Asia Valuation & Advisory Services Pte Ltd**

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#### Statement of General Assumption and Limiting Conditions

1. This analysis is subject to the following general assumptions and limiting conditions:
2. No investigation has been made of, and no responsibility is assumed for, the legal description of the property being valued or legal matters, including title or encumbrances. Title to the property is assumed to be good and marketable unless otherwise stated. The property is assumed to be free and clear of any liens, easements, encroachments, and other encumbrances unless otherwise stated.
3. Information furnished by others, upon which all or portions of this valuation is based, is believed to be reliable but has not been verified except as set forth in this report. No warranty is given as to the accuracy of such information.
4. This report has been made only for the purpose stated and shall not be used for any other purpose. Neither this report nor any portions thereof (including, without limitations, any conclusions, the identity of AVA or any individuals signing or associated with this report, or the professional associations or organizations with which they are affiliated) shall be disseminated to third parties other than the Company and its financial accounting firm, by any means without the prior written consent and approval of AVA.
5. This appraisal has been made in conformance with the International Valuation Standards issued by the International Valuation Standards Council.
6. Neither AVA nor any individual signing or associated with this report shall be required by reason of this report to give further consultation, provide testimony or appear in court or other legal proceedings unless specific arrangements therefore have been made.
7. No responsibility is taken for changes in market conditions and no obligation is assumed to revise this report to reflect events or conditions, which occur subsequent to the valuation date hereof.
8. The date of value to which the estimate expressed in this report applies is set forth in the beginning of this report. This valuation is valid only for the valuation date indicated. Our analysis is based on the purchasing power of the Singapore Dollar as of that date.
9. It is assumed that all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, or national government, or private entity or organization have been or can readily be obtained or renewed for any use on which the value estimate provided in this report is based.
10. Full compliance with all applicable federal, state, and local zoning and use, occupancy, environmental, and similar laws and regulations is assumed, unless otherwise stated.
11. Responsible ownership and competent management are assumed.
12. The value estimate is predicated on the financial structure prevailing as of the date of this analysis.
13. This report may not be included or referred to in any statutory filing or other public document.
14. This is a Summary Report. As such, it might not include full discussions of the data, reasoning, and analyses that were used in the valuation process to develop the valuation professional's estimate of value. Supporting documentation concerning the data, reasoning, and analyses is retained in the valuation professional's file. The information contained in this report is specific to the needs of the client and for the intended use stated in this report. The valuation professional is not responsible for unauthorized use of this report.

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## APPENDIX A

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### SUMMARIZED AVA VALUATION REPORT

#### Valuer's Professional Declaration

The following valuers certify, to the best of their knowledge and belief, that:

- The statements of fact contained in this report are true and correct;
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions;
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved;
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment;
- My engagement in this assignment was not contingent upon developing or reporting predetermined results;
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal; and
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the International Valuation Standards published by the International Valuation Standards Committee.

**Thomas Chua**  
*Director, Valuation*  
*MBA, CVA 100233*

