

CIRCULAR DATED 1 APRIL 2019

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

If you are in any doubt as to the action that 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 ordinary shares in the capital of OKP Holdings Limited (the "**Company**"), you should forward this Circular and the attached Proxy Form immediately to the purchaser or transferee, or to the agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

Singapore Exchange Securities Trading Limited ("**SGX-ST**") assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Circular. In-principle approval granted by the SGX-ST for the listing and quotation of the New Shares (as defined herein) on the Main Board of the SGX-ST is not to be taken as an indication of the merits of the proposed OKP Performance Share Scheme (as defined herein), the New Shares, the Company and/or its subsidiaries.



(Incorporated in the Republic of Singapore)
(Company Registration No. 200201165G)

CIRCULAR TO SHAREHOLDERS

in relation to

- (1) PROPOSED ADOPTION OF THE OKP PERFORMANCE SHARE SCHEME; AND**
- (2) PROPOSED PARTICIPATION BY A CONTROLLING SHAREHOLDER AND HIS ASSOCIATES IN THE OKP PERFORMANCE SHARE SCHEME.**

IMPORTANT DATES AND TIMES:

Last date and time for lodgement of Proxy Form	:	Friday, 26 April 2019 at 12.00 pm
Date and time of Extraordinary General Meeting	:	Monday, 29 April 2019 at 12.00 pm (or upon conclusion or adjournment of the Annual General Meeting of the Company to be held at 11.00 am on the same day and at the same place)
Place of Extraordinary General Meeting	:	30 Tagore Lane Singapore 787484

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DEFINITIONS

In this Circular, the following definitions apply throughout unless otherwise stated:

“Associate”	: Shall have the meaning ascribed to the term in the Listing Manual
“Auditors”	: The auditors for the time being of the Company
“Award”	: An award of Shares granted under the Scheme
“Board”	: The board of Directors of the Company for the time being
“CDP”	: The Central Depository (Pte) Limited
“Circular”	: This circular to Shareholders dated 1 April 2019 in respect of, <i>inter alia</i> , the proposed adoption of the Scheme
“Committee”	: A committee comprising Directors duly authorised and appointed by the Board to administer the Scheme
“Companies Act”	: The Companies Act (Chapter 50) of Singapore, as amended, modified or supplemented from time to time
“Company”	: OKP Holdings Limited
“Controlling Shareholder”	: A person who:– (a) holds directly or indirectly 15% or more of the total voting rights in the Company (although the SGX-ST may determine that a person who satisfies this paragraph is not a Controlling Shareholder); or (b) in fact exercises control over the Company
“Director”	: A director of the Company for the time being
“EGM”	: The extraordinary general meeting of the Company, notice of which is set out on pages 27 and 28 of this Circular
“EPS”	: Earnings per Share
“FY”	: Financial year ended, or as the case may be, ending 31 December
“Group”	: The Company and its subsidiaries
“Group Employee”	: Any employee of the Group (including any Group Executive Director) selected by the Committee to participate in the Scheme in accordance with the provisions thereof
“Group Executive Director”	: A director of the Company or any of its subsidiaries, as the case may be, who performs an executive function
“Independent Shareholders”	: Shareholders other than Shareholders who are Participants and Shareholders who are Associates of the Participants
“OKP Performance Share Scheme” or “Scheme”	: The proposed OKP Performance Share Scheme, as amended, modified or supplemented from time to time

DEFINITIONS

"Latest Practicable Date"	: 7 March 2019, being the latest practicable date prior to the printing of this Circular
"Listing Manual"	: The listing manual of the SGX-ST, as amended, modified or supplemented from time to time
"Market Day"	: A day on which the SGX-ST is open for trading in securities
"New Shares"	: The new Shares which may be allotted and issued from time to time pursuant to the vesting of Awards granted under the Scheme
"Non-Executive Director"	: A director of the Company or any of its subsidiaries, as the case may be, other than a Group Executive Director
"Notice of EGM"	: The notice of EGM as set out on pages 27 and 28 of this Circular
"NTA"	: Net tangible assets
"Ordinary Resolution"	: An ordinary resolution passed by a majority of the Shareholders present and voting in general meeting of the Company
"Participant"	: A person who is selected by the Committee to participate in the Scheme in accordance with the provisions of the Scheme
"Proxy Form"	: The proxy form in respect of the EGM as set out in this Circular
"Securities and Futures Act"	: Securities and Futures Act (Chapter 289) of Singapore, as amended, modified or supplemented from time to time
"SGX-ST"	: Singapore Exchange Securities Trading Limited
"Shareholders"	: Registered holders of Shares except that where the registered holder is CDP, the term "Shareholders" shall, in relation to such Shares, mean the persons to whose securities accounts maintained with CDP are credited with the Shares
"Shares"	: Ordinary shares in the capital of the Company
"Take-over Code"	: The Singapore Code on Take-overs and Mergers, as the same may be amended, modified or supplemented from time to time
"\$" and "cents"	: Singapore dollars and cents respectively
"%" or percent	: Percentage or per centum

DEFINITIONS

The terms "**Depositor**", "**Depository Agent**" and "**Depository Register**" shall have the meanings ascribed to them respectively in Section 81SF of the Securities and Futures Act.

The terms "**treasury shares**" and "**subsidiary**" shall have the meanings ascribed to them respectively in Section 4 and Section 5 of the Companies Act. The term "**subsidiary holdings**" shall mean shares referred to in Sections 21(4), 21(4B), 21(6A) and 21(6C) of the Companies Act.

Words importing the singular shall, where applicable, include the plural and *vice versa*. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders.

References to persons shall include corporations.

The headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act, the Securities and Futures Act, the Listing Manual or any modification thereof and not otherwise defined in this Circular shall have the same meaning assigned to it under the Companies Act, the Securities and Futures Act, the Listing Manual or any such modification thereof, as the case may be, unless the context otherwise requires.

Any reference to a time of day in this Circular is made by reference to Singapore time unless otherwise stated.

Any discrepancies in the tables in this Circular between the sum of listed amounts and the totals thereof shown are due to rounding.

LETTER TO SHAREHOLDERS



(Incorporated in the Republic of Singapore)
(Company Registration No. 200201165G)

Directors:

Mr Or Kim Peow (Group Chairman)
Mr Or Toh Wat (Group Managing Director)
Mdm Ang Beng Tin (Executive Director)
Mr Or Kiam Meng (Executive Director)
Mr Oh Enc Nam (Executive Director)
Mr Or Lay Huat Daniel (Executive Director)
Dr Chen Seow Phun, John (Lead Independent Director)
Mr Nirumalan s/o V Kanapathi Pillai (Independent Director)
Mr Tan Boen Eng (Independent Director)

Registered Office:

30 Tagore Lane
Singapore 787484

1 April 2019

To: The Shareholders of OKP Holdings Limited

Dear Sir/Madam

1. INTRODUCTION

The Directors of the Company are convening the EGM to be held on Monday, 29 April 2019 to seek Shareholders' approval for:

- (a) the proposed adoption of the OKP Performance Share Scheme; and
- (b) the proposed participation by a Controlling Shareholder and his Associates in the OKP Performance Share Scheme.

The purpose of this Circular is to explain the reasons for, and to provide Shareholders with information relating to the above, and to seek Shareholders' approval at the EGM.

2. PROPOSED OKP PERFORMANCE SHARE SCHEME

2.1 Rationale for the Scheme

The Company proposes to implement the Scheme in order to: –

- (a) give the Company greater flexibility and effectiveness in its continuing efforts to reward, retain and motivate Group Employees to achieve superior performance;
- (b) further strengthen the Company's competitiveness in attracting and retaining local and foreign talent;
- (c) incentivise all Participants to excel in their performance and encourage greater dedication and loyalty to the Company; and
- (d) foster an ownership culture within the Group which aligns the interests of the Participants with the interests of Shareholders.

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The Scheme contemplates the award of fully paid Shares when or after pre-determined performance targets are accomplished or when due recognition should be given for any good work performance or any significant contribution to the Group.

Further, the Directors are proposing to implement the Scheme to complement the current practice of paying cash bonus payments to employees of the Group. The Company may pay a portion of a Group Employee's annual cash bonus payment in the form of Shares. By giving the Group Employees the opportunity to participate in the equity of the Company as opposed to providing solely cash bonus payments for their performance, the Scheme aims to cultivate a greater sense of involvement in the Company amongst the Group Employees.

The SGX-ST has granted in-principle approval for the listing and quotation of the New Shares which may be issued from time to time pursuant to the Scheme, subject to:

- (a) the Company's compliance with the SGX-ST's listing requirements and guidelines; and
- (b) Independent Shareholders' approval being obtained for the proposed Scheme.

Such in-principle approval granted by the SGX-ST is not to be taken as an indication of the merits of the Scheme, the New Shares, the Company and/or its subsidiaries.

2.2 Summary of the Scheme

The following is a summary of the principal rules of the Scheme. The detailed rules of the Scheme are set out in the Appendix to this Circular.

2.3 Eligibility

The Scheme allows for participation by Group Employees (including Group Executive Directors) and Non-Executive Directors (including Independent Directors) who have attained the age of 21 years on or before the relevant date of Award provided that none shall be an undischarged bankrupt, and who, in the absolute discretion of the Committee, will be eligible to participate in the Scheme.

Persons eligible to participate in the Scheme who are also Controlling Shareholders or Associates of a Controlling Shareholder would be eligible to participate in the Scheme. However, pursuant to Rule 845 of the Listing Manual, (i) the aggregate number of shares available to the Controlling Shareholders and their Associates must not exceed 25% of the Shares available under the Scheme; and (ii) the number of Shares available to each Controlling Shareholder or his Associate must not exceed 10% of the Shares available under the Scheme.

Pursuant to Rule 853 of the Listing Manual, participation in the Scheme by Controlling Shareholders and their Associates must be approved by independent shareholders of the Company and a separate resolution must be passed for each such person and to approve the actual number and terms of Awards to be granted to such person.

Subject to the Companies Act and any requirement of the SGX-ST, the terms of eligibility for participation in the Scheme may be amended from time to time at the absolute discretion of the Committee.

2.4 Awards

Awards represent the right of a Participant to receive fully paid Shares free of charge, upon the Participant achieving prescribed performance targets, or when due recognition should be given to any good work performance or significant contribution to the Company, or when the Company decides to pay part of a Group Employee's annual cash bonus payment in the form of Shares.

LETTER TO SHAREHOLDERS

The Participant's overall job performance, including his designation and dedication, and potential for future development and contribution to the development and profitability of the Group will be taken into account before an Award is granted to him. In the case of a performance-related Award, the performance targets to be set are intended to be broad-based and shall take into account both the medium-term corporate objectives of the Group and the individual performance of the Participant. The corporate objectives shall cover market competitiveness, quality of returns, business growth and productivity growth. The performance targets could be based on criteria such as sales growth, growth in earnings and return on investment. The performance targets are aimed at sustaining long-term growth.

Awards may only be vested and consequently any Shares comprised in such Awards shall only be delivered upon (i) the Committee being satisfied that the Participant has achieved the performance targets, or due recognition should be given for good work performance or significant contribution to the Company, or (ii) the Company decides to pay part of a Group Employee's annual cash bonus payment in the form of Shares.

Awards may be granted at any time in the course of a financial year, provided that in the event that an announcement on any matter of an exceptional nature involving unpublished price sensitive information is imminent, Awards may only be vested and hence any Shares comprised in such Awards may only be delivered on or after the second Market Day from the date on which the aforesaid announcement is made.

An Award letter confirming the Award will be sent to each Participant as soon as reasonably practicable after the Award is finalised, specifying, *inter alia*, in relation to the Award:

- (a) in relation to a performance-related Award:
 - (i) the performance target(s);
 - (ii) the performance period during which the prescribed performance target(s) are to be satisfied;
- (b) the number of Shares to be vested on the Participant; and
- (c) the date by which the Award shall be vested.

The Committee will take into account various factors when determining the method to arrive at the exact number of Shares comprised in an Award. Such factors include, but are not limited to, the current price of the Shares, the total issued share capital of the Company and the pre-determined dollar amount which the Committee decides that a Participant deserves for meeting his performance targets. For example, Shares may be awarded based on pre-determined dollar amounts such that the quantum of Shares comprised in Awards is dependent on the closing price of Shares transacted on the Market Day the Award is vested. Alternatively, the Committee may decide absolute numbers of Shares to be awarded to Participants irrespective of the price of the Shares. The Committee shall monitor the grant of Awards carefully to ensure that the size of the Scheme will comply with the relevant rules of the SGX-ST.

Special provisions for the vesting and lapsing of Awards apply in certain circumstances, including the following:–

- (a) the termination of the employment of a Participant;
- (b) the ill health, injury or disability of a Participant;
- (c) the bankruptcy of a Participant;
- (d) the misconduct of a Participant;
- (e) the Participant, being a Non-Executive Director, ceasing to be a director of the Company or the relevant subsidiary of the Company for any reason whatsoever; and
- (f) a take-over, winding up or reconstruction of the Company.

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2.5 Size and duration of the Scheme

The total number of Shares which may be delivered pursuant to Awards granted under the Scheme, when added to the number of Shares issued and issuable under other share-based incentive schemes of the Company, shall not exceed 15% of the issued shares excluding treasury shares and subsidiary holdings of the Company on the day preceding the relevant date of Award.

The Directors believe that the size of the Scheme will give the Company sufficient flexibility to decide the number of Shares to be offered under the Scheme. However, it does not indicate that the Committee will definitely issue Shares up to the prescribed limit. The Committee will exercise its discretion in deciding the number of Shares to be granted to each Participant under the Scheme. This will in turn depend on and be commensurate with the performance and value of the Participant to the Group.

The aggregate number of Shares that are available to Controlling Shareholders and their Associates under the Scheme (including adjustments made in accordance with Rule 11 of the Scheme) shall not exceed 25% of the Shares available under the Scheme. The number of Shares that are available to each Controlling Shareholder or his Associate under the Scheme (including adjustments made in accordance with Rule 11 of the Scheme) shall not exceed 10% of the Shares available under the Scheme.

The Company will be delivering Shares pursuant to Awards granted under the Scheme in the form of existing Shares held as treasury shares or by issuing New Shares. In determining whether to issue New Shares or to purchase existing Shares for delivery to Participants upon the vesting of their Awards, the Company will take into account factors such as the number of Shares to be delivered, the prevailing market price of the Shares and the financial effect on the Company of either issuing New Shares or purchasing existing Shares.

The Scheme shall continue in force at the discretion of the Committee, subject to a maximum period of ten years commencing on the date the Scheme is adopted by the Company in general meeting, provided always that the Scheme may continue beyond the above stipulated period with the approval of Shareholders by ordinary resolution in general meeting and of any relevant authorities which may then be required.

Notwithstanding the expiry or termination of the Scheme, any Awards made to Participants prior to such expiry or termination will continue to remain valid.

2.6 Operation of the Scheme

Subject to the prevailing legislation and SGX-ST guidelines, the Company will be delivering Shares to Participants upon vesting of their Awards by way of delivery of existing Shares held as treasury shares or issue of New Shares.

The financial effects of the delivery of Shares to Participants upon vesting of the Awards are set out in Section 3.15 of this Circular.

New Shares allotted and issued on the release of an Award shall rank in full for all entitlements, excluding dividends or other distributions declared or recommended in respect of the then existing Shares, the record date for which is on or before the relevant vesting date of the Award, and shall in all other respects (including voting and other rights) rank *pari passu* with other existing Shares then in issue.

For purposes of the determination of Awards, the Committee has the right to make computational adjustments to figures extracted from the audited financial statements of the Company or the Group, as the case may be, to take into account such factors as the Committee may determine to be relevant, including changes in accounting methods, taxes and extraordinary events, and the right to amend the performance target(s) if the Committee decides that amended performance target(s) would be a fairer measure of performance.

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2.7 Adjustments and alterations under the Scheme

2.7.1 Variation of Capital

If a variation in the issued ordinary share capital of the Company (whether by way of a capitalisation of profits or reserves or rights issue, reduction of capital, subdivision or consolidation of Shares, distribution or otherwise) shall take place, then:

- (a) the class and/or number of Shares which are the subject of an Award to the extent not yet vested; and/or
- (b) the class and/or number of Shares over which future Awards may be granted under the Scheme,

shall be adjusted in such manner as the Committee may determine at its discretion to be appropriate, which will not result in a Participant receiving a benefit that a Shareholder does not receive.

The issue of securities as consideration for an acquisition, a private placement of securities, or the cancellation of issued Shares purchased or acquired by the Company by way of a market purchase of such Shares undertaken by the Company on the SGX-ST during the period when a share purchase mandate granted by Shareholders (including any renewal of such mandate) is in force shall not normally be regarded as a circumstance requiring adjustment.

Any adjustment (except in relation to a capitalisation issue) must be confirmed in writing by the Auditors (acting only as experts and not arbitrators) to be in their opinion, fair and reasonable.

2.7.2 Modifications or Alterations to the Scheme

The rules of the Scheme may be modified or altered from time to time by a resolution of the Committee, subject to compliance with the Listing Manual and such other laws and regulations as may be necessary.

No modification or alteration shall be made to the rules of the Scheme to the advantage of the Participants except with the prior approval of Shareholders in general meeting. Further, no modification or alteration shall be made to the rules of the Scheme that will result in a Participant receiving a benefit that a Shareholder does not have.

2.8 Disclosures in annual reports

The following disclosures (as applicable) will be made by the Company in its annual report for so long as the Scheme continues in operation:

- (a) the names of the members of the Committee administering the Scheme; and
- (b) in respect of the following Participants of the Scheme:–
 - (i) Directors of the Company;
 - (ii) Controlling Shareholders and their Associates; and
 - (iii) Participants (other than those in paragraphs (i) and (ii) above) who have received Shares pursuant to the vesting of Awards granted under the Scheme which, in aggregate, represent 5% or more of the total number of Shares available under the Scheme,

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the following information:–

- (i) name of the Participant;
- (ii) aggregate number of Shares comprised in Awards granted to such Participant during the financial year under review (including terms);
- (iii) aggregate number of Shares comprised in Awards granted to such Participant since the commencement of the Scheme to the end of the financial year under review;
- (iv) aggregate number of Shares issued or transferred to such Participant pursuant to the vesting of Awards under the Scheme since the commencement of the Scheme to the end of the financial year under review; and
- (v) the aggregate number of Shares comprised in Awards which have not been vested as at the end of the financial year under review.

2.9 Role and composition of the Committee

The Committee shall be responsible for the administration of the Scheme and shall consist of Directors.

The Committee oversees executive development in the Group with the aim of building capable and committed management teams, through focused management and progressive policies which can attract and retain a pool of talented executives to meet the current and future growth of the Group.

The Committee shall have the power from time to time to make and vary such regulations (not being inconsistent with the Scheme) for the implementation and administration of the Scheme as it deems fit, provided that:–

- (a) any modification or alteration which would be to the advantage of Participants under the Scheme shall be subject to the prior approval of Shareholders in a general meeting;
- (b) the modification or alteration must be made in such a way that a Participant will not receive a benefit that a Shareholder does not receive; and
- (c) no modification or alteration shall be made without due compliance with the Listing Manual and such other laws and regulations as may be necessary.

Any decision of the Committee (including any decision pertaining to disputes as to the interpretation of the Scheme or any rule, regulation or procedure thereunder or as to any rights under the Scheme) made pursuant to any provision of the Scheme (other than a matter to be certified by the Auditors) shall be final, binding and conclusive.

In compliance with the requirements of the Listing Manual, any Participant of the Scheme who is a member of the Committee shall not be involved in its deliberations in respect of Awards granted or to be granted to that member of the Committee.

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2.10 Financial effects of the Scheme

2.10.1 Cost of Awards

As Participants are not required to pay for the grant of the Awards, such grant of Awards will have a financial effect on the Company.

Singapore Financial Reporting Standards (International) 2, Share-based Payments, requires the recognition of an expense in respect of Awards granted under the Scheme. Awards would be accounted for as equity-settled share-based transactions.

The fair value of employee services received in exchange for the grant of the Awards would be recognised as an expense in the income statement with a corresponding increase in a reserve account over the vesting period. The expenses will be based on the fair value of the Awards at the date of the grant and will be recognised over the expected vesting period. As at the end of each financial year, the Company will revise its estimated number of New Shares under the Awards that are expected to become exercisable on the vesting date recognising the effect of the revision of estimates in the income statement with a corresponding adjustment to the reserve account over the remaining vesting period. The expense recognised in the income statement also depends on whether or not the performance target attached to an Award is measured by reference to the market price of the Shares. This is known as a "market condition". If the performance target is a market condition, the probability of the performance target being met is taken into account in estimating the fair value of the Award granted at the date of grant, and no adjustments to the amounts charged to the income statement are made whether or not the market condition is met.

However, if the performance target is not a market condition, the fair value per share of the Awards granted at the date of grant is used to compute the expense to be recognised in the income statement at the end of each financial year, based on an assessment at that date of whether the non-market conditions would be met to enable the Awards to vest. Thus, where the vesting conditions do not include a market condition, there would be no cumulative expense recognised in the income statement if the Awards do not ultimately vest.

2.10.2 Share capital

The Scheme will result in an increase in the Company's issued share capital only if new Shares are issued to Participants. The number of New Shares issued will depend on, *inter alia*, the size of the Awards granted under the Scheme. However, if existing Shares are purchased for delivery to Participants in lieu of issuing New Shares to Participants, the Scheme will have no impact on the Company's issued share capital.

2.10.3 NTA

The Scheme will result in a charge to the Company's and Group's income statements which is equal to the fair value of the Awards over the period from the date of grant of the Awards to the vesting date. If New Shares are issued under the Scheme, the NTA of the Group and the Company would decrease by the amount charged. If existing Shares are purchased for delivery to Participants, the NTA of the Group and the Company would decrease by the cost of Shares purchased.

Although the Scheme will result in a charge to the income statement of the Company and the Group, it should be noted that Awards are granted only on a selective basis and will be granted to Participants whom the Company believes would have contributed or will contribute significant value to its success, including financial performance. In particular, the grant of Awards and delivery of Shares to Participants of the Scheme, are contingent upon the Participants meeting prescribed performance targets or delivering good work performance. Therefore Participants would have contributed to or will contribute to significant value add to the NTA of the Company and the Group before the Awards are granted and Shares delivered.

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2.10.4 EPS

The Scheme will result in a charge to earnings equivalent to the fair value of the Awards at the date of grant over the period from the date of grant of the Awards to the vesting date.

Although the Scheme will have a dilutive impact (to the extent that New Shares are issued pursuant to the Scheme) on the EPS of the Company and the Group, it should again be noted that the delivery of Shares to Participants under the Scheme will generally be contingent upon the Participants meeting the prescribed performance targets or delivering good work performance. Accordingly, the earnings of the Company and the Group should have grown before the Awards are granted and Shares delivered.

3. PROPOSED PARTICIPATION BY CONTROLLING SHAREHOLDERS AND THEIR ASSOCIATES AND NON-EXECUTIVE DIRECTORS IN THE OKP PERFORMANCE SHARE SCHEME

3.1 Rationale for participation by Controlling Shareholders and their Associates

Group Employees who are also Controlling Shareholders and their Associates should be remunerated for their contribution to the Group on the same basis as other Group Employees who are not Controlling Shareholders or Associates of Controlling Shareholders. Although Controlling Shareholders and their Associates already have shareholding interests in the Company, the extension of the Scheme to include them will ensure that they are equally entitled to take part and benefit from the same. The Scheme is intended to be part of the remuneration package for Group Employees and the Controlling Shareholders and their Associates should not be unduly discriminated against by virtue only of their existing shareholdings in the Company. The extension of the Scheme to Controlling Shareholders and their Associates will enhance the long-term commitment of such Controlling Shareholders and their Associates as they will continue to have a stake in the Company even if they sell down their existing Shares in the Company.

Eligible Controlling Shareholders and their Associates shall be treated equally for the purposes of the Scheme. Accordingly, the Scheme does not unduly favour such Controlling Shareholders or their Associates. The terms and conditions of the Scheme do not differentiate between eligible Controlling Shareholders and their Associates from other Participants. In this manner, the Scheme would not unduly favour such Controlling Shareholders or their Associates over other Participants.

Participation by Controlling Shareholders and their Associates allows the Company to propose a more balanced and flexible remuneration package which would link an employee's total remuneration to the results of the Company, and this would in turn increase shareholder value. The grant of Awards to eligible Controlling Shareholders and their Associates will act as an incentive for such persons to better their performance as the delivery of Shares pursuant to the Scheme is contingent upon prescribed performance targets and conditions being met or good work performance.

3.2 Rationale for participation by Mr Or Kim Peow

Mr Or Kim Peow is the Group Chairman of the Company and the founder of the Group. He is also a Controlling Shareholder of the Company (please refer to Section 4 of this Circular for details on his shareholding interest). He is responsible for the formulation of the Group's strategic directions and expansion plans, and managing the Group's overall business development. He has played a pivotal role in the growth and development of the Group.

The extension of the Scheme to Mr Or Kim Peow is consistent with the Company's objective to motivate its employees to achieve and maintain a high level of performance and contribution, which is vital to the success of the Company. Although he already has a substantial interest in the Company, the extension of the Scheme to him will ensure that he is equally entitled, with other Group Employees who are not Controlling Shareholders or their Associates, to take part in and benefit from this system of remuneration, thereby further enhancing his long-term commitment to the Company.

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Pursuant to Rule 853 of the Listing Manual, and subject to the adoption of the Scheme, Independent Shareholders' approval is sought for the participation by Mr Or Kim Peow in the Scheme.

The specific grant of Awards to any Controlling Shareholders or their Associates will have to be approved by Independent Shareholders of the Company in general meetings. The Company will seek Independent Shareholders' approval before granting any Award to Mr Or Kim Peow and will specify in the relevant resolution the number of Shares to be granted pursuant to such Award.

3.3 Rationale for participation by Mr Or Toh Wat

Mr Or Toh Wat is the Group Managing Director of the Company. He is the son of Mr Or Kim Peow, who is the Group Chairman and a Controlling Shareholder, and thus an Associate of a Controlling Shareholder. He is responsible for setting the Group's corporate directions and strategies, and overseeing the day-to-day management and business development of the Group. Mr Or Toh Wat has more than 27 years of experience in the construction industry.

The extension of the Scheme to Mr Or Toh Wat is consistent with the Company's objective to motivate its employees to achieve and maintain a high level of performance and contribution, which is vital to the success of the Company. Although Mr Or Toh Wat is an Associate of Controlling Shareholders, the extension of the Scheme to him will ensure that he is equally entitled, with other Group Employees who are not Controlling Shareholders or their Associates, to take part in and benefit from this system of remuneration, thereby further enhancing his long-term commitment to the Company.

Pursuant to Rule 853 of the Listing Manual, and subject to the adoption of the Scheme, Independent Shareholders' approval is sought for the participation by Mr Or Toh Wat in the Scheme.

The specific grant of Awards to any Controlling Shareholders or their Associates will have to be approved by Independent Shareholders of the Company in general meetings. The Company will seek Independent Shareholders' approval before granting any Award to Mr Or Toh Wat will specify in the relevant resolution the number of Shares to be granted pursuant to such Award.

3.4 Rationale for participation by Mdm Ang Beng Tin

Mdm Ang Beng Tin is an Executive Director of the Company. She is the spouse of Mr Or Kim Peow, who is the Group Chairman and a Controlling Shareholder, and thus an Associate of a Controlling Shareholder. Mdm Ang Beng Tin is responsible for managing employee relations, benefit programmes and insurance claims at Mr Or Kim Peow Contractors (Pte) Ltd, one of the Group's principal subsidiaries. Mdm Ang Beng Tin has more than 44 years of experience in administration and human resources.

The extension of the Scheme to Mdm Ang Beng Tin is consistent with the Company's objective to motivate its employees to achieve and maintain a high level of performance and contribution, which is vital to the success of the Company. Although Mdm Ang Beng Tin is an Associate of Controlling Shareholders, the extension of the Scheme to her will ensure that she is equally entitled, with other Group Employees who are not Controlling Shareholders or their Associates, to take part in and benefit from this system of remuneration, thereby further enhancing her long-term commitment to the Company.

Pursuant to Rule 853 of the Listing Manual, and subject to the adoption of the Scheme, Independent Shareholders' approval is sought for the participation by Mdm Ang Beng Tin in the Scheme.

The specific grant of Awards to any Controlling Shareholders or their Associates will have to be approved by Independent Shareholders of the Company in general meetings. The Company will seek Independent Shareholders' approval before granting any Award to Mdm Ang Beng Tin and will specify in the relevant resolution the number of Shares to be granted pursuant to such Award.

LETTER TO SHAREHOLDERS

3.5 Rationale for participation by Mr Or Kiam Meng

Mr Or Kiam Meng is an Executive Director of the Company. He is a son of Mr Or Kim Peow, who is the Group Chairman and a Controlling Shareholder, and thus an Associate of a Controlling Shareholder. Mr Or Kiam Meng oversees the daily site management and operations of Mr Or Kim Peow Contractors (Pte) Ltd, one of the Group's principal subsidiaries. Mr Or Kiam Meng has more than 33 years of experience in the construction industry.

The extension of the Scheme to Mr Or Kiam Meng is consistent with the Company's objective to motivate its employees to achieve and maintain a high level of performance and contribution, which is vital to the success of the Company. Although Mr Or Kiam Meng is an Associate of Controlling Shareholders, the extension of the Scheme to him will ensure that he is equally entitled, with other Group Employees who are not Controlling Shareholders or their Associates, to take part in and benefit from this system of remuneration, thereby further enhancing his long-term commitment to the Company.

Pursuant to Rule 853 of the Listing Manual, and subject to the adoption of the Scheme, Independent Shareholders' approval is sought for the participation by Mr Or Kiam Meng in the Scheme.

The specific grant of Awards to any Controlling Shareholders or their Associates will have to be approved by Independent Shareholders of the Company in general meetings. The Company will seek Independent Shareholders' approval before granting any Award to Mr Or Kiam Meng and will specify in the relevant resolution the number of Shares to be granted pursuant to such Award.

3.6 Rationale for participation by Mr Or Lay Huat Daniel

Mr Or Lay Huat Daniel is an Executive Director of the Company. He is a son of Mr Or Kim Peow, who is the Group Chairman and a Controlling Shareholder, and thus an Associate of a Controlling Shareholder. Mr Or Lay Huat Daniel is responsible for the business development and corporate communications of the Group.

The extension of the Scheme to Mr Or Lay Huat Daniel is consistent with the Company's objective to motivate its employees to achieve and maintain a high level of performance and contribution, which is vital to the success of the Company. Although Mr Or Lay Huat Daniel is an Associate of Controlling Shareholders, the extension of the Scheme to him will ensure that he is equally entitled, with other Group Employees who are not Controlling Shareholders or their Associates, to take part in and benefit from this system of remuneration, thereby further enhancing his long-term commitment to the Company.

Pursuant to Rule 853 of the Listing Manual, and subject to the adoption of the Scheme, Independent Shareholders' approval is sought for the participation by Mr Or Lay Huat Daniel in the Scheme.

The specific grant of Awards to any Controlling Shareholders or their Associates will have to be approved by Independent Shareholders of the Company in general meetings. The Company will seek Independent Shareholders' approval before granting any Award to Mr Or Lay Huat Daniel and will specify in the relevant resolution the number of Shares to be granted pursuant to such Award.

3.7 Rationale for participation by Non-Executive Directors

While the Scheme caters principally to Group Employees, it is recognised that there are other persons who make significant contributions to the Group through their close working relationships with the Group, even though they are not employed within the Group. Such persons include the Non-Executive Directors.

The Non-Executive Directors are persons from different professions and working backgrounds, bringing to the Group their wealth of knowledge, business expertise and contacts in the business community. They play an important role in helping the Group shape its business strategy by allowing the Group to draw on their diverse backgrounds and working experience. It is crucial for the Group to attract, retain and incentivise the Non-Executive Directors. By aligning the interests of the Non-Executive Directors with the interests of Shareholders, the Company aims to inculcate a sense of commitment on the part of the Non-Executive Directors towards serving the short and long-term objectives of the Group.

LETTER TO SHAREHOLDERS

The Directors are of the view that including the Non-Executive Directors in the Scheme will show the Company's appreciation for, and further motivate them in their contribution towards the success of the Group. However, as their services and contributions cannot be measured in the same way as the full-time employees of the Group, while it is desired that participation in the Scheme be made open to the Non-Executive Directors, any Awards that may be granted to any such Non-Executive Director would be intended only as a token of the Company's appreciation.

For the purpose of assessing the contributions of the Non-Executive Directors, the Committee will propose a performance framework comprising mainly non-financial performance measurement criteria such as the extent of involvement and responsibilities shouldered by the Non-Executive Directors. In addition, the Committee will also consider the scope of advice given and the number of contacts and size of deals which the Group is able to procure from the contacts and recommendations of the Non-Executive Directors. The Committee may also decide that no Awards shall be made in any financial year, or no grant or Award may be made at all.

It is envisaged that the vesting of Awards, and hence the number of Shares to be delivered to the Non-Executive Directors based on the criteria set out above will be relatively small, in terms of frequency and numbers. It is envisaged that the aggregate number of Shares set aside for the Non-Executive Directors (if any) will not exceed 5% of the Shares available under the Scheme. Based on this, the Directors are of the view that the participation by the Non-Executive Directors in the Scheme will not compromise the independent status of those who are Independent Directors.

4. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

The interests of the Directors and substantial Shareholders in the Shares of the Company, as recorded in the Company's Register of Directors' Shareholdings and Register of Substantial Shareholders as at the Latest Practicable Date, are set out below:

	Direct Interest		Deemed Interest	
	Number of Shares	%	Number of Shares	%
Directors				
Or Kim Peow ⁽¹⁾	757,000	0.25	168,566,910	54.65
Or Toh Wat	322,000	0.10	–	–
Ang Beng Tin	323,500	0.10	–	–
Or Kiam Meng	322,000	0.10	–	–
Oh Enc Nam	133,000	0.04	–	–
Or Lay Huat Daniel	322,000	0.10	–	–
Chen Seow Phun, John ⁽²⁾	–	–	38,000	0.01
Substantial Shareholders (other than Directors)				
Or Kim Peow Investments Pte Ltd	168,566,910	54.65	–	–
CS International (S) Pte. Ltd. ⁽³⁾	43,125,000	13.98	–	–

Notes:

- (1) Mr Or Kim Peow is deemed to have an interest in the 168,566,910 Shares held by Or Kim Peow Investments Pte Ltd by virtue of Section 7 of the Companies Act.
- (2) Dr Chen Seow Phun, John is deemed to have an interest in the 38,000 Shares held by his wife, Mdm Lim Kok Huang, by virtue of Section 164(15) of the Companies Act.
- (3) China Sonangol International Limited, Fung Yuen Kwan Veronica, Lo Fong Hung, Newtech Holdings Limited, New Bright International Development Limited and Sonangol E.P. are each deemed to be interested in the Shares held by CS International (S) Pte. Ltd. by virtue of Section 7 of the Companies Act.

LETTER TO SHAREHOLDERS

5. DIRECTORS' RECOMMENDATIONS

All the Directors will be eligible to participate in the Scheme and have therefore refrained from making any recommendation to the Shareholders on all the Ordinary Resolutions as set out in the Notice of EGM due to their interest in the Scheme.

6. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on pages 27 and 28 of this Circular, will be held at 30 Tagore Lane Singapore 787484 on 29 April 2019 at 12.00 pm (or upon the conclusion or adjournment of the Annual General Meeting of the Company to be held at 11.00 am on the same day and at the same place) for the purpose of considering and, if thought fit, passing with or without modifications the resolutions set out in the Notice of EGM.

7. ACTION TO BE TAKEN BY SHAREHOLDERS

7.1 Appointment of proxies

Shareholders who are unable to attend the EGM and who wish to appoint a proxy to attend on their behalf are requested to complete, sign and return the Proxy Form attached to this Circular in accordance with the instructions printed thereon as soon as possible and, in any event, so as to reach the registered office of the Company not less than 72 hours before the time fixed for the EGM. The completion and lodgement of the Proxy Form by a Shareholder will not prevent him from attending and voting at the EGM in person if he so wishes.

7.2 When Depositor is regarded as Shareholder

A Depositor shall not be regarded as a Shareholder of the Company entitled to attend the EGM and to speak and vote thereat unless his name appears on the Depository Register as at 72 hours before the EGM.

7.3 Abstention from voting

Any Shareholder entitled to participate or who is interested in the Scheme should abstain from voting at the EGM in respect of all the Ordinary Resolutions as set out in the Notice of EGM. Such Shareholders should also not accept appointment as proxies to vote on any of the Ordinary Resolutions, unless the Shareholder concerned has given specific instructions in the Proxy Form as to the manner in which his votes are to be cast in respect of the relevant Ordinary Resolutions.

Subject to Shareholders' approval to be sought at the EGM, the Directors will be eligible to participate in and are therefore interested in the Scheme. The Directors and their Associates who are Shareholders, shall abstain from voting in respect of all the Ordinary Resolutions as set out in the Notice of EGM. The Directors and their Associates will also not accept appointment as proxies to vote on any of the Ordinary Resolutions, unless the Shareholder concerned has given specific instructions in the Proxy Form as to the manner in which his votes are to be cast in respect of the relevant Ordinary Resolutions.

LETTER TO SHAREHOLDERS

8. 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 adoption of the OKP Performance Share Scheme, the proposed participation by a Controlling Shareholder and his Associates in the Scheme, 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 this 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.

9. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents are available for inspection at the registered office of the Company at 30 Tagore Lane Singapore 787484 during normal business hours from the date of this Circular up to the date of the EGM:

- (a) the Annual Report of the Company for the financial year ended 31 December 2018;
- (b) the Constitution of the Company; and
- (c) the Rules of the OKP Performance Share Scheme.

Yours faithfully
For and on behalf of the Board of Directors of
OKP HOLDINGS LIMITED

Or Kim Peow
Group Chairman

APPENDIX

– RULES OF THE OKP PERFORMANCE SHARE SCHEME

1. NAME OF THE SCHEME

The Scheme shall be called the “OKP Performance Share Scheme”.

2. DEFINITIONS

2.1 In this Scheme, unless the context otherwise requires, the following words and expressions shall have the following meanings:

“Adoption Date”	: The date on which the Scheme is adopted by the Company in general meeting
“Associate”	: Shall have the meaning ascribed to the term in the Listing Manual
“Auditors”	: The auditors for the time being of the Company
“Award”	: An award of Shares granted under the Scheme
“Board”	: The board of Directors of the Company for the time being
“CDP”	: The Central Depository (Pte) Limited
“Commencement Date”	: The date for the commencement of the Scheme
“Committee”	: A committee comprising Directors duly authorised and appointed by the Board to administer the Scheme
“Companies Act”	: The Companies Act (Chapter 50) of Singapore, as amended, modified or supplemented from time to time
“Company”	: OKP Holdings Limited
“Controlling Shareholder”	: A person who:– (a) holds directly or indirectly 15% or more of the total voting rights in the Company (although the SGX-ST may determine that a person who satisfies this paragraph is not a Controlling Shareholder); or (b) in fact exercises control over the Company
“Director”	: A director of the Company for the time being
“Group”	: The Company and its subsidiaries
“Group Employee”	: Any employee of the Group (including any Group Executive Director) selected by the Committee to participate in the Scheme in accordance with the provisions thereof
“Group Executive Director”	: A director of the Company or any of its subsidiaries, as the case may be, who performs an executive function
“OKP Performance Share Scheme” or “Scheme”	: The OKP Performance Share Scheme, as amended, modified or supplemented from time to time

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“Listing Manual”	: The listing manual of the SGX-ST, as amended, modified or supplemented from time to time
“Market Day”	: A day on which the SGX-ST is open for trading in securities
“New Shares”	: The new Shares which may be allotted and issued from time to time pursuant to the vesting of Awards granted under the Scheme
“Non-Executive Director”	: A director of the Company or any of its subsidiaries, as the case may be, other than a Group Executive Director
“Participant”	: A person who is selected by the Committee to participate in the Scheme in accordance with the provisions of the Scheme
“Performance Targets”	: The performance targets prescribed by the Committee to be fulfilled by a Participant for any particular period under the Scheme
“Rules”	: The rules of the Scheme, as the same may be amended, modified or supplemented from time to time
“Securities and Futures Act”	: Securities and Futures Act (Chapter 289) of Singapore, as amended, modified or supplemented from time to time
“SGX-ST”	: Singapore Exchange Securities Trading Limited
“Shareholders”	: Registered holders of Shares except that where the registered holder is CDP, the term “Shareholders” shall, in relation to such Shares, mean the persons to whose securities accounts maintained with CDP are credited with the Shares
“Shares”	: Ordinary shares in the capital of the Company
“subsidiary”	: Shall have the meaning ascribed to it in Section 5 of the Companies Act
“subsidiary holdings”	: Shall mean shares referred to in Sections 21(4), 21(4B), 21(6A) and 21(6C) of the Companies Act
“treasury shares”	: Shall have the meaning ascribed to it in Section 4 of the Companies Act
“\$” and “cents”	: Singapore dollars and cents respectively
“%” or percent	: Percentage or per centum

2.2 The terms “Depositor”, “Depository Agent” and “Depository Register” shall have the meanings ascribed to them respectively in Section 81SF of the Securities and Futures Act.

2.3 Any reference in the Scheme or the Rules to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act, the Securities and Futures Act or any statutory modification thereof or the Listing Manual and used in the Scheme and the Rules shall have the meaning assigned to it under the Companies Act, the Securities and Futures Act or any statutory modification thereof or the Listing Manual, as the case may be.

2.4 Words importing the singular number shall include the plural number where the context admits and vice versa. Words importing the masculine gender shall include the feminine gender where the context admits.

2.5 Any reference to a time of day shall be a reference to Singapore time.

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– RULES OF THE OKP PERFORMANCE SHARE SCHEME

3. OBJECTIVES

The purpose of the Scheme is to provide an opportunity for Group Employees and Group Executive Directors who have met the Performance Targets to be enumerated through an equity stake in the Company or when due recognition should be given for any good work performance or significant contribution to the Company as well as for Group Employees to receive part of their annual cash bonus payment in the form of Shares. The Scheme is also extended to Non-Executive Directors.

The Company believes that the retention of outstanding employees within the Group is paramount to the Group's long-term objectives of pursuing continuous growth and expansion in its future business and operations. Furthermore, the Group acknowledges the importance of preserving financial resources for future business development and to withstand difficult times. In the light of this, the Group's strategy is to contain the remuneration of its employees and executives which constitutes a major component of the Group's operating costs.

The Scheme is formulated with those objectives in mind. Through the Scheme, the Company hopes to be able to remain an attractive and competitive employer, and to be better able to manage its fixed overhead costs without compromising on performance standards and efficiency.

4. ELIGIBILITY

- 4.1 The following persons (provided that such persons are not undischarged bankrupts at the relevant time and have attained the age of 21 years on or before the date of grant of the Award) shall be eligible to participate in the Scheme at the absolute discretion of the Committee:–
- (a) Group Employees (including Group Executive Directors);
 - (b) Non-Executive Directors (including independent Directors); and
 - (c) subject to Rule 4.2, Controlling Shareholders and their Associates.
- 4.2 Controlling Shareholders and their Associates shall be eligible to participate in the Scheme. However, the aggregate number of Shares available to Controlling Shareholders and their Associates must not exceed 25% of the Shares available under the Scheme. The number of Shares available to each Controlling Shareholder or his Associate must also not exceed 10% of the Shares available under the Scheme. Participation in the Scheme by Controlling Shareholders and their Associates must be approved by independent shareholders of the Company and a separate resolution must be passed for each such person and to approve the actual number and terms of Awards to be granted to such person.
- 4.3 For the purposes of determining eligibility to participate in the Scheme, the secondment of a Group Employee to another company within the Group shall not be regarded as a break in his employment or his having ceased by reason only of such secondment to be a full-time employee of the Group.
- 4.4 There shall be no restriction on the eligibility of any Participant to participate in any other share option or share incentive schemes implemented by the Company or any other company within the Group.
- 4.5 Subject to the Companies Act and any requirement of the SGX-ST, the terms of eligibility for participation in the Scheme may be amended from time to time at the absolute discretion of the Committee.

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– RULES OF THE OKP PERFORMANCE SHARE SCHEME

5. LIMITATIONS UNDER THE SCHEME

- 5.1 The Company will be delivering Shares pursuant to the Awards granted under the Scheme in the form of existing Shares held as treasury shares or by issuing of New Shares. In determining whether to issue New Shares or to purchase existing Shares for delivery to Participants upon the vesting of their Awards, the Company will take into account factors such as the number of Shares to be delivered, the prevailing market price of the Shares and the financial effect on the Company of either issuing New Shares or purchasing existing Shares.
- 5.2 Awards may only be vested and consequently any Shares comprised in such Awards shall only be delivered upon (i) the Committee being satisfied that the Participant has achieved the Performance Targets or due recognition should be given for good work performance or significant contribution to the Company or (ii) the Company decides to pay part of a Group Employee's annual cash bonus payment in the form of Shares.
- 5.3 The aggregate number of Shares over which the Committee may grant Awards on any date, when added to the number of Shares issued and issuable in respect of all Awards granted under the Scheme and all other Shares issued and issuable under any other share-based incentive schemes of the Company for the time being in force, shall not exceed 15% of the total number of issued Shares of the Company (excluding treasury shares and subsidiary holdings) on the day preceding that date.

6. DATE OF GRANT

The Committee may grant Awards at any time in the course of a financial year, provided that in the event that an announcement on any matter of an exceptional nature involving unpublished price sensitive information is imminent, Awards may only be vested and hence any Shares comprised in such Awards may only be delivered on or after the second Market Day from the date on which the aforesaid announcement is made.

7. AWARDS

- 7.1 Awards are personal to the Participant to whom it is given and shall not be transferred (other than to a Participant's personal representative on the death of that Participant), charged, assigned, pledged or otherwise disposed of, in whole or in part, unless with the prior approval of the Committee.
- 7.2 Once an Award is finalised by the Committee, the Committee shall send an Award letter to the Participant confirming the said Award. The said Award letter shall specify, *inter alia*, the following:
- (a) in relation to a performance-related Award, the Performance Target(s) for the Participant and the performance period during which the Performance Target(s) are to be satisfied;
 - (b) the number of Shares to be vested on the Participant; and
 - (c) the date by which the Award shall be vested.
- 7.3 The Committee shall take into account various factors when determining the method to arrive at the exact number of Shares comprised in an Award. Such factors include, but are not limited to, the current price of the Shares, the total issued share capital of the Company and the pre-determined dollar amount which the Committee decides that a Participant deserves for meeting his Performance Targets. For example, Shares may be awarded based on pre-determined dollar amounts such that the quantum of Shares comprised in Awards is dependent on the closing price of Shares transacted on the Market Day the Award is vested. Alternatively, the Committee may decide absolute numbers of Shares to be awarded to Participants irrespective of the price of the Shares. The Committee shall monitor the grant of Awards carefully to ensure that the size of the Scheme will comply with the relevant rules of the SGX-ST.

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7.4 The Committee has the right to amend the Performance Target(s) if the Committee decides that it would be a fairer measure of the performance of a Participant or for the Scheme as a whole. The Committee shall have the sole discretion to determine whether Performance Target(s) have been met (whether fully or partially) or exceeded or whether the Participant's performance or contribution to the Company or any of its subsidiaries justifies the vesting of an Award. In making any such determination, the Committee shall have the right to take into account such factors as the Committee may in its sole discretion determine to be relevant, and further, the right to amend the service conditions or Performance Target(s), if any, if the Committee decides that it would be more equitable to do so.

8. VESTING OF THE AWARDS

8.1 Notwithstanding that a Participant may have met his Performance Targets, no Awards shall be vested:–

- (a) upon the bankruptcy of the Participant or the happening of any other event which results in his being deprived of the legal or beneficial ownership of such Award;
- (b) in the event of any misconduct on the part of the Participant as determined by the Committee in its discretion;
- (c) in the event of an order being made or a resolution being passed for the winding up of the Company; or
- (d) in the event that the Committee shall, at its discretion, deem it appropriate that such Award to be given to a Participant shall so lapse on the grounds that any of the objectives of the Scheme (as set out in Rule 3) have not been met.

8.2 A Participant shall be entitled to an Award so long as he has met the Performance Targets notwithstanding that he may have ceased to be employed by the Group after the fulfilment of such Performance Targets. For the purpose of this Rule 8.2, the Participant may cease to be so employed in any of the following events, namely:–

- (a) through ill health, injury or disability (in each case, evidenced to the satisfaction of the Committee);
- (b) redundancy;
- (c) retirement at or after the legal retirement age;
- (d) retirement before the legal retirement age with the consent of the Committee; or
- (e) any other reason approved by the Committee.

8.3 If before the vesting of an Award, any of the following occurs:–

- (a) a take-over offer for the Shares becomes or is declared unconditional; or
- (b) a compromise or arrangement proposed for the purposes of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with another company or companies being approved by Shareholders of the Company or sanctioned by the applicable courts under applicable legislation; or

the Committee will consider, at its discretion, and subject to any legal or regulatory requirements, whether or not to release the Award, and will take into account all circumstances on a case-by-case basis, including (but not limited to) the contributions made by that Participant. If the Committee decides to release the Award, then in determining the number of Shares to be vested in respect of such Award, the Committee will have regard to the extent to which the Performance Target(s) has been satisfied and any legal or regulatory requirements.

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– RULES OF THE OKP PERFORMANCE SHARE SCHEME

9. SHARES

- 9.1 Subject to such consents or other required action of any competent authority under any regulations or enactments for the time being in force as may be necessary and subject to the compliance with the terms of the Scheme and the Constitution of the Company, the Company shall within ten Market Days after the vesting of an Award, allot and issue the relevant Shares and despatch to CDP the relevant share certificates by ordinary post or such other mode as the Committee may deem fit, or in the case of a transfer of treasury shares, do such acts or things as may be necessary for the transfer to be effective.
- 9.2 The Company shall, as soon as practicable after allotment, where necessary, apply to the SGX-ST for the permission to deal in and for quotation of the relevant New Shares.
- 9.3 New Shares which are the subject of an Award shall be issued in the name of CDP for the credit of the securities account of that Participant maintained with CDP or the securities sub-account maintained with a Depository Agent.
- 9.3 Shares delivered upon the vesting of an Award shall be subject to all the provisions of the Constitution of the Company, and shall rank in full for all entitlements, excluding dividends or other distributions declared or recommended in respect of the then existing Shares, the Record Date for which falls on or before the date of issue of New Shares or the date of transfer of treasury shares pursuant to the vesting of the Award, and shall in all other respects (including voting and other rights) rank *pari passu* with other existing Shares then in issue. **“Record Date”** means the date fixed by the Company for the purposes of determining entitlements to dividends or other distributions to or rights of holders of Shares.
- 9.4 Shares which are allotted, and/or treasury shares which are transferred, on the vesting of an Award to a Participant, may be subject to such moratorium as may be imposed by the Committee.

10. VARIATION OF CAPITAL

- 10.1 If a variation in the issued ordinary share capital of the Company (whether by way of a capitalisation of profits or reserves or rights issue, reduction of capital, subdivision or consolidation of Shares, distribution or otherwise) shall take place, then:–
- (a) the class and/or number of Shares which are the subject of an Award to the extent not yet vested; and/or
 - (b) the class and/or number of Shares over which future Awards may be granted under the Scheme,
- shall be adjusted in such manner as the Committee may determine at its discretion to be appropriate and, except in relation to a capitalisation issue, upon the Auditors (acting as experts and not as arbitrators) having confirmed in writing that in their opinion such adjustment is fair and reasonable.
- 10.2 Unless the Committee considers an adjustment to be appropriate, the following (whether singly or in combination) shall not be regarded as events requiring adjustment:–
- (a) the issue of securities as consideration for an acquisition or a private placement of securities;
 - (b) any increase in the number of issued Shares as a consequence of the exercise of any options or other convertible of any loan stock or any other securities convertible into Shares or subscription rights of any warrants issued from time to time by the Company entitling holders thereof to acquire new Shares in the capital of the Company;

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- (c) any increase in the number of issued Shares as a consequence of the delivery of Shares pursuant to the vesting of Awards from time to time by the Company or through any other share-based incentive schemes implemented by the Company;
- (d) any issue of Shares pursuant to any scrip dividend scheme for the time being of the Company; or
- (e) any reduction in the number of issued Shares as a result of the cancellation of issued Shares purchased or acquired by the Company by way of a market purchase of such Shares undertaken by the Company on the SGX-ST during the period when a share purchase mandate granted by Shareholders (including any renewal of such mandate) is in force.

10.3 Notwithstanding the provisions of Rules 10.1 and 10.2, no adjustment shall be made:–

- (a) if as a result of such adjustment, the Participant receives a benefit that a Shareholder does not receive; or
- (b) if such adjustment will result in the aggregate number of Shares available under the Scheme, when added to the number of Shares issued and issuable under any other share-based incentive schemes of the Company for the time being in force, to exceed 15% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) of the Company from time to time.

10.4 Upon any adjustment required to be made pursuant to this Rule 10, the Company shall notify the Participant (or his duly appointed personal representatives where applicable) in writing and deliver to him (or his duly appointed personal representatives where applicable) a statement setting forth the class and/or number of Shares thereafter to be issued pursuant to the grant of an Award. Any adjustment shall take effect upon such written notification being given.

11. ADMINISTRATION OF THE SCHEME

11.1 The Scheme shall be administered by the Committee in its absolute discretion with such powers and duties as are conferred on it by the Board, provided that no member of the Committee shall participate in any deliberation or decision in respect of Awards granted or to be granted to him.

11.2 The Committee shall have the power, from time to time, to make and vary such rules (not being inconsistent with the Scheme) for the implementation and administration of the Scheme as they think fit including, but not limited to:

- (a) imposing restrictions on the number of Awards that may be vested within each financial year; or
- (b) amending Performance Targets if by so doing, it would be a fairer measure of performance for a Participant or for the Scheme as a whole.

11.3 Any decision of the Committee (including any decision pertaining to disputes as to the interpretation of the Scheme or any rule, regulation or procedure thereunder or as to any rights under the Scheme) made pursuant to any provision of the Scheme (other than a matter to be certified by the Auditors) shall be final, binding and conclusive.

12. NOTICES AND ANNUAL REPORT

12.1 Any notice required to be given by a Participant to the Company shall be sent or made to the registered office of the Company or such other addresses as may be notified by the Company to him in writing. Any notice or other communication from a Participant to the Company shall be irrevocable, and shall not be effective until received by the Company.

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– RULES OF THE OKP PERFORMANCE SHARE SCHEME

12.2 Any notices or documents required to be given to a Participant or any correspondence to be made between the Company and the Participant shall be given or made by the Committee (or such person(s) as it may from time to time direct) on behalf of the Company and shall be delivered to him by hand or sent to him at his home address according to the records of the Company or at the last known address of the Participant and if sent by post, shall be deemed to have been given on the day following the date of posting.

12.3 The Company shall disclose the following in its annual report as long as the Scheme continues in operation:

- (a) the names of the members of the Committee administering the Scheme;
- (b) the information required in the table below for the following Participants:
 - (i) Directors of the Company;
 - (ii) Controlling Shareholders and their Associates; and
 - (iii) Participants other than those in (i) and (ii) above, who received Shares pursuant to the vesting of the Awards granted under the Scheme which, in aggregate, represent 5% or more of the total number of Shares available under the Scheme;

Name of Participant	Number of Shares comprised in Awards during financial year under review (including terms)	Aggregate number of Shares comprised in Awards from commencement of Scheme to end of financial year under review	Number of Shares comprised in Awards which have been issued and/or transferred since commencement of financial year under review	Number of Shares comprised in Awards not vested as at end of financial year under review

- (c) such other information as may be required by the Listing Manual or the Companies Act.

If any of the above is not applicable, an appropriate negative statement shall be included.

13. MODIFICATIONS TO THE SCHEME

13.1 Any or all the provisions of the Scheme may be modified and/or altered at any time and from time to time by resolution of the Committee, except that:

- (a) any modification or alteration which would be to the advantage of Participants under the Scheme shall be subject to the prior approval of Shareholders in a general meeting;
- (b) the modification or alteration must be made in such a way that a Participant will not receive a benefit that a Shareholder does not receive; and
- (c) no modification or alteration shall be made without due compliance with the Listing Manual and such other laws and regulations as may be necessary.

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– RULES OF THE OKP PERFORMANCE SHARE SCHEME

13.2 The Committee may at any time by resolution (and without other formality, save for the prior approval of the SGX-ST or such other regulatory authorities as may be necessary) amend or alter the rules or provisions of the Scheme in any way to the extent necessary to cause the Scheme to comply with any statutory provision or the requirements of any regulatory or other relevant authority or body (including the SGX-ST).

13.3 Written notice of any modification or alteration made in accordance with this Rule 13 shall be given to all Participants.

14. TERMS OF EMPLOYMENT UNAFFECTED

The terms of employment of a Participant (who is a Group Employee) shall not be affected by his participation in the Scheme, which shall neither form part of such terms nor entitle him to take into account such participation in calculating any compensation or damages on the termination of his employment for any reason.

15. DURATION OF THE SCHEME

15.1 The Scheme shall continue to be in force at the discretion of the Committee, subject to a maximum period of ten years commencing on the Adoption Date, provided always that the Scheme may continue beyond the above stipulated period with the approval of Shareholders by ordinary resolution in general meeting and of any relevant authorities which may then be required.

15.2 The Scheme may be terminated at any time at the discretion of the Committee or by an ordinary resolution of the Company in general meeting, subject to all other relevant approvals which may be required and if the Scheme is so terminated, no further Awards shall be granted by the Company thereunder.

15.3 The termination or expiry of the Scheme shall not affect Awards which have been granted prior to such termination or expiry and such Awards shall continue to remain valid.

16. TAXES

All taxes (including income tax) arising from the grant and/or vesting of Awards to any Participant under the Scheme shall be borne by that Participant.

17. COSTS AND EXPENSES

17.1 Each Participant shall be responsible for all fees of CDP relating to or in connection with the allotment and issue or transfer of any Shares pursuant to the vesting of Awards in CDP's name, the deposit of share certificate(s) with CDP, the Participant's securities account with CDP, or the Participant's securities sub-account with a CDP Depository Agent.

17.2 Save for the taxes referred to in Rule 16 and such other costs and expenses expressly provided in the Scheme to be payable by the Participants, all fees, costs and expenses incurred by the Company in relation to the Scheme including but not limited to the fees, costs and expenses relating to the allotment, issue and/or delivery of Shares pursuant to the vesting of Awards shall be borne by the Company.

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18. DISCLAIMER OF LIABILITY

Notwithstanding any provisions herein contained, the Board, the Committee and the Company shall not under any circumstances be held liable for any costs, losses, expenses and damages whatsoever and howsoever arising in any event, including but not limited to the Company's delay in issuing or transferring the Shares or applying for or procuring the listing of the Shares on the SGX-ST.

19. DISPUTES

Any disputes or differences of any nature arising hereunder shall be referred to the Committee and its decision shall be final, binding and conclusive in all respects.

20. CONDITION OF AWARDS

Every Award shall be subject to the condition that no Shares shall be issued or transferred pursuant to the vesting of any Award if such issue or transfer would be contrary to any law or enactment, or any rules or regulations of any legislative or non-legislative governing body for the time being in force in Singapore or any other relevant country having jurisdiction in relation to the issue or transfer of Shares hereto.

21. GOVERNING LAW

The Scheme shall be governed by, and construed in accordance with, the laws of the Republic of Singapore. The Participants, by accepting Awards in accordance with the Scheme, and the Company irrevocably submit to the exclusive jurisdiction of the courts of the Republic of Singapore.

22. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT (CHAPTER 53B)

No person other than the Company or a Participant shall have any right to enforce any provision of the Scheme or any Award by the virtue of the Contracts (Rights of Third Parties) Act (Chapter 53B) of Singapore.

NOTICE OF EXTRAORDINARY GENERAL MEETING

OKP HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 200201165G)

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of OKP Holdings Limited (the “**Company**”) will be held at 30 Tagore Lane Singapore 787484 on 29 April 2019 at 12.00 pm (or upon conclusion or adjournment of the Annual General Meeting of the Company to be held at 11.00 am on the same day and at the same place), for the purpose of considering and, if thought fit, passing with or without modifications, the following Ordinary Resolutions:–

*All capitalised terms herein shall bear the meanings ascribed to them in the circular to shareholders of the Company dated 1 April 2019 (the “**Circular**”), unless defined herein.*

ORDINARY RESOLUTION 1

PROPOSED ADOPTION OF THE OKP PERFORMANCE SHARE SCHEME

That:

- (a) a new performance share scheme to be known as the “OKP Performance Share Scheme” (the “**Scheme**”), the details and rules of which are set out in Appendix I of the Circular, under which awards (the “**Awards**”) of fully-paid ordinary shares in the capital of the Company (“**Shares**”) in the form of existing Shares held as treasury shares and/or new Shares, will be delivered free of charge, to selected employees of the Company and its subsidiaries and other selected participants, be and is hereby approved and adopted;
- (b) the Directors of the Company be and are hereby authorised to establish and administer the Scheme and to modify, amend and/or supplement the Scheme from time to time, provided that such modification, amendment and/or supplement is effected in accordance with the provisions of the Scheme, and to do all such acts and to enter into all such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the Scheme; and
- (c) the Directors of the Company be and are hereby authorised to grant Awards in accordance with the provisions of the Scheme and to deliver from time to time such number of fully-paid Shares, by transferring existing Shares held as treasury Shares and/or allotting and issuing new Shares, as may be required to be delivered pursuant to the vesting of the Awards under the Scheme, provided that the aggregate number of Shares delivered under the Scheme, when added to the number of Shares issued and issuable in respect of all Awards granted under the Scheme and all other Shares issued and issuable under any other share-based incentive schemes of the Company for the time being in force, shall not exceed 15% of the total number of issued Shares of the Company (excluding treasury shares and subsidiary holdings) from time to time.

ORDINARY RESOLUTION 2

PROPOSED PARTICIPATION BY OR MR KIM PEOW IN THE SCHEME

That subject to and contingent upon the passing of Ordinary Resolution 1, the participation of Mr Or Kim Peow, a Controlling Shareholder of the Company, in the Scheme be and is hereby approved.

ORDINARY RESOLUTION 3

PROPOSED PARTICIPATION BY OR MR TOH WAT IN THE SCHEME

That subject to and contingent upon the passing of Ordinary Resolution 1, the participation of Mr Or Toh Wat, an Associate of a Controlling Shareholder of the Company, in the Scheme be and is hereby approved.

ORDINARY RESOLUTION 4

PROPOSED PARTICIPATION BY MDM ANG BENG TIN IN THE SCHEME

That subject to and contingent upon the passing of Ordinary Resolution 1, the participation of Mdm Ang Beng Tin, an Associate of a Controlling Shareholder of the Company, in the Scheme be and is hereby approved.

NOTICE OF EXTRAORDINARY GENERAL MEETING

ORDINARY RESOLUTION 5 PROPOSED PARTICIPATION BY MR OR KIAM MENG IN THE SCHEME

That subject to and contingent upon the passing of Ordinary Resolution 1, the participation of Mr Or Kiam Meng, an Associate of a Controlling Shareholder of the Company, in the Scheme be and is hereby approved.

ORDINARY RESOLUTION 6 PROPOSED PARTICIPATION BY MR OR LAY HUAT DANIEL IN THE SCHEME

That subject to and contingent upon the passing of Ordinary Resolution 1, the participation of Mr Or Lay Huat Daniel, an Associate of a Controlling Shareholder of the Company, in the Scheme be and is hereby approved.

By Order of the Board

Vincent Lim
Company Secretary
Singapore
1 April 2019

Notes:

- (1) Unless otherwise permitted under the Companies Act, Chapter 50 of Singapore (the "**Companies Act**"), a member of the Company entitled to attend and vote at the Extraordinary General Meeting ("**EGM**") may appoint not more than two proxies to attend and vote in his stead. A proxy need not be a member of the Company.
- (2) Where a member appoints more than one proxy, he shall specify the proportion of his shareholding to be represented by each proxy in the instrument appointing the proxies.
- (3) A member who is a relevant intermediary (as defined in the Companies Act) may appoint more than two proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member.
- (4) If the member is a corporation, the instrument appointing the proxy must be executed under its common seal or signed by its duly authorised officer or attorney.
- (5) The duly executed instrument appointing a proxy or proxies must be deposited at the Registered Office of the Company at 30 Tagore Lane Singapore 787484, not less than 72 hours before the time appointed for holding the EGM.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (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 (collectively, the "**Purposes**"), and (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

OKP HOLDINGS LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No. 200201165G)

PROXY FORM

IMPORTANT

For investors who have used their CPF moneys to buy shares of OKP Holdings Limited, this Proxy Form is not valid for use by such CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them. Such CPF investors should contact their respective agent banks if they have any queries regarding their appointment as proxies.

I/We _____ (Name) _____ (NRIC/Passport/Registration Number)

of _____ (Address)

being a member/members of OKP HOLDINGS LIMITED (the "Company") hereby appoint:

Name	Address	NRIC / Passport Number	Proportion of Shareholdings (%)

and/or (delete as appropriate)

Name	Address	NRIC / Passport Number	Proportion of Shareholdings (%)

or failing the person or both of the persons above, the Chairman of the Meeting as my/our proxy/proxies to attend and to vote for me/us on my/our behalf, at the Extraordinary General Meeting of the Company to be held at 30 Tagore Lane Singapore 787484 on Monday, 29 April 2019 at 12.00 pm (or such time immediately following the conclusion or adjournment of the Annual General Meeting of the Company to be held at 11.00 am on the same day and at the same place) and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the resolution to be proposed at the Meeting as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting at his/her/their discretion, as he/she/they will on any other matter arising at the Meeting and at any adjournment thereof.

No.	Ordinary Resolutions	For	Against
1.	To approve the adoption of the proposed OKP Performance Share Scheme ("Scheme")		
2.	To approve the proposed participation by Mr Or Kim Peow in the Scheme		
3.	To approve the proposed participation by Mr Or Toh Wat in the Scheme		
4.	To approve the proposed participation by Mdm Ang Beng Tin in the Scheme		
5.	To approve the proposed participation by Mr Or Kiam Meng in the Scheme		
6.	To approve the proposed participation by Mr Or Lay Huat Daniel in the Scheme		

(Please indicate with a cross [X] in the space provided whether you wish your vote to be cast for or against the resolution as set out in the Notice of the Meeting. Alternatively, if you wish to exercise your votes both for and against the resolution, please indicate the number of shares in the respective spaces provided.)

Signed this _____ day of _____ 2019

Shares held in:	No. of Shares
(a) CDP Register	
(b) Register of Members	

Signature(s) of Member(s) or Common Seal

IMPORTANT: PLEASE READ NOTES OVERLEAF

NOTES:–

1. Unless otherwise permitted under the Companies Act, Chapter 50 of Singapore (the “**Companies Act**”), a member of the Company entitled to attend and vote at the Extraordinary General Meeting (“**EGM**”) is entitled to appoint not more than two proxies to attend and vote on his behalf. A proxy need not be a member of the Company.
2. A member who is a relevant intermediary (as defined in the Companies Act) may appoint more than two proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member.
3. Where a member appoints more than one proxy, the proportion of the shareholding to be represented by each proxy shall be specified in this proxy form.
4. Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act, Chapter 289 of Singapore), you should insert that number of shares. If you have shares registered in your name in the Register of Members of the Company, you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares. If no number is inserted, this proxy form shall be deemed to relate to all the shares held by you.
5. This proxy form duly executed must be deposited at the registered office of the Company at 30 Tagore Lane Singapore 787484 not less than 72 hours before the time set for the EGM.
6. This proxy form must be under the hand of the appointor or of his attorney duly authorised in writing. Where this proxy form is executed by a corporation, it must be executed either under its common seal or under the hand of an officer or attorney duly authorised.
7. Where this proxy form is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with this proxy form, failing which this proxy form shall be treated as invalid.
8. The Company shall be entitled to reject a proxy form which 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 proxy form. In addition, in the case of shares entered in the Depository Register, the Company may reject a proxy form if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the EGM, as certified by The Central Depository (Pte) Limited to the Company.
9. By submitting this proxy form, a member accepts and agrees to the personal data privacy terms set out in the Notice of EGM dated 1 April 2019.