

OKP HOLDINGS LIMITED

(Incorporated in Singapore with Registration No. 200201165G)

PROPOSED PURCHASE OF PROPERTY AT 35 KRETA AYER ROAD, SINGAPORE 089000

Introduction

The Board of Directors of OKP Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce that the Group’s 51%-owned subsidiary, Raffles Prestige Capital Pte. Ltd. (the “**Purchaser**”) has on 23 October 2020 exercised the option to purchase the property at 35 Kreta Ayer Road, Singapore 089000 (the “**Property**”) from Visionone Investment Private Limited (the “**Vendor**”) at the price of S\$11,300,000 (the “**Proposed Purchase**”).

The Property

The Property has a freehold tenure and comprises a three-storey with attic shophouse. It occupies a lot area of approximately 1,568 square feet and has a total floor area of approximately 4,240 square feet.

The Purchaser intends to purchase the Property for investment and the Proposed Purchase is in the ordinary course of business of the Group.

Purchase Price

The purchase price of the Property of S\$11,300,000 (the “**Purchase Price**”) was arrived at through negotiations between the Purchaser and the Vendor, which takes into account the prevailing market conditions and the market value of the Property.

According to the independent valuation by CKS Property Consultants Pte Ltd, which was commissioned by the Purchaser, the open market value of the Property as at 13 October 2020 was S\$11,300,000, using the direct comparison method of valuation.

The Purchase Price is payable as follows:

- (a) a sum of S\$150,000 (the “**Option Money**”) has been paid upon the grant of the option to purchase;
- (b) an additional sum of S\$980,000 (being 10% of the Purchase Price less the Option Money) has been paid upon the exercise of the option to purchase; and
- (c) the balance sum of S\$10,170,000 shall be paid on the completion of the Proposed Purchase within 12 weeks from the exercise of the option to purchase.

The Purchase Price will be funded by internal resources and bank borrowings.

Salient Terms of the Proposed Purchase

The salient terms of the Proposed Purchase include the following:

- (a) The Property is sold subject to the existing tenancy agreements.
- (b) The title to the Property shall be in good order, properly deduced and free from encumbrances.

- (c) The Property is sold subject to such restrictive and other covenants and conditions, party wall rights and other easements and reservations (if any) affecting the same but otherwise free from encumbrances.
- (d) The Purchaser shall be deemed to have full notice of the actual state and condition of the Property in all respects and shall not be entitled to raise any objection or requisition whatsoever in respect thereof.
- (e) The sale and purchase of the Property shall be subject to the Purchaser's solicitors receiving satisfactory replies to their legal requisitions and applications for Interpretation Plans to the various government departments and Land Transport Authority insofar as such replies/Interpretation Plans relate to the Property.

Financial Impact

The Proposed Purchase is not expected to have any material impact on the net tangible assets per share or earnings per share of the Company for the financial year ending 31 December 2020.

Interests of Directors and Controlling Shareholders

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

By Order of the Board

Or Toh Wat
Group Managing Director
23 October 2020