

CIRCULAR DATED 3 APRIL 2009

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

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 all your ordinary shares in the capital of OKP Holdings Limited (the "Company"), please forward this Circular and the attached Proxy Form immediately to the purchaser or to the agent through whom the sale was effected for onward transmission to the purchaser.

The Singapore Exchange Securities Trading Limited assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Circular.



OKP HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)

(Company Registration No. 200201165G)

CIRCULAR TO SHAREHOLDERS

in relation to

THE PROPOSED SHARE PURCHASE MANDATE

IMPORTANT DATES AND TIMES:

Last date and time for lodgement of Proxy Form	:	18 April 2009 at 12.00 noon
Date and time of Extraordinary General Meeting	:	20 April 2009 at 12.00 noon (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)
Place of Extraordinary General Meeting	:	No. 6 Tagore Drive, #B1-06, Tagore Building, Singapore 787623

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DEFINITIONS

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

“Board”	: The board of Directors of the Company
“CDP”	: The Central Depository (Pte) Limited
“Companies Act”	: The Companies Act, Chapter 50 of Singapore
“Company”	: OKP Holdings Limited
“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 19 and 20 of this Circular
“FY”	: Financial year ended, or as the case may be, ending 31 December
“Group”	: The Company and its subsidiaries
“Latest Practicable Date”	: 6 March 2009, being the latest practicable date prior to the printing of this Circular
“Listing Manual”	: The listing manual of the SGX-ST
“Market Day”	: A day on which the SGX-ST is open for trading in securities
“SGX-ST”	: Singapore Exchange Securities Trading Limited
“Share Purchase Mandate”	: The general mandate given by Shareholders to authorise the Directors to purchase Shares in accordance with the terms set out in this Circular and the rules and regulations set forth in the Companies Act and the Listing Manual
“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
“SIC”	: The Securities Industry Council of Singapore
“Take-over Code”	: The Singapore Code on Take-overs and Mergers, as the same may be amended or modified from time to time
“treasury shares”	: Issued Shares of the Company which were (or are treated as having been) purchased by the Company in circumstances which Section 76H of the Companies Act applies and have since purchase been continuously held by the Company
“\$” and “cents”	: Singapore dollars and cents respectively
“%” or percent	: Percentage or per centum

The terms “Depositor”, “Depository Agent” and “Depository Register” shall have the meanings ascribed to them respectively in Section 130A 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.

DEFINITIONS

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 or any statutory modification thereof and not otherwise defined in this Circular shall have the same meaning assigned to it under the Companies Act or any statutory modification thereof, as the case may be.

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

OKP HOLDINGS LIMITED

(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 (Independent Director)
Mr Nirumalan s/o V Kanapathi Pillai (Independent Director)
Mr Tan Boen Eng (Independent Director)

Registered Office:

No. 6, Tagore Drive,
#B1-06, Tagore Building,
Singapore 787623

3 April 2009

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 20 April 2009 to seek Shareholders' approval for the proposed Share Purchase Mandate to allow the Company to purchase or otherwise acquire its issued Shares.

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

2. THE PROPOSED SHARE PURCHASE MANDATE

2.1 Rationale for the Share Purchase Mandate

The rationale for the Company to undertake the purchase or acquisition of its Shares is that the Share Purchase Mandate would give the Company the flexibility to undertake purchases of its Shares at any time, subject to market conditions, during the period when the Share Purchase Mandate is in force. Share purchases provide the Company with a mechanism to facilitate the return of surplus cash over and above its ordinary capital requirements, in an expedient and cost-efficient manner. The Share Purchase Mandate will also allow the Directors to exercise greater control over the Company's share capital structure, dividend payout and cash reserves, with a view to enhancing the net tangible assets and/or earnings per Share.

The purchase or acquisition of Shares will only be undertaken if the Directors believe that it can benefit the Company and Shareholders. Shareholders should note that purchases or acquisitions of Shares pursuant to the Share Purchase Mandate may not be carried out to the full 10% limit as authorised. No purchase or acquisition of Shares will be made in circumstances, which would have or may have a material adverse effect on the liquidity and capital of the Company and the Group.

LETTER TO SHAREHOLDERS

2.2 Authority and Limits of the Share Purchase Mandate

The authority and limitations placed on purchases or acquisitions of Shares by the Company under the proposed Share Purchase Mandate, if approved at the EGM, are summarised below:

(a) *Maximum Number of Shares*

The Company may purchase only Shares, which are issued and fully paid-up. The total number of Shares that may be purchased is limited to that number of Shares representing not more than 10% of the issued Shares as at the date of the EGM on which the resolution authorising the same is passed (the “**Approval Date**”). Shares, which are held as treasury shares, will be disregarded for purposes of computing the 10% limit.

(b) *Duration of Authority*

Purchases of Shares may be made, at any time and from time to time, from the Approval Date up to the earliest of:-

- (i) the date on which the next annual general meeting of the Company is held or required by law to be held;
- (ii) the date on which Share purchases have been carried out to the full extent of the Share Purchase Mandate; or
- (iii) the date on which the authority contained in the Share Purchase Mandate is varied or revoked by an ordinary resolution of Shareholders in general meeting.

(c) *Manner of Purchase*

Purchases of Shares may be made on the SGX-ST (“**Market Purchases**”) and/or otherwise than on the SGX-ST, in accordance with an equal access scheme (“**Off-Market Purchases**”) as defined in Section 76C(6) of the Companies Act.

Market Purchases refer to purchases of Shares by the Company effected on the SGX-ST through the Central Limit Order Book (CLOB) trading system, through one or more duly licensed stockbrokers appointed by the Company for the purpose.

Off-Market Purchases refer to purchases of Shares by the Company made under an equal access scheme or schemes for the purchase of Shares from Shareholders. The Directors may impose such terms and conditions, which are not inconsistent with the Share Purchase Mandate and the Companies Act, as they consider fit in the interests of the Company in connection with or in relation to an equal access scheme or schemes. Under the Companies Act, an equal access scheme must satisfy all the following conditions:

- (i) offers for the purchase or acquisition of issued shares shall be made to every person who holds issued shares to purchase or acquire the same percentage of their issued shares;
- (ii) all of those persons shall be given a reasonable opportunity to accept the offers made; and
- (iii) the terms of all the offers are the same, except that there shall be disregarded:-
 - (aa) differences in consideration attributable to the fact that offers may relate to shares with different accrued dividend entitlements;
 - (bb) (if applicable) differences in consideration attributable to the fact that offers relate to shares with different amounts remaining unpaid; and
 - (cc) differences in the offers introduced solely to ensure that each person is left with a whole number of shares.

LETTER TO SHAREHOLDERS

In addition, the Listing Manual provides that, in making an Off-Market Purchase, the Company must issue an offer document to all Shareholders, which must contain at least the following information:-

- (i) the terms and conditions of the offer;
 - (ii) the period and procedures for acceptances;
 - (iii) the reasons for the proposed share purchase;
 - (iv) the consequences, if any, of share purchases by the Company that will arise under the Take-over Code or other applicable take-over rules;
 - (v) whether the share purchase, if made, would have any effect on the listing of the Shares on the SGX-ST; and
 - (vi) details of any share purchases made by the Company in the previous twelve (12) months (whether Market Purchases or Off-Market Purchases), giving the total number of Shares purchased, the purchase price per Share or the highest and lowest prices paid for the purchases, where relevant, and the total consideration paid for the purchases.
- (d) *Maximum Purchase Price*

The purchase price (excluding brokerage, stamp duties, commissions, applicable goods and services tax and other related expenses) to be paid for the Shares will be determined by the Directors.

However, the purchase price must not exceed:

- (i) in the case of a Market Purchase, 105% of the Average Closing Price (as defined below); and
- (ii) in the case of an Off-Market Purchase pursuant to an equal access scheme, 120% of the Highest Last Dealt Price (as defined below),

(the “**Maximum Price**”) in either case, *excluding* related expenses of the purchase.

For the above purposes:

“**Average Closing Price**” means the average of the closing market prices of a Share over the last five (5) Market Days on which transactions in Shares were recorded, preceding the day of the Market Purchase, and deemed to be adjusted for any corporate action that occurs after such five-day market period;

“**Highest Last Dealt Price**” means the highest price transacted for a Share as recorded on the Market Day on which there were trades in Shares immediately preceding the day of the making of the offer pursuant to the Off-Market Purchase; and

“**day of the making of the offer**” means the day on which the Company announces its intention to make an offer for the purchase of Shares from Shareholders, stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase.

LETTER TO SHAREHOLDERS

2.3 Status of Purchased Shares

Any Share which is purchased by the Company is deemed cancelled immediately on purchase (and all rights and privileges attached to that Share will expire on cancellation) unless such Share is held by the Company as a treasury share. Accordingly, the total number of issued Shares will be diminished by the number of Shares purchased or acquired by the Company and which are not held as treasury shares.

Under the Companies Act, Shares purchased or acquired by the Company may be held or dealt with as treasury shares. According to the key provisions on treasury shares under the Companies Act:

(a) *Maximum Holdings*

The number of Shares held as treasury shares cannot at any time exceed 10% of the total number of issued Shares.

(b) *Voting and other Rights*

The Company will not have the right to attend or vote at meetings and/or to receive any dividends in respect of treasury shares. However, the allotment of treasury shares as fully paid bonus shares is allowed. Also, a subdivision or consolidation of any treasury share into treasury shares of a smaller amount is allowed so long as the total value of the treasury shares after the subdivision or consolidation is the same as before.

(c) *Disposal and Cancellation*

The Company may dispose of treasury shares at any time in the following ways:

- (i) selling the treasury shares for cash;
- (ii) transferring the treasury shares for the purposes of or pursuant to an employees' share scheme;
- (iii) transferring the treasury shares as consideration for the acquisition of shares in or assets of another company or assets of a person;
- (iv) cancelling the treasury shares; or
- (v) selling, transferring or otherwise using the treasury shares for such other purposes as may be prescribed by the Minister for Finance.

2.4 Source of Funds and Financial Effects

Previously, any purchase of Shares must be made out of the Company's distributable profits that are available for payment as dividends. However, the Companies Act now permits the Company to also purchase its Shares out of capital, as well as its distributable profits, provided that:

- (a) the Company is able to pay its debts in full at the time it purchases the Shares and will be able to pay its debts as they fall due in the normal course of business in the twelve (12) months immediately following the purchase; and
- (b) the value of the Company's assets is not less than the value of its liabilities (including contingent liabilities) and will not after the purchase of Shares become less than the value of its liabilities (including contingent liabilities).

The Company will use internal sources of funds, or a combination of internal resources and external borrowings, to finance purchases of its Shares.

LETTER TO SHAREHOLDERS

It is not possible for the Company to realistically calculate or quantify the impact of purchases that may be made pursuant to the proposed Share Purchase Mandate on the net tangible asset value and earnings per Share as the resultant effect would depend on factors such as the aggregate numbers of Shares purchased, the purchase prices paid at the relevant times, whether the Shares purchased or acquired are held in treasury or immediately cancelled on purchase or acquisition, how the Shares held in treasury are subsequently dealt with by the Company in accordance with Section 76K of the Companies Act, and the amounts (if any) borrowed by the Company to fund the purchases.

Where the purchase of Shares is made out of distributable profits, such purchase (including costs incidental to the purchase) will correspondingly reduce the amount available for the distribution of cash dividends by the Company.

Where the purchase of Shares is made out of capital, the amount available for the distribution of cash dividends by the Company will not be reduced.

Where the purchase of Shares is financed through internal resources, it will reduce the cash reserves of the Group and the Company, and thus the current assets and shareholders' funds of the Group and the Company. This will result in an increase in the gearing ratios of the Group and the Company and a decline in the current ratios of the Group and the Company. The actual impact on the gearing and current ratios will depend on the number of Shares purchased or acquired and the prices at which the Shares are purchased or acquired.

Where the purchase or acquisition of Shares is financed through external borrowings or financing, there would be an increase in the gearing ratios of the Group and the Company, and a decline in the current ratios and shareholders' funds of the Group and the Company, with the actual impact dependent on the number of Shares purchased or acquired and the prices at which the Shares are purchased or acquired.

For illustrative purposes only and on the basis of the following assumptions:

- (a) that the purchase or acquisition by the Company of up to 14,986,094 Shares, representing 10% of its issued Shares as at the Latest Practicable Date, was made on 31 December 2008;
- (b) that, in the case of Market Purchases, the Company purchased or acquired Shares at the Maximum Price of \$0.211 for each Share (being 105% of the Average Closing Price as at 31 December 2008), and, in the case of Off-Market Purchases, the Company purchased or acquired Shares at the Maximum Price of \$0.240 for each Share (being 120% of the Highest Last Dealt Price as at 31 December 2008); and
- (c) that the purchase or acquisition of Shares by the Company, which required funds amounting to, in the case of Market Purchases, \$3,162,066, and in the case of Off-Market Purchases, \$3,596,663, was financed entirely using its internal sources of funds,

the financial effects of Share purchases by the Company pursuant to the Share Purchase Mandate on the audited consolidated financial statements of the Group for FY2008, are set out below.

LETTER TO SHAREHOLDERS

Market Purchases

Scenario 1

Purchase or acquisition of 14,986,094 Shares by the Company pursuant to the Share Purchase Mandate and held as treasury shares

	Group		Company	
	Before Share Purchase	After Share Purchase	Before Share Purchase	After Share Purchase
As at 31 December 2008	\$'000	\$'000	\$'000	\$'000
Share capital	17,243	17,243	17,243	17,243
Retained earnings	22,862	22,862	3,721	3,721
Treasury shares	-	(3,162)	-	(3,162)
Shareholders' funds	40,105	36,943	20,964	17,802
Net tangible assets ⁽¹⁾	38,417	35,255	20,964	17,802
Current assets	62,955	59,793	9,758	6,596
Current liabilities	33,319	33,319	3,284	3,284
Working capital	29,636	26,474	6,474	3,312
Total liabilities	36,115	36,115	3,284	3,284
Cash and cash equivalents	35,410	32,248	3,367	205
Number of Shares ('000)	149,861	134,875	149,861	134,875
Financial Ratios				
Net tangible assets per Share ⁽¹⁾ (cents)	25.6	26.1	14.0	13.2
Earnings per Share (cents)	6.3	7.0	2.2	2.5
Gearing ratio ⁽²⁾ (times)	0.1	0.1	-	-
Current ratio ⁽³⁾ (times)	1.9	1.8	3.0	2.0

Notes:

- (1) Net tangible assets equal total net assets less deferred expenditure and other intangible assets.
- (2) Gearing ratio equals total borrowings divided by shareholders' funds.
- (3) Current ratio equals current assets divided by current liabilities.

LETTER TO SHAREHOLDERS

Scenario 2

Purchase or acquisition of 14,986,094 Shares by the Company pursuant to the Share Purchase Mandate made entirely out of capital and cancelled

	Group		Company	
	Before Share Purchase	After Share Purchase	Before Share Purchase	After Share Purchase
As at 31 December 2008	\$'000	\$'000	\$'000	\$'000
Share capital	17,243	14,081	17,243	14,081
Retained earnings	22,862	22,862	3,721	3,721
Shareholders' funds	40,105	36,943	20,964	17,802
Net tangible assets ⁽¹⁾	38,417	35,255	20,964	17,802
Current assets	62,955	59,793	9,758	6,596
Current liabilities	33,319	33,319	3,284	3,284
Working capital	29,636	26,474	6,474	3,312
Total liabilities	36,115	36,115	3,284	3,284
Cash and cash equivalents	35,410	32,248	3,367	205
Number of Shares ('000)	149,861	134,875	149,861	134,875
Financial Ratios				
Net tangible assets per Share ⁽¹⁾ (cents)	25.6	26.1	14.0	13.2
Earnings per Share (cents)	6.3	7.0	2.2	2.5
Gearing ratio ⁽²⁾ (times)	0.1	0.1	-	-
Current ratio ⁽³⁾ (times)	1.9	1.8	3.0	2.0

Notes:

- (1) Net tangible assets equal total net assets less deferred expenditure and other intangible assets.
- (2) Gearing ratio equals total borrowings divided by shareholders' funds.
- (3) Current ratio equals current assets divided by current liabilities.

LETTER TO SHAREHOLDERS

Scenario 3

Purchase or acquisition of 14,986,094 Shares by the Company pursuant to the Share Purchase Mandate made entirely out of profits and cancelled

	Group		Company	
	Before Share Purchase	After Share Purchase	Before Share Purchase	After Share Purchase
As at 31 December 2008	\$'000	\$'000	\$'000	\$'000
Share capital	17,243	17,243	17,243	17,243
Retained earnings	22,862	19,700	3,721	559
Shareholders' funds	40,105	36,943	20,964	17,802
Net tangible assets ⁽¹⁾	38,417	35,255	20,964	17,802
Current assets	62,955	59,793	9,758	6,596
Current liabilities	33,319	33,319	3,284	3,284
Working capital	29,636	26,474	6,474	3,312
Total liabilities	36,115	36,115	3,284	3,284
Cash and cash equivalents	35,410	32,248	3,367	205
Number of Shares ('000)	149,861	134,875	149,861	134,875
Financial Ratios				
Net tangible assets per Share ⁽¹⁾ (cents)	25.6	26.1	14.0	13.2
Earnings per Share (cents)	6.3	7.0	2.2	2.5
Gearing ratio ⁽²⁾ (times)	0.1	0.1	-	-
Current ratio ⁽³⁾ (times)	1.9	1.8	3.0	2.0

Notes:

- (1) Net tangible assets equal total net assets less deferred expenditure and other intangible assets.
- (2) Gearing ratio equals total borrowings divided by shareholders' funds.
- (3) Current ratio equals current assets divided by current liabilities.

LETTER TO SHAREHOLDERS

Off-Market Purchases

Scenario 1

Purchase or acquisition of 14,986,094 Shares by the Company pursuant to the Share Purchase Mandate and held as treasury shares

	Group		Company	
	Before Share Purchase	After Share Purchase	Before Share Purchase	After Share Purchase
As at 31 December 2008	\$'000	\$'000	\$'000	\$'000
Share capital	17,243	17,243	17,243	17,243
Retained earnings	22,862	22,862	3,721	3,721
Treasury shares	-	(3,597)	-	(3,597)
Shareholders' funds	40,105	36,508	20,964	17,367
Net tangible assets ⁽¹⁾	38,417	34,820	20,964	17,367
Current assets	62,955	59,358	9,758	6,391
Current liabilities	33,319	33,319	3,284	3,514
Working capital	29,636	26,039	6,474	2,877
Total liabilities	36,115	36,115	3,284	3,514
Cash and cash equivalents	35,410	31,813	3,367	-
Number of Shares ('000)	149,861	134,875	149,861	134,875
Financial Ratios				
Net tangible assets per Share ⁽¹⁾ (cents)	25.6	25.8	14.0	12.9
Earnings per Share (cents)	6.3	7.0	2.2	2.5
Gearing ratio ⁽²⁾ (times)	0.1	0.1	-	-
Current ratio ⁽³⁾ (times)	1.9	1.8	3.0	1.9

Notes:

- (1) Net tangible assets equal total net assets less deferred expenditure and other intangible assets.
- (2) Gearing ratio equals total borrowings divided by shareholders' funds.
- (3) Current ratio equals current assets divided by current liabilities.

LETTER TO SHAREHOLDERS

Scenario 2

Purchase or acquisition of 14,986,094 Shares by the Company pursuant to the Share Purchase Mandate made entirely out of capital and cancelled

	Group		Company	
	Before Share Purchase	After Share Purchase	Before Share Purchase	After Share Purchase
As at 31 December 2008	\$'000	\$'000	\$'000	\$'000
Share capital	17,243	13,646	17,243	13,646
Retained earnings	22,862	22,862	3,721	3,721
Shareholders' funds	40,105	36,508	20,964	17,367
Net tangible assets ⁽¹⁾	38,417	34,820	20,964	17,367
Current assets	62,955	59,358	9,758	6,391
Current liabilities	33,319	33,319	3,284	3,514
Working capital	29,636	26,039	6,474	2,873
Total liabilities	36,115	36,115	3,284	3,514
Cash and cash equivalents	35,410	31,813	3,367	-
Number of Shares ('000)	149,861	134,875	149,861	134,875
Financial Ratios				
Net tangible assets per Share ⁽¹⁾ (cents)	25.6	25.8	14.0	12.9
Earnings per Share (cents)	6.3	7.0	2.2	2.5
Gearing ratio ⁽²⁾ (times)	0.1	0.1	-	-
Current ratio ⁽³⁾ (times)	1.9	1.8	3.0	1.9

Notes:

- (1) Net tangible assets equal total net assets less deferred expenditure and other intangible assets.
- (2) Gearing ratio equals total borrowings divided by shareholders' funds.
- (3) Current ratio equals current assets divided by current liabilities.

LETTER TO SHAREHOLDERS

Scenario 3

Purchase or acquisition of 14,986,094 Shares by the Company pursuant to the Share Purchase Mandate made entirely out of profits and cancelled

	Group		Company	
	Before Share Purchase	After Share Purchase	Before Share Purchase	After Share Purchase
As at 31 December 2008	\$'000	\$'000	\$'000	\$'000
Share capital	17,243	17,243	17,243	17,243
Retained earnings	22,862	19,265	3,721	124
Shareholders' funds	40,105	36,508	20,964	17,367
Net tangible assets ⁽¹⁾	38,417	34,820	20,964	17,367
Current assets	62,955	59,358	9,758	6,391
Current liabilities	33,319	33,319	3,284	3,514
Working capital	29,636	26,039	6,474	2,877
Total liabilities	36,115	36,115	3,284	3,514
Cash and cash equivalents	35,410	31,813	3,367	-
Number of Shares ('000)	149,861	134,875	149,861	134,875
Financial Ratios				
Net tangible assets per Share ⁽¹⁾ (cents)	25.6	25.8	14.0	12.9
Earnings per Share (cents)	6.3	7.0	2.2	2.5
Gearing ratio ⁽²⁾ (times)	0.1	0.1	-	-
Current ratio ⁽³⁾ (times)	1.9	1.8	3.0	1.9

Notes:

- (1) Net tangible assets equal total net assets less deferred expenditure and other intangible assets.
- (2) Gearing ratio equals total borrowings divided by shareholders' funds.
- (3) Current ratio equals current assets divided by current liabilities.

LETTER TO SHAREHOLDERS

Shareholders should note that the financial effects set out in this Paragraph 2.4 are purely for illustrative purposes only. In particular, it is important to note that the above analysis is based on historical FY2008 numbers and are in no way indicative of the Company's real financial position or a forecast of the Company's financial figures.

The Company will take into account both financial and non-financial factors (for example, share market conditions and the performance of the Shares) in assessing the relative impact of a share purchase before execution.

2.5 Listing Rules

Under the listing rules of the SGX-ST, a listed company may purchase shares by way of Market Purchases at a price per share which is not more than 5% above the average of the closing market prices of the shares over the last five (5) Market Days, on which transactions in the shares were recorded, before the day on which the purchases were made and deemed to be adjusted for any corporate action that occurs after the relevant five-day period. The Maximum Price for a Share in relation to Market Purchases by the Company, referred to in Paragraph 2.2(d) above, conforms to this restriction.

The listing rules of the SGX-ST specify that a listed company shall report all purchases or acquisitions of its shares to the SGX-ST not later than 9.00 a.m. (a) in the case of a Market Purchase, on the Market Day following the day of purchase or acquisition of any of its shares and (b) in the case of an Off-Market Purchase under an equal access scheme, on the second Market Day after the close of acceptances of the offer. Such announcement must include details of the date of the purchases of the shares, the total number of shares purchased, the number of shares cancelled, the number of shares held as treasury shares, the purchase price per share or the highest and lowest prices paid for such shares (as applicable), the total consideration (including stamp duties and clearing charges) paid or payable for the shares, and the cumulative number of shares purchased. Such announcement will be made in the form prescribed by the Listing Manual.

While the listing rules of the SGX-ST do not expressly prohibit any purchase of shares by a listed company during any particular time or times, because the listed company would be regarded as an "insider" in relation to any proposed purchase or acquisition of its issued shares, the Company will not undertake any purchase or acquisition of Shares pursuant to the proposed Share Purchase Mandate at any time after a price sensitive development has occurred or has been the subject of a decision until the price sensitive information has been publicly announced. In particular, in observing the best practices recommended in the Listing Manual on securities dealings, the Company will not purchase or acquire any Shares through Market Purchases during the period of two (2) weeks immediately preceding the announcement of the Company's quarterly results or one (1) month immediately preceding the announcement of the Company's full-year results, as the case may be, and ending on the date of announcement of the relevant results.

LETTER TO SHAREHOLDERS

2.6 Listing Status on the SGX-ST

The Company is required under Rule 723 of the SGX-ST Listing Manual to ensure that at least 10% of its issued Shares (excluding treasury shares) are in the hands of the public. The “public”, as defined in the Listing Manual, are persons other than the Directors, Chief Executive Officer (or, in the case of the Company, the Managing Director), substantial shareholders and controlling shareholders of the Company and its subsidiaries, as well as the associates (as defined in the Listing Manual) of such persons.

As at the Latest Practicable Date, there were approximately 47,914,000 issued Shares in the hands of the public (as defined above), representing 31.97% of the total number of issued Shares of the Company. Assuming that the Company purchases its Shares through Market Purchases up to the full 10% limit pursuant to the Share Purchase Mandate, the number of issued Shares in the hands of the public would be reduced to 32,927,906 Shares, representing 21.97% of the total number of issued Shares of the Company. As at the Latest Practicable Date, the Company did not have any treasury shares.

In view of the foregoing, the Company is of the view that there is, at present, a sufficient number of Shares in public hands that would permit the Company to potentially undertake purchases of its Shares through Market Purchases up to the full 10% limit pursuant to the Share Purchase Mandate without:

- (a) affecting adversely the listing status of the Shares on the SGX-ST;
- (b) causing market illiquidity; or
- (c) affecting adversely the orderly trading of Shares.

2.7 Tax Implications

Where the Company uses its Distributable Profits for Share Purchases

Under Section 10J of the Income Tax Act, Chapter 134 (the “**Income Tax Act**”), a company which purchases its own shares using its distributable profits is deemed to have paid a dividend to the shareholders from whom the shares are acquired.

As the Company has already moved into the one-tier corporate tax system, the provisions under Section 44 of the Income Tax Act do not apply to the Company. That is, the Company does not need to provide for the franking of dividends for any Share purchase made.

The tax treatment of the receipt from a Share purchase in the hands of the Shareholders will depend on whether the disposal arises from a Market Purchase or an Off-Market Purchase. Proceeds received by Shareholders who sell their Shares to the Company in Market Purchases will be treated for income tax purposes like any other disposal of shares made on SGX-ST and not as dividends. Whether or not such proceeds are taxable in the hands of such Shareholders will depend on whether such proceeds are receipts of an income or capital nature. Proceeds received by Shareholders who sell their Shares to the Company in an Off-Market Purchase effected by way of an equal access scheme will be treated for income tax purposes as receipts of dividends.

Where the Company uses its Contributed Capital for the Share Purchase

Under Section 10J of the Income Tax Act, a company which purchases its own shares using its contributed capital is not deemed to have paid a dividend to its shareholders from whom the shares are acquired.

Proceeds received by Shareholders who sell their Shares to the Company for which the purchases were made out of contributed capital will be treated for income tax purposes like any other disposal of shares made on SGX-ST and not as dividends. Whether or not such proceeds are taxable in the hands of such Shareholders will depend on whether such proceeds are receipts of an income or capital nature.

LETTER TO SHAREHOLDERS

Shareholders should note that the foregoing is not to be regarded as advice on the tax position of any Shareholder. Shareholders who are in doubt as to their respective tax positions or the tax implications of Share purchases by the Company, or, who may be subject to tax whether in or outside Singapore, should consult their own professional advisers.

2.8 Implications of Take-over Code

If as a result of any purchase or acquisition by the Company of its Shares, a Shareholder's proportionate interest in the voting capital of the Company increases, such increase will be treated as an acquisition for the purposes of the Take-over Code. If such increase results in a change in control, or as a result of such increase a Shareholder or group of Shareholders acting in concert obtain or consolidate control, it may in certain circumstances give rise to an obligation on the part of such Shareholder or Shareholders to make a take-over offer under Rule 14 of the Take-over Code.

The circumstances under which Shareholders, including Directors and persons acting in concert with them respectively will incur an obligation to make a take-over offer under Rule 14 after a purchase of Shares by the Company are set out in Appendix 2 ("**TOC Appendix 2**") of the Take-over Code.

In relation to Directors and persons acting in concert with them, Rule 14 provides that unless exempted (or if exempted, such exemption is subsequently revoked), Directors and persons acting in concert with them will incur an obligation to make a take-over offer if, as a result of a purchase of Shares by the Company:-

- (a) the percentage of voting rights held by such Directors and their concert parties in the Company increases to 30% or more; or
- (b) if they together hold between 30% and 50% of the Company's voting rights, their voting rights increase by more than 1% in any period of six (6) months.

Under TOC Appendix 2, a Shareholder not acting in concert with the Directors will not be required to make a take-over offer under Rule 14 if, as a result of the Company purchasing its Shares, the voting rights of such Shareholder would increase to 30% or more, or, if such Shareholder holds between 30% and 50% of the Company's voting rights, the voting rights of such Shareholder would increase by more than 1% in any period of six (6) months. Such Shareholder need not abstain from voting in respect of the resolution authorising the Share Purchase Mandate.

Under the Take-over Code, persons acting in concert comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal) co-operate, through the acquisition by any of them of shares in a company to obtain or consolidate control of that company. Unless the contrary is established, the following persons, *inter alia*, will be presumed to be acting in concert: (i) a company with any of its directors; and (ii) a company, its parent, subsidiaries and fellow subsidiaries, and their associated companies, and companies of which such companies are associated companies, all with each other. For this purpose, ownership or control of 20% or more of the equity share capital of a company will be regarded as the test of associated company status.

Shareholders who are in doubt as to whether they would incur any obligation to make a take-over offer as a result of any purchase of Shares by the Company pursuant to the Share Purchase Mandate are advised to consult their professional advisers and/or the SIC and/or other relevant authorities at the earliest opportunity.

LETTER TO SHAREHOLDERS

2.9 Reporting Requirements

Within 30 days of the passing of the Shareholders' resolution to approve the proposed Share Purchase Mandate, the Directors shall lodge a copy of such resolution with the Registrar of Companies (the "**Registrar**").

The Directors shall lodge with the Registrar a notice of share purchase within 30 days of a share purchase. Such notification shall include the date of the purchase, the number of Shares purchased by the Company, the number of Shares cancelled, the number of Shares held as treasury shares, the Company's issued share capital before and after the purchase, the amount of consideration paid by the Company for the purchase and such other particulars as may be required in the prescribed form.

Within 30 days of the cancellation or disposal of treasury shares in accordance with the provisions of the Companies Act, the Directors shall lodge with the Registrar the notice of cancellation or disposal of treasury shares in the prescribed form.

2.10 No Share Purchases in the Previous 12 Months

No purchases of Shares have been made by the Company in the 12 months preceding the Latest Practicable Date.

3. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

The interests of the Directors and substantial Shareholders in the share capital of the Company as at the Latest Practicable Date are, as follows:

	Direct		Deemed Interest	
	Number of Shares	%	Number of Shares	%
Directors				
Or Kim Peow ⁽¹⁾	2,430,000	1.62	89,901,940	59.99
Or Toh Wat	1,238,000	0.83	-	-
Ang Beng Tin	1,239,000	0.83	-	-
Or Kiam Meng	1,238,000	0.83	-	-
Oh Enc Nam	444,000	0.30	-	-
Or Lay Huat, Daniel	1,238,000	0.83	-	-
Chen Seow Phun, John ⁽²⁾	-	-	20,000	0.01
Substantial Shareholders (other than Directors)				
Or Kim Peow Investments Pte. Ltd.	89,901,940	59.99	-	-

Notes:

- (1) Mr Or Kim Peow is deemed to have an interest in the 89,901,940 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 20,000 shares held by his wife, Mdm Lim Kok Huang, by virtue of Section 164(15) of the Companies Act.

4. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on pages 19 and 20 of this Circular, will be held at No. 6, Tagore Drive, #B1-06, Tagore Building, Singapore 787623 on 20 April 2009 at 12.00 noon (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 resolution set out in the Notice of EGM.

LETTER TO SHAREHOLDERS

5. ACTION TO BE TAKEN BY SHAREHOLDERS

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 48 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.

A Depositor shall not be regarded as a member of the Company entitled to attend the EGM and to speak and vote thereat unless his name appears on the Depository Register as at 48 hours before the EGM.

6. DIRECTORS' RECOMMENDATIONS

Having fully considered the rationale for the Share Purchase Mandate set out in this Circular, the Directors believe that the Share Purchase Mandate is in the best interest of the Company. The Board of Directors recommend that Shareholders vote in favour of the ordinary resolution to approve the proposed Share Purchase Mandate.

7. DIRECTORS' RESPONSIBILITY STATEMENT

This Circular has been seen and approved by all Directors who collectively and individually accept responsibility for this Circular and confirm, after having made all reasonable enquiries, that to the best of their knowledge and belief, the facts stated and opinions expressed in this Circular are fair and accurate in all material respects as at the Latest Practicable Date and that there are no material facts the omission of which would make any statement in this Circular misleading.

8. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents are available for inspection at the registered office of the Company at No. 6, Tagore Drive, #B1-06, Tagore Building, Singapore 787623 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 2008; and
- (b) the Memorandum and Articles of Association of the Company.

Yours faithfully

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

Or Kim Peow
Group Chairman

NOTICE OF EXTRAORDINARY GENERAL MEETING

OKP HOLDINGS LIMITED

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

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of OKP Holdings Limited (the "Company") will be held at No. 6, Tagore Drive, #B1-06, Tagore Building, Singapore 787623 on 20 April 2009 at 12.00 noon (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 resolution:

Ordinary Resolution

PROPOSED SHARE PURCHASE MANDATE

That:

- (a) for the purposes of Sections 76C and 76E of the Companies Act, Chapter 50 (the "**Companies Act**"), the exercise by the directors of the Company of all the powers of the Company to purchase or otherwise acquire ordinary shares ("**Shares**") in the issued share capital of the Company not exceeding in aggregate the Prescribed Limit (as hereafter defined), at such price or prices as may be determined by the directors of the Company from time to time up to the Maximum Price (as hereafter defined), whether by way of:
- (i) market purchases (each a "**Market Purchase**") on the Singapore Exchange Securities Trading Limited ("**SGX-ST**") transacted through the Central Limit Order Book (CLOB) trading system, through one or more duly licensed stockbrokers appointed by the Company for the purpose; and/or
 - (ii) off-market purchases (each an "**Off-Market Purchase**") effected otherwise than on the SGX-ST in accordance with any equal access scheme as may be determined or formulated by the directors of the Company as they consider fit, such scheme shall satisfy all the conditions prescribed by the Companies Act,

and otherwise in accordance with all other laws, regulations and rules of the SGX-ST as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the "**Share Purchase Mandate**");

- (b) the authority conferred on the directors of the Company pursuant to the Share Purchase Mandate may be exercised by the directors of the Company at any time and from time to time during the period commencing from the passing of this Resolution and expiring on the earliest of:
- (i) the date on which the next annual general meeting of the Company is held or required by law to be held;
 - (ii) the date on which Share purchases have been carried out to the full extent of the Share Purchase Mandate; or
 - (iii) the date on which the authority contained in the Share Purchase Mandate is varied or revoked by an ordinary resolution of shareholders of the Company in general meeting;

NOTICE OF EXTRAORDINARY GENERAL MEETING

(c) in this Resolution:

“Prescribed Limit” means 10 percent of the issued ordinary Shares of the Company as at the date of the passing of this Resolution; and **“Maximum Price”** in relation to a Share to be purchased, means an amount (*excluding* brokerage, commissions, stamp duties, applicable goods and services tax and other related expenses) not exceeding:

(i) in the case of a Market Purchase : 105 percent of the Average Closing Price; and

(ii) in the case of an Off-Market Purchase : 120 percent of the Highest Last Dealt Price,

where:

“Average Closing Price” is the average of the closing market prices of a Share over the last five (5) Market Days, on which transactions in the Shares were recorded, preceding the day of the Market Purchase, and deemed to be adjusted for any corporate action that occurs after such five-day market period;

“Highest Last Dealt Price” means the highest price transacted for a Share as recorded on the Market Day on which there were trades in the Shares immediately preceding the day of the making of the offer pursuant to the Off-Market Purchase;

“day of the making of the offer” means the day on which the Company announces its intention to make an offer for the purchase of Shares from shareholders of the Company stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase; and

“Market Day” means a day on which the SGX-ST is open for trading in securities; and

(d) the directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they may consider expedient or necessary to give effect to the transactions contemplated by this Resolution.

By Order of the Board

Vincent Lim Bock Hui
Company Secretary

Singapore, 3 April 2009

Notes:

1. A member of the Company entitled to attend and vote at the Extraordinary General Meeting is entitled to appoint a proxy (or in the case of a corporation, appoint its authorised representative or proxy) to attend and vote in his stead. A proxy need not be a member of the Company.
2. The Proxy Form must be deposited at the registered office of the Company at No. 6, Tagore Drive, #B1-06, Tagore Building, Singapore 787623, not less than 48 hours before the time appointed for the Extraordinary General Meeting.

PROXY FORM

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

PROXY FORM

IMPORTANT

1. For investors who have used their CPF moneys to buy shares in the capital of OKP Holdings Limited, this Circular is forwarded to them at the request of their CPF Approved Nominees and is sent FOR INFORMATION ONLY.
2. 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.

I/We _____ (Name)

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 (%)

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 No. 6, Tagore Drive, #B1-06, Tagore Building, Singapore 787623 on 20 April 2009 at 12.00 noon (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) 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.

	For	Against
ORDINARY RESOLUTION		
To approve the proposed Share Purchase Mandate		

(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.)

Signed this ____ day of _____ 2009

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

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

IMPORTANT: PLEASE READ NOTES OVERLEAF

PROXY FORM

Notes:

1. 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 130A of the Companies Act, Chapter 50 of Singapore), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, 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 entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the Shares held by you.
2. A member of the Company entitled to attend and vote at the Extraordinary General Meeting 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.
3. Where a member appoints two proxies, the appointments shall be invalid unless he specifies the proportion of his shareholding (expressed as a percentage of the whole) to be represented by each proxy.
4. The instrument appointing a proxy or proxies (together with the power of attorney, if any, under which it is signed or a certified copy thereof) must be deposited at the registered office of the Company, at No. 6, Tagore Drive, #B1-06, Tagore Building, Singapore 787623 not less than 48 hours before the time appointed for the Extraordinary General Meeting.
5. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised.
6. A corporation which is a member may authorise by resolution of its directors or other governing body, such person as it thinks fit to act as its representative at the Extraordinary General Meeting, in accordance with Section 179 of the Companies Act, Chapter 50 of Singapore.
7. The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of Shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the member, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at 48 hours before the time appointed for holding the Extraordinary General Meeting, as certified by The Central Depository (Pte) Limited to the Company.