

**OKP HOLDINGS LIMITED**  
(Company Registration No. 200201165G)

**MINUTES OF TWENTY-FIRST ANNUAL GENERAL MEETING**

<b>Date</b>	:	Monday, 24 April 2023
<b>Time</b>	:	11.00 am
<b>Venue</b>	:	No. 30 Tagore Lane, Singapore 787484
<b>Present</b>	:	As per Attendance List
<b>Chairman of the Meeting</b>	:	Mr Or Toh Wat

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**Opening**

The Chairman welcomed all shareholders attending the Company's Twenty-First Annual General Meeting.

The Chairman introduced the other members of the Board who were present, namely:

- |        |                  |                             |
|--------|------------------|-----------------------------|
| (i)    | Mr Or Kim Peow   | (Group Chairman)            |
| (ii)   | Mdm Ang Beng Tin | (Executive Director)        |
| (iii)  | Mr Or Kiam Meng  | (Executive Director)        |
| (iv)   | Mr Oh Enc Nam    | (Executive Director)        |
| (v)    | Mr Daniel Or     | (Executive Director)        |
| (vi)   | Dr John Chen     | (Lead Independent Director) |
| (vii)  | Mr Niru Pillai   | (Independent Director)      |
| (viii) | Mr Tan Boen Eng  | (Independent Director)      |

**Quorum**

As a quorum was present, the Chairman declared the Meeting open.

**Notice**

The notice convening the Meeting, having been circulated to shareholders by publication on the SGX website and the Company's corporate website, was taken as read.

**Voting by Poll**

The Chairman informed that pursuant to Regulation 81(1) of the Company's Constitution, all resolutions at the Meeting shall be voted by poll as required by the SGX Listing Rules. Polling would be conducted electronically using wireless handheld devices which had been issued to the attendees.

Boardroom Corporate & Advisory Services Pte Ltd had been appointed as the polling agent and Drewcorp Services Pte Ltd had been appointed as the scrutineer for all polls conducted for the Meeting. A short video presentation on the voting process was then shown and voting for a test resolution was carried out after the video presentation.

## Questions

The Chairman informed that the Company had requested shareholders who wish to ask questions pertaining to the agenda of the Meeting to submit their questions in advance. The Company had not received any questions from shareholders before the Meeting. The questions received from the Securities Investors Association (Singapore) had been addressed by the Company in an announcement on 17 April 2023.

Before putting the motions to vote, the Chairman invited questions in relation to any of the resolutions to be tabled. Please refer to the Annexure attached hereto for the questions and answers.

The Chairman then proceeded with the formal business of the Meeting.

## Ordinary Business

### 1. Audited Financial Statements (Resolution 1)

The Chairman put the following motion to vote:

“That the audited financial statements for the financial year ended 31 December 2022, together with the Directors’ Statement and the Independent Auditor’s Report, be received and adopted.”

There were 220,867,410 (99.84%) shares voting for and 361,700 (0.16%) shares voting against the resolution. By majority vote, the Chairman declared Resolution 1 carried.

### 2. Final Dividend (Resolution 2)

The Board had recommended the payment of a final one-tier tax exempt dividend of \$0.007 per ordinary share for the financial year ended 31 December 2022. The dividend, if approved, would be paid on 31 May 2023.

The Chairman put the following motion to vote:

“That the payment of a final one-tier tax exempt dividend of \$0.007 per ordinary share for the financial year ended 31 December 2022 be approved.”

There were 221,229,110 (100.00%) shares voting for and no shares voting against the resolution. By unanimous vote, the Chairman declared Resolution 2 carried.

### 3. Re-election of Mr Or Kim Peow as Director (Resolution 3)

Mr Or Kim Peow was retiring under Regulation 107 of the Company’s Constitution and had given his consent to continue in office.

The Chairman put the following motion to vote:

“That Mr Or Kim Peow be re-elected as a Director of the Company.”

There were 220,667,910 (100.00%) shares voting for and no shares voting against the resolution. By unanimous vote, the Chairman declared Resolution 3 carried.

### 4. Re-election of Mr Or Kiam Meng as Director (Resolution 4)

Mr Or Kiam Meng was retiring under Regulation 107 of the Company’s Constitution and had given his consent to continue in office.

The Chairman put the following motion to vote:

“That Mr Or Kiam Meng be re-elected as a Director of the Company.”

There were 220,517,910 (100.00%) shares voting for and no shares voting against the resolution. By unanimous vote, the Chairman declared Resolution 4 carried.

**5. Re-election of Dr Chen Seow Phun, John as Director (Resolution 5)**

Dr John Chen who was retiring under Regulation 107 of the Company’s Constitution, had given his consent to continue in office. The Chairman informed that upon being re-elected, Dr Chen would remain as the chairman of the Audit Committee, and the Board considered Dr Chen to be independent for the purpose of Rule 704(8) of the Listing Manual until the next Annual General Meeting of the Company.

The Chairman put the following motion to vote:

“That Dr Chen Seow Phun, John be re-elected as a Director of the Company.”

There were 219,347,410 (99.58%) shares voting for and 921,200 (0.42%) shares voting against the resolution. By majority vote, the Chairman declared Resolution 5 carried.

**6. Directors’ Fees (Resolution 6)**

The Board had recommended the payment of Directors’ fees of \$180,000 for the financial year ended 31 December 2022.

The Chairman put the following motion to vote:

“That the payment of Directors’ fees of \$180,000 for the financial year ended 31 December 2022 be approved.”

There were 219,907,410 (100.00%) shares voting for and no shares voting against the resolution. By unanimous vote, the Chairman declared Resolution 6 carried.

**7. Re-appointment of Auditor (Resolution 7)**

CLA Global TS Public Accounting Corporation, the Independent Auditor of the Company, had expressed their willingness to continue in office for the following year.

The Chairman put the following motion to vote:

“That CLA Global TS Public Accounting Corporation be re-appointed as the Company’s Independent Auditor and the Directors be authorised to fix their remuneration.”

There were 220,337,910 (100.00%) shares voting for and no shares voting against the resolution. By unanimous vote, the Chairman declared Resolution 7 carried.

As no notice of any other ordinary business had been received by the Secretary, the Chairman proceeded to deal with the Special Business of the Meeting.

**Special Business**

**8. Authority to Allot and Issue Shares (Resolution 8)**

The Chairman put the following motion to vote:

“That pursuant to Section 161 of the Companies Act 1967 and the Listing Manual of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”), authority be and is hereby given to the Directors of the Company to:-

- (A) (i) allot and issue shares in the capital of the Company whether by way of rights, bonus or otherwise; and/or
- (ii) make or grant offers, agreements or options (collectively, “**Instruments**”) that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and

- (B) (notwithstanding that this authority may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while this authority was in force,

provided that:-

- (1) the aggregate number of shares to be issued pursuant to this authority (including shares to be issued in pursuance of Instruments made or granted pursuant to this authority) does not exceed 50% of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below) (“**Issued Shares**”), of which the aggregate number of shares to be issued other than on a pro-rata basis to the existing shareholders of the Company (including shares to be issued in pursuance of Instruments made or granted pursuant to this authority) does not exceed 20% of the total number of Issued Shares;
- (2) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (1) above, the percentage of Issued Shares shall be based on the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the time this authority is given, after adjusting for:-
- (i) new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which were issued and outstanding or subsisting at the time this authority is given, provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Listing Manual of the SGX-ST; and
- (ii) any subsequent bonus issue, consolidation or sub-division of shares;
- (3) in exercising the authority conferred by this Resolution, the Directors shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution for the time being of the Company; and
- (4) (unless revoked or varied by the Company in general meeting) this authority shall continue in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is the earlier.”

There were 219,876,210 (99.39%) shares voting for and 1,352,900 (0.61%) shares voting against the resolution. By majority vote, the Chairman declared Resolution 8 carried.

**9. Authority to Allot and Issue Shares pursuant to the OKP Performance Share Scheme (Resolution 9)**

The Chairman highlighted that all shareholders who were entitled to participate in the OKP Performance Share Scheme had abstained from voting on Resolution 9.

The Chairman put the following motion to vote:

“That the Directors of the Company be and are hereby authorised to grant awards in accordance with the provisions of the OKP Performance Share Scheme (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 delivered and/or to be delivered in respect of all awards granted under the Scheme and all other shares delivered and/or to be delivered 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 (excluding treasury shares and subsidiary holdings) of the Company from time to time.”

There were 48,765,500 (99.78%) shares voting for and 105,600 (0.22%) shares voting against the resolution. By majority vote, the Chairman declared Resolution 9 carried.

**10. Renewal of Share Purchase Mandate (Resolution 10)**

The Chairman put the following motion to vote:

“That:

(a) for the purposes of Sections 76C and 76E of the Companies Act 1967 (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**”), 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, which 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;
- (c) in this Resolution:

**“Prescribed Limit”** means 10% of the total number of issued Shares (excluding any treasury shares and subsidiary holdings) of the Company as at the date of the passing of this Resolution, unless the Company has reduced its share capital in accordance with the applicable provisions of the Companies Act, at any time during the Relevant Period (as hereinafter defined), in which event the total number of issued Shares of the Company shall be taken to be the total number of issued Shares as altered (excluding any treasury shares and subsidiary holdings);

**“Relevant Period”** means the period commencing from the date of the passing of this Resolution and expiring on the date on which the next annual general meeting of the Company is held or required by law to be held, whichever is the earlier; 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% of the Average Closing Price;  
and
- (ii) in the case of an Off-Market Purchase : 120% 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 during such five-Market Day period and the day on which the Market Purchase is made;

**“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.”

There were 220,357,710 (100.00%) shares voting for and no shares voting against the resolution. By unanimous vote, the Chairman declared Resolution 10 carried.

**Close of Meeting**

There being no other business to transact, the Chairman declared the Annual General Meeting of the Company closed at 12.20 pm.

Confirmed as a True Record

[SIGNED]

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Or Toh Wat  
Chairman of the Meeting

## ANNEXURE

### Questions and answers

*Question : Congratulations on the success in the arbitration proceedings relating to the worksite accident at PIE. It is an important achievement for the Group in clearing its name. It is noted from the Five-Year Financial Highlights section on page 36 of the Annual Report that net profit had declined over the years even though revenue had increased and was highest in FY2022. Now that legal proceedings relating to the worksite accident have concluded, are things looking up from now?*

*Answer :* Gross profit margin had decreased over the years. The unfortunate worksite accident occurred in 2017 and since then, the Group had incurred litigation and other costs. In addition, as a result of the COVID-19 pandemic in 2020, costs for labour, materials and sub-contractors had increased and affected the gross profit margin, especially for contracts secured before the COVID-19 pandemic. For contracts secured after the COVID-19 pandemic, the tender price had accounted for the increased costs. As such, costs should be stabilised currently and margins should be better. The Group's management will also implement measures to control costs and manage projects better.

*Question : It is noted on page 150 of the Annual Report that there was a valuation gain for the investment properties. Is the management happy with the return on investment for the investment properties? What is the management's investment strategy?*

*Answer :* The management takes a middle to long term approach for investment properties. However, if prices increase, the management will review and decide whether to monetise. For instance, the Group has put up the shophouses at Kampong Bahru Road for expressions of interest. The management will regularly review the Group's investment property portfolio to determine whether it is a good time to sell and look for better opportunities.

For the Australian property, the yield is more than 10%. For shophouses in Singapore, the rent is usually low but there is capital gain potential.

With regard to the property developments, Phoenix Residences is expected to receive TOP in 2024 while The Essence will receive TOP in 2023. These will contribute to the Group's cashflow.

*Question : The Group was awarded \$43 million in the arbitration. What is the plan for usage of the funds? Will there be a special dividend to reward shareholders?*

*Answer :* The Group has consistently paid dividends over the years to reward shareholders. The management may consider paying a higher dividend in 2024. The Group's gross profit from FY2018 to FY2022 had been affected by the costs of litigation. In FY2022, the Group had incurred a one-off increase in legal fees for arbitration proceedings of \$3.6 million. The arbitral award will compensate the Group for the incurred costs and damages.



Question : *Does climate change create any opportunities or challenges for the Group?*

Answer : With rising sea levels, PUB is embarking on coastal protection works, which are at the stage of design consultancy currently. OKP is not really in the marine field but will look into such projects.

As for inland works, PUB is undertaking drainage improvement schemes to increase capacity to cope with heavy downpours. OKP specialises in this field and has secured quite a few drainage projects from PUB even though it may not have submitted the lowest bid.

With the focus on sustainability and green technology, heavy equipment in the construction industry contribute to carbon emissions and the switch to electric equipment has been considered. However, the use of electric equipment in construction has not matured yet and investment cost is high. Hence, the Group is waiting for the technology to mature. Meanwhile, the Group is working with suppliers for more environmentally friendly materials, such as infusing carbon dioxide into concrete to reduce carbon emission.

Climate change has also posed challenges for the Group. Bad weather will require stoppage of work and affect the progress and cost of projects. These will have to be taken into account when tendering for projects.

Question : *What is the Group's roadmap for investment properties?*

Answer : The Group is not actively looking to acquire properties in Singapore as prices are too high. Construction remains the Group's main business. The Group had invested in properties to mitigate the adverse impact of the worksite accident in the last few years. While the Group will continue to engage in the property business, it will not accumulate any land bank.

Question : *Will the arbitral award amount be subject to tax?*

Answer : Yes, but not the whole amount. The Group is seeking tax advice.

Question : *What is the payment timeline for the arbitral award?*

Answer : Announcements will be made, subject to the confidentiality restrictions. It is expected that the full amount will be received within this year.

Question : *Will the Group continue to work with CPG?*

Answer : The Group will not rule out working with CPG again. If there are opportunities for value add, the Group will certainly consider.

Question : *The Group's order book has been consistently above \$200 million but this does not seem to be reflected in the revenue.*

Answer : The net order book amount does not include revenue that has been recognised and projects last for up to four years. There has been no cancellation of contracts, but some contracts are based on lump sum and some are based on provisional quantity submitted. In FY2022, \$200 million worth of contracts were awarded and they will last till 2026. The order book will increase when new contracts are awarded but will also reduce when revenue from contracts is recognised. Claims for payment are made based on work done. For the first 6-7 months of a project, there is usually minimum work done and minimal revenue will be recognised.

*Question : It is noted from page 147 of the Annual Report that the investments in USB Group and Chong Kuo Development are performing poorly. Why is this so?*

*Answer :* USB Group is involved in the development of Phoenix Residences and construction for a North-South corridor project. For the North-South corridor project, payment is made based on milestones and not based on monthly progress payment claims. For milestone payments, the contractor will not be able to claim for payment progressively. Meanwhile, costs incurred will be recognised. In addition, COVID-19 had caused a delay in the project. The project is approximately 36% completed. A loss is still likely for FY2023 as the contract will complete in 2027.

As for Phoenix Residences, the profit margin is not expected to be high. The property was acquired by enbloc sale and by the time the construction contract was awarded, costs had gone up substantially.

*Question : It is noted that the interest rate for the investment in structured deposits was only 1.4% per annum. As bank interest rates are higher, is there any intention to terminate the investment?*

*Answer :* There may be some penalties for early termination. In any case, the investment was made mainly to build relationship with the bank as the Group needs bank guarantees for projects. It is a matter of give and take. When the investment was made, bank interest rates were less than 1%. The fact that two local banks had approached the Group to offer more credit lines after the worksite accident shows the Group's good relationships with its banks.

*Question : It is noted that the Group's annual capital expenditure is usually \$6-7 million. What is the expected amount this year?*

*Answer :* As announced, the capital expenditure is expected to be \$3-5 million. The Group has bought specialised equipment on hire purchase due to project requirements.

*Question : There has been a decline in return on equity. Does the Company intend to examine its capital structure?*

*Answer :* Return on equity had been affected due to litigation costs incurred in the last few years.

*Question : Is the Group tendering for different projects?*

*Answer :* The Group has been actively tendering for projects and has been doing that even after the worksite accident.

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