



OKP HOLDINGS LIMITED

(Incorporated in Singapore with Company Registration No. 200201165G)

INVESTMENT IN CS LAND PROPERTIES PTE. LTD.

The Board of Directors of OKP Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce that the Company’s wholly-owned subsidiary, OKP Land Pte. Ltd. (“**OKP Land**”) has today entered into an investment agreement (the “**Investment Agreement**”) with CS Land Properties Pte. Ltd. (“**CSLP**”) and China Sonangol Land Pte. Ltd. (“**CS Land**”), pursuant to which OKP Land has subscribed for 111,111 ordinary shares (the “**Investment Shares**”) in CSLP, representing approximately 10% of the enlarged issued and paid-up share capital of CSLP (the “**Investment**”). In connection with the Investment, OKP Land has also entered into a shareholders’ agreement (the “**Shareholders’ Agreement**”) with CSLP and CS Land, and a loan agreement (the “**Loan Agreement**”) with CSLP.

Information on CSLP

CSLP was incorporated on 8 September 2009 and was a wholly-owned subsidiary of CS Land, the property arm of China Sonangol International (S) Pte Ltd, a substantial shareholder of the Company. CSLP is a property developer and the en-bloc purchaser of the development known as Lot 3078K of Mukim 25 at No. 4 Amber Road, Singapore 439852 (formerly known as Amber Towers). CSLP plans to re-develop the existing freehold site (the “**Site**”) which it acquired for \$161.6 million.

Rationale for the Investment

The Investment will be the Group’s first venture into property development since it obtained shareholders’ approval in September 2010 to diversify its core business to include property development. The diversification is expected to broaden the Group’s revenue base.

Consideration and Funding

The aggregate consideration for the subscription of the Investment Shares is \$111,111, paid in full upon the issue of the Investment Shares today.

Pursuant to the Loan Agreement, which is a condition of the Investment, OKP Land shall make available to CSLP a loan facility of up to \$20,000,000 (the “**Loan Facility**”) for a period up to the sixth anniversary of the first drawdown date under the Loan Agreement or such other date as may be mutually agreed between OKP Land and CSLP. Loan interest of 2% per annum above SIBOR is payable under the Loan Agreement. As at the date of this Announcement, CSLP has drawdown approximately \$18.4 million of the Loan Facility.

The Investment and the Loan Facility will be funded by the proceeds from the share placement exercises completed in February 2007 and May 2009, and the issuance of warrants completed in January 2010 and the exercise of such warrants.

Chapter 10 of the SGX-ST Listing Manual

The relative figures computed on the bases set out in Rule 1006 of the SGX-ST Listing Manual in relation to the Investment are as follows:-

Net asset value of assets to be disposed of, compared with the Group's net asset value	Not applicable
Net profit attributable to the assets acquired, compared with the Group's net profit	Not applicable ⁽¹⁾
Aggregate value of consideration ⁽²⁾ given, compared with the Company's market capitalisation (as at 27 June 2012)	12.18%
Number of equity securities issued by the Company as consideration for the acquisition, compared with the number of equity securities previously in issue	Not applicable

Note:

- (1) Save for the purchase of the Site and the engagement of various professional parties for the development of the Site, CSPL has not conducted any business.
- (2) The aggregate value of the consideration for the Investment is \$20,111,111, being the aggregate of the subscription price of the Investment Shares of \$111,111 and the amount of the Loan Facility of \$20,000,000.

The Investment is thus a discloseable transaction under Rule 1010 of the SGX-ST Listing Manual.

Financial Effects

Assuming that the Investment had been effected on 31 December 2011, the net tangible assets per share of the Company as at 31 December 2011 would remain unchanged at 28.3 cents.

Assuming that the Investment had been effected on 1 January 2011, the earnings per share of the Company for the financial year ended 31 December 2011 would remain unchanged at 9.0 cents.

The Investment 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 2012.

Interests of Directors and Controlling Shareholders

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

By Order of the Board

Or Toh Wat
Group Managing Director
27 June 2012