

OKP HOLDINGS LIMITED

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

RESPONSE TO SGX-ST'S FURTHER QUERIES ON ANNOUNCEMENT OF FULL YEAR RESULTS FOR FINANCIAL YEAR ENDED 31 DECEMBER 2012

The Board of Directors of OKP Holdings Limited (the "**Company**", and together with its subsidiaries, the "**Group**") refers to the Company's response on 4 March 2013 to queries raised by the Singapore Exchange Securities Trading Limited ("**SGX-ST**") on the Company's financial statements for the fourth quarter and full year ended 31 December 2012 (the "**Results Announcement**") and the following further queries received from the SGX-ST, and wishes to provide further information as follows:-

1. **In response to Question 1, the Company stated that the write-back of trade payables of S\$0.5 million was a one-time exercise, mainly for trade payables that had been outstanding for more than seven years and it was unlikely that the Group would still be liable for these liabilities. Why was the S\$0.5 million trade payable outstanding for more than 7 years?**

Reply: The amount of S\$0.5 million related to the sub-contracting cost for a particular project which was completed in 2002. The sub-contractor to whom the sum was payable had not requested for payment since 2002.

2. **With reference to the Company's reply to Question 2, please provide the following information:**

- (i) **What was the third party engaged to do?**

Reply: The third party was engaged to execute and complete certain sewage-related sub-contract works.

- (ii) **When and why did the Group pay on behalf of the sub-contractor?**

Reply: The Group paid for the purchases of materials and machinery in accordance with the terms of the sub-contract agreement. In addition, the Group paid for the supply of tools and manpower as the sub-contractor lacked sufficient resources. Such payments were made by the Group on behalf of the sub-contractor between March 2011 and July 2012. The Group expected to set-off the purchase costs against the sub-contract sum payable to the sub-contractor.

- (iii) **When and why was the contract with the sub-contractor terminated?**

Reply: The sub-contract agreement was terminated on 14 September 2012 as the sub-contractor failed to execute the sub-contract works in accordance with the agreed schedule. Following the termination of the said sub-contract agreement, the Group appointed other sub-contractors to complete the works and also carried out some of the works itself.

- (iv) The Company has stated that following a review of the receivable of S\$1.5 million, it was determined that, arising from the termination of the contract, there was objective evidence that impairment existed, i.e. recoverability of the receivable was uncertain. Please elaborate on the specific considerations taken into account by the Company in determining that recoverability of the receivable was uncertain.

Reply: The Group had made numerous calls in 2011 and 2012 to demand for repayment and also issued a letter of demand in November 2012. The Group also engaged a lawyer to issue a further letter of demand in January 2013. In addition, based on searches conducted, it was noted that the business of the sub-contractor had been transferred to a new owner. In view of the foregoing, the Group's management determined that recoverability of the receivable was uncertain.

3. With reference to the Company's response to Question 3, please disclose other relationships amongst the directors and key management personnel in the Company and its subsidiaries, including spousal relationship, parent-child relationship and sibling relationship, in the format set out in Appendix 7.2 Part II (19) of the Listing Manual.

Reply:

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Or Yew Whatt	55	Nephew of Mr Or Kim Peow (Group Chairman); Mdm Ang Beng Tin (Executive Director) is the wife of Mr Or Kim Peow; Mr Or Toh Wat (Group Managing Director), Mr Or Kiam Meng (Executive Director) and Mr Or Lay Huat Daniel (Executive Director) are the sons of Mr Or Kim Peow; Mr Oh Enc Nam (Executive Director) is the nephew of Mr Or Kim Peow; brother of Mr Oh Enc Nam	Executive Director of Eng Lam Contractors Co. (Pte) Ltd, responsible for the supervision of projects, resolving site issues and involved in the project tender process. Position held since 1992.	NA
Oh Kim Poy	73	Brother of Mr Or Kim Peow (Group Chairman); Mdm Ang Beng Tin (Executive Director) is the wife of Mr Or Kim Peow; Mr Or Toh Wat (Group Managing Director), Mr Or Kiam Meng (Executive Director) and Mr Or Lay Huat Daniel (Executive Director) are the sons of Mr Or Kim Peow; Mr Oh Enc Nam (Executive Director) is the nephew of Mr Or Kim Peow	Executive Director of Eng Lam Contractors Co. (Pte) Ltd, responsible for supervising and monitoring of projects. Position held since 1992.	NA

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Ang Beng Tin	57	Wife of Mr Or Kim Peow (Group Chairman); Mr Or Toh Wat (Group Managing Director), Mr Or Kiam Meng (Executive Director) and Mr Or Lay Huat Daniel (Executive Director) are the sons of Mr Or Kim Peow; Mr Oh Enc Nam (Executive Director) is the nephew of Mr Or Kim Peow	Executive Director of the Company, responsible for managing employee relations, benefit programmes and insurance claims at Or Kim Peow Contractors (Pte) Ltd. Position held since 2002.	NA
Or Toh Wat	45	Son of Mr Or Kim Peow (Group Chairman); Mdm Ang Beng Tin (Executive Director) is the wife of Mr Or Kim Peow; Mr Or Kiam Meng (Executive Director) and Mr Or Lay Huat Daniel (Executive Director) are the sons of Mr Or Kim Peow; Mr Oh Enc Nam (Executive Director) is the nephew of Mr Or Kim Peow	Group Managing Director of the Company, responsible for setting the Group's corporate directions and strategies, and overseeing the day-to-day management and business development of the Group. Position held since 2002.	NA
Or Kiam Meng	48	Son of Mr Or Kim Peow (Group Chairman); Mdm Ang Beng Tin (Executive Director) is the wife of Mr Or Kim Peow; Mr Or Toh Wat (Group Managing Director) and Mr Or Lay Huat Daniel (Executive Director) are the sons of Mr Or Kim Peow; Mr Oh Enc Nam (Executive Director) is the nephew of Mr Or Kim Peow	Executive Director of the Company, responsible for overseeing the daily site management and operations of Or Kim Peow Contractors (Pte) Ltd. Position held since 2002.	NA
Oh Enc Nam	57	Nephew of Mr Or Kim Peow (Group Chairman); Mdm Ang Beng Tin (Executive Director) is the wife of Mr Or Kim Peow; Mr Or Toh Wat (Group Managing Director), Mr Or Kiam Meng (Executive Director) and Mr Or Lay Huat Daniel (Executive Director) are the sons of Mr Or Kim Peow	Executive Director of the Company, responsible for the day-to-day management and the overall operations of Eng Lam Contractors Co. (Pte) Ltd. Position held since 2002.	NA

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Or Lay Huat Daniel	35	Son of Mr Or Kim Peow (Group Chairman); Mdm Ang Beng Tin (Executive Director) is the wife of Mr Or Kim Peow; Mr Or Toh Wat (Group Managing Director) and Mr Or Kiam Meng (Executive Director) are the sons of Mr Or Kim Peow; Mr Oh Enc Nam (Executive Director) is the nephew of Mr Or Kim Peow	Executive Director of the Company, responsible for business development, investor relations and corporate communications of the Group. Position held since 2006.	NA

By Order of the Board

Or Toh Wat
Group Managing Director
6 March 2013