

OKP HOLDINGS LIMITED

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

RESPONSE TO QUESTIONS FROM SHAREHOLDERS

The Board of Directors of OKP Holdings Limited (the “**Company**” or “**OKP**”, and together with its subsidiaries, the “**Group**”) refers to the questions received from shareholders ahead of the Company’s Annual General Meeting to be held at 11.00 a.m. on 26 April 2021 by electronic means. The Company wishes to provide its response below.

- Q1. (a) The Chairman and CEO statements talk a lot about OKP’s track record, good reputation etc. It fails to mention the biggest damage to its reputation i.e. the 2017 Viaduct collapse, for which OKP has just been found guilty. What actions have OKP management and Board taken to ensure that such an incident does not happen again.**
- (b) OKP’s turnover, profitability and share price has suffered tremendously since the 2017 incident. The contracts you have from public sector are quite small. Has OKP been banned or in some way penalised when you tender for government contracts. I noticed OKP has not participated in the biggest road building project – North South Corridor.**
- (c) The maintenance value has dropped by half since 2017. Again, is OKP being penalised because of the Viaduct collapse?**

Company’s response

- (a) Safety has always been a top priority for the Group at its workplace. Following the accident, the Group had worked closely with the various stakeholders on its workplace safety and health management system. Regular checks have also been conducted to ensure that processes adhere to industry standards. The Group had also engaged external auditors and consultants to review its control systems and give recommendations. The Group will continue with its good workplace safety practices and also work on further developing a culture of safety by establishing safety and environmental awareness programmes.
- (b) The Company is not aware that the Group had been banned from or penalised when tendering for government contracts. Backed by over 50 years of track record and strong technical capabilities, the Group remains committed to securing new projects to add to its order book. At the same time, the Group will continue to cultivate long-term relationships with clients.
- (c) The Group’s core business and focus has always been in the construction and maintenance business. In FY2020, the Construction and Maintenance segments continue to be strong revenue pillars and core businesses, accounting for 91.0% of the Group’s total revenue. In FY2020, the lower revenue for the Construction and Maintenance segments was due mainly to the temporary cessation of construction activities in compliance with the government’s COVID-19 measures. Moving forward, the Group will continue to strengthen its capabilities in its core civil engineering business in order to maintain its status as a leading civil engineering contractor across various industries.

Q2. For the residential developments, The Essence and Phoenix Residences, one has sale of over 90% while the other is not moving much. May the management provide more details if any rationale behind this?

Company's response

The Group is progressing well with its two new residential developments, The Essence at Chong Kuo Road and Phoenix Residences at Phoenix Road. Phoenix Residences was launched in December 2020, over a year later than The Essence, which was launched in March 2019. Hence, the launch dates would need to be considered when comparing the pace of sales. That said, the Group has stepped up its marketing efforts to engage homebuyers through both physical and virtual channels.

By Order of the Board

Or Toh Wat
Group Managing Director
24 April 2021