

RESPONSE TO SGX QUERY

The Board of Directors of OKH Global Ltd would like to respond to the query below raised by the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) dated 15 February 2022, regarding the Company’s announcement of its Half Year FY2022 financial results on 11 February 2022. The Company sets out below its responses to the queries raised by the SGX-ST:

SGX-ST’s Query:

As at 31 December 2021, the Group has cash and bank balance of S\$12.6 million and significant current liabilities of S\$82.9 million, including trade and other payables of S\$17.8 million, loans due to a shareholder of S\$43.5 million and bank loans amounting to S\$20.5 million. Please provide:

- a. The Board’s assessment on whether the Company will be able to operate as a going concern taking into account whether the Company’s current assets are adequate to meet the Company’s short term liabilities, including its bases of assessment;
- b. An explanation of how the Company intends to fulfil its significant payment obligations in the next 12 months as and when they fall due; and
- c. The Board’s confirmation that all material information has been disclosed.

Company’s Response:

As at the financial period ended 31 December 2021, the bank loan amounting to S\$20,540,000 is classified as current due to the nature of the loan being a Money Market Loan, which rollovers on an annual basis.

The Board and management are also of the view that the loans due to a shareholder amounting to S\$43,537,000 and its corresponding accrued interest of S\$9,049,000 recorded under trade and other payables will be successfully extended before it is due in July 2022 as the shareholder had extended the loan annually in the past. Excluding the bank loan, loans due to a shareholder and its corresponding accrued interest, the remaining current liabilities amounts to S\$9,822,000 which the Group will be able to repay with the cash and bank balance available, when required.

Based on the above, the Board and management are of the view that the Group will be able to operate as a going-concern and will be able to meet its short-term obligations when they fall due as there will not be any immediate repayment required for the bank loan and loans due to a shareholder in the next twelve months. The Board would also like to confirm that all material information has been disclosed.

BY ORDER OF THE BOARD

LOCK WAI HAN
Executive Director and Chief Executive Officer
16 February 2022