



**First Quarter
Financial Statement
for the Period Ended
31 March 2010**

10 May 2010

Table of Contents

		<u>Page No</u>
1(a)	Consolidated statement of comprehensive income	2
1(b)(i)	Balance sheets	4
1(b)(ii)	Borrowings and debts securities	9
1(c)	Consolidated statement of cash flows	10
1(d)(i)	Consolidated statement of changes in equity	12
1(d)(ii)	Changes in share capital	13
1(d)(iii)	Total number of issued shares	13
1(d)(iv)	Statement of sales, transfers, disposals, cancellations and/or use of treasury shares	14
2 & 3	Audit statement	14
4	Accounting policies	14
5	Changes in accounting policies	14
6	Earnings per share	15
7	Net asset value per share	16
8	Review of Group's performance	16
9	Variance from previous prospect statement	18
10	Outlook	19
11 & 12	Dividend	20
13	Use of proceeds	21
14	Interested persons transactions	22
15	Confirmation by the Board on financial results	22

First Quarter Financial Statement for the Period Ended 31 March 2010
PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS
1(a) An income statement (for the Group) together with a comparative statement for the corresponding period of the immediately preceding financial year

	The Group		
	Current first quarter ended 31 Mar 2010	Previous first quarter ended 31 Mar 2009	Increase/ (Decrease)
	\$'000	\$'000	%
Revenue	33,904	29,621	14.5
Cost of works	(28,098)	(24,746)	13.5
Gross profit	5,806	4,875	19.1
Other income	68	193	(64.8)
Expenses			
- Administrative	(1,602)	(1,301)	23.1
- Finance	(38)	(51)	(25.5)
Profit before income tax	4,234	3,716	13.9
Income tax expense	(732)	(536)	36.6
Total comprehensive income, representing net profit for the period	3,502	3,180	10.1
Gross profit margin	17.1%	16.5%	
Net profit margin	10.3%	10.7%	
Total comprehensive income, representing net profit, attributable to:			
Equity holder of the Company	3,503	3,183	10.1
Minority interests	(1)	(3)	(66.7)
	3,502	3,180	10.1

n.m. – not meaningful



(i) Additional disclosures

Profit before income tax was arrived at:

	The Group		
	Current first quarter ended 31 Mar 2010	Previous first quarter ended 31 Mar 2009	Increase/ (Decrease)
	\$'000	\$'000	%
<u>After charging:-</u>			
Non-audit fee paid to the auditors of the Company	4	7	(42.9)
Depreciation of property, plant and equipment	52	64	(18.8)
Directors' remuneration			
- Directors of the Company	457	436	4.8
- Other Directors	128	82	56.1
Directors' fee	38	38	-
Interest paid and payable			
- Finance lease liabilities	38	51	(25.5)
Loss on foreign exchange	8	-	n.m.
Staff costs	429	332	29.2
<u>After crediting:-</u>			
Interest income from bank deposits	25	22	13.6
Gain on disposal of property, plant and equipment (net)	11	21	(47.6)
Gain on foreign exchange	-	105	n.m.
<u>Included in the cost of works are the following:-</u>			
Depreciation of property, plant and equipment	538	462	16.5
Staff costs	4,381	3,658	19.8

n.m. – not meaningful

(ii) Extraordinary/Exceptional items

Nil

(iii) Adjustments for under or over-provision of tax in respect of prior years

There were no material adjustments for under or over-provision of tax in respect of prior periods.



1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year

Note	The Group		The Company		
	31 Mar 2010	31 Dec 2009	31 Mar 2010	31 Dec 2009	
	\$'000	\$'000	\$'000	\$'000	
ASSETS					
Current assets					
	85,510	77,691	14,540	10,482	
Cash and cash equivalents					
Trade and other receivables	i	27,390	26,201	8,206	11,957
Construction contracts works-in-progress		1,479	1,902	-	-
		114,379	105,794	22,746	22,439
Non-current assets					
Investments in subsidiaries	ii	-	-	14,576	14,576
Investment in a joint venture	iii	50	50	-	-
Investment property		1,200	1,200	-	-
Property, plant and equipment		13,097	13,645	2,303	2,289
Intangible assets		1,688	1,688	-	-
		16,035	16,583	16,879	16,865
Total assets		130,414	122,377	39,625	39,304
LIABILITIES					
Current liabilities					
Trade and other payables	iv	59,544	57,089	3,810	5,861
Finance lease liabilities		1,114	1,196	-	-
Current income tax liabilities		2,903	2,909	68	73
		63,561	61,194	3,878	5,934
Non-current liabilities					
Finance lease liabilities		1,282	1,505	-	-
Deferred income tax liabilities		197	164	-	-
		1,479	1,669	-	-
Total liabilities		65,040	62,863	3,878	5,934
NET ASSETS		65,374	59,514	35,747	33,370
EQUITY					
Capital and reserve attributable to equity holders of the Company					
Share capital		26,469	23,993	26,469	23,993
Warrants reserve		500	618	500	618
Retained profits		37,810	34,307	8,778	8,759
		64,779	58,918	35,747	33,370
Minority interests		595	596	-	-
Total equity		65,374	59,514	35,747	33,370
Net tangible assets		63,091	57,230	35,747	33,370



Notes to Statements of Financial Position:

(i) Trade and other receivables comprise:

	The Group		The Company	
	31 Mar 2010	31 Dec 2009	31 Mar 2010	31 Dec 2009
	\$'000	\$'000	\$'000	\$'000
Trade receivables				
- Non-related parties	3,932	7,355	-	-
- Minority shareholder of a subsidiary	250	234	-	-
- Subsidiaries	-	-	8,233	11,949
	4,182	7,589	8,233	11,949
Less: Allowance for impairment of receivables	(53)	(53)	(531)	(531)
Trade receivables – net	4,129	7,536	7,702	11,418
Construction contracts				
- Due from customers	19,047	14,721	-	-
- Retentions	2,081	1,643	-	-
	21,128	16,364	-	-
Non-trade receivables				
- Minority shareholder of a subsidiary	6	6	-	-
- Subsidiaries	-	-	1,578	1,577
	6	6	1,578	1,577
Less: Allowance for impairment of receivables	-	-	(1,094)	(1,094)
Non-trade receivables - net	6	6	484	483
Deposits	250	282	-	37
Prepayments	693	805	19	18
Other receivables	1,184	1,208	1	1
	27,390	26,201	8,206	11,957



(ii) Investments in subsidiaries comprise:

The Company	
31 Mar 2010	31 Dec 2009
\$'000	\$'000
<i>Equity investments at cost</i>	
Beginning of financial period/year	14,850
Additional investment in a subsidiary	-
End of financial period/year	14,850
Less: Allowance for impairment	(274)
	14,576
	14,576

Name of subsidiaries	Principal activities	Country of incorporation	Equity holding	
			31 Mar 2010	31 Dec 2009
<u>Held by the Company</u>				
Or Kim Peow Contractors (Pte) Ltd	Business of road and building construction and maintenance	Singapore	100%	100%
Eng Lam Contractors Co (Pte) Ltd	Business of road construction and maintenance	Singapore	100%	100%
OKP Technical Management Pte Ltd	Provision of technical management and consultancy services	Singapore	100%	100%
OKP Investments (China) Pte Ltd	Investment holding	Singapore	100%	100%
United Pavement Specialists Pte Ltd	Provision of rental services and investment holding	Singapore	55%	55%
OKP (Oil & Gas) Infrastructure Pte Ltd	Business of carrying out civil engineering projects in respect of oil, petrochemical and gas related businesses in Singapore	Singapore	55%	55%
OKP (CNMI) Corporation	Business of general construction	Saipan, Commonwealth of the Northern Mariana Islands	96%	96%
<u>Held by a subsidiary</u>				
United Pavement Specialists (CNMI) Corporation	Business of general construction, subcontractor	Saipan, Commonwealth of the Northern Mariana Islands	99%	99%



(iii) Investment in a joint venture comprises:

The Group	
31 Mar 2010	31 Dec 2009
\$'000	\$'000
Equity investment at cost	50
	50

On 1 December 2009, OKP Technical Management Pte Ltd ("OKPTM"), a wholly-owned subsidiary, entered into a joint venture agreement with CIF Singapore Pte Ltd ("CIF"), a company incorporated in Singapore and a subsidiary of China Sonangol International Limited, to form a 50:50 joint venture company.

On the same date, the joint venture company, CIF-OKP Construction and Development Pte Ltd ("CIF-OKP") was incorporated in Singapore with a share capital of \$100,000 consisting of 100 ordinary shares. The principal activities of CIF-OKP are the design, construction and execution of urban developments (including road infrastructure developments) in countries outside of Singapore such as the Republic of Angola, the Republic of Zimbabwe and such other country or countries as may be mutually agreed between OKPTM and CIF. As at 31 March 2010, CIF-OKP remained inactive.

(iv) Trade and other payables comprise:

	The Group		The Company	
	31 Mar 2010	31 Dec 2009	31 Mar 2010	31 Dec 2009
	\$'000	\$'000	\$'000	\$'000
Trade payables				
- Non-related parties	39,359	38,156	46	193
Non-trade payables				
- Subsidiaries	-	-	3,334	3,038
- Minority shareholder of a subsidiary	647	647	-	-
	647	647	3,334	3,038
Construction contracts				
- Advance received	1,988	2,982	-	-
Accrued operating expenses	17,437	15,189	430	2,625
Other payables	113	115	-	5
	<u>59,544</u>	<u>57,089</u>	<u>3,810</u>	<u>5,861</u>



Explanatory Notes:

(i) Current assets

Current assets increased by \$8.6 million, from \$105.8 million as at 31 December 2009 to \$114.4 million as at 31 March 2010. The increase was attributable to:

- (a) an increase in cash and cash equivalents of approximately \$7.8 million due mainly to the inflow of proceeds from the issuance of new shares arising from exercise of warrants coupled with cash generated from operations for the first quarter of 2010;
- (b) an increase in trade and other receivables of approximately \$1.2 million due mainly to higher accrued receivables and retention monies on construction contracts; and
- (c) partially offset by the decrease in construction contracts works-in-progress of approximately \$0.4 million due mainly to lower unbilled amounts expected to be collected from customers for contract work performed up till 31 March 2010 as compared to 31 December 2009.

(ii) Non-current assets

The decrease of \$0.5 million in non-current assets was due mainly to the decrease in property, plant and equipment resulting from depreciation and disposal of property, plant and equipment during the first quarter of 2010.

(iii) Current liabilities

Current liabilities increased by \$2.4 million, from \$61.2 million as at 31 December 2009 to \$63.6 million as at 31 March 2010. The increase was due mainly to:

- (a) an increase in trade payables and accrued operating expenses of approximately \$3.5 million arising from the increase in work done by sub-contractors on the various projects as the construction of the projects progressed; and
- (b) partially offset by the decrease in receipt of advance from a customer for an on-going project during the first quarter of 2010.

(iv) Non-current liabilities

The decrease in non-current liabilities was due mainly to repayment of finance lease liabilities during the first quarter of 2010.

(v) Shareholders' equity

Shareholders' equity, comprising share capital, warrants reserve, retained profits and minority interests, increased by \$5.9 million, from \$59.5 million as at 31 December 2009 to \$65.4 million as at 31 March 2010. The increase was largely attributable to:

- (a) the profit generated from operations of approximately \$3.5 million for the first quarter of 2010; and
- (b) the increase in share capital of approximately \$2.4 million resulting from the issuance of new shares arising from exercise of warrants during the first quarter of 2010.



1(b)(ii) Aggregate amount of group's borrowings and debt securities

(a) Amount repayable in one year or less, or on demand

As at 31 Mar 2010		As at 31 Dec 2009	
\$'000	\$'000	\$'000	\$'000
Secured	Unsecured	Secured	Unsecured
1,114	-	1,196	-

(b) Amount repayable after one year

As at 31 Mar 2010		As at 31 Dec 2009	
\$'000	\$'000	\$'000	\$'000
Secured	Unsecured	Secured	Unsecured
1,282	-	1,505	-

(c) Details of any collateral

The above secured borrowings of the Group relate to finance lease liabilities secured by way of corporate guarantee issued by the Company and charges over the property, plant and equipment under the finance leases.



1(c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year

Consolidated statements of cash flows for the first quarter ended 31 March:

		The Group	
		Current first quarter ended 31 Mar 2010	Previous first quarter ended 31 Mar 2009
		\$'000	\$'000
Note			
Cash flows from operating activities			
	Net profit	3,502	3,180
	Adjustments for:		
	- Income tax expense	732	536
	- Depreciation of property, plant and equipment	590	526
	- Gain on disposal of property, plant and equipment (net)	(11)	(21)
	- Interest income	(25)	(22)
	- Interest expense	38	51
	Operating cash flow before working capital changes	4,826	4,250
	Change in working capital		
	- Trade and other receivables	(1,143)	2,749
	- Construction contracts work-in-progress	423	632
	- Trade and other payables	2,454	5,698
	Cash generated from operations	6,560	13,329
	- Interest income	25	22
	- Income tax paid	(705)	(727)
	Net cash provided by operating activities	5,880	12,624
Cash flows from investing activities			
	- Purchase of property, plant and equipment	(49)	(314)
	- Proceeds from disposal of property, plant and equipment	19	78
	Net cash used in investing activities	(30)	(236)
Cash flows from financing activities			
	- Repayment of finance lease liabilities	(305)	(461)
	- Interest expense	(38)	(51)
	- Proceeds from issuance of new shares	2,358	-
	Net cash generated from / (used in) financing activities	2,015	(512)



		The Group	
		Current first quarter ended 31 Mar 2010	Previous first quarter ended 31 Mar 2009
Note		\$'000	\$'000
Net increase in cash and cash equivalents	i	7,865	11,876
Cash and cash equivalents at beginning of financial period		72,202	29,929
Cash and cash equivalents at end of financial period	ii	80,067	41,805

Explanatory Notes:

- (i) Our Group generated net cash of \$5.9 million from operating activities in the first quarter of 2010 as compared to \$12.6 million in the first quarter of 2009. The decrease was due mainly to a lower net working capital inflow which was partially offset by higher operating profit before working capital changes generated in the first quarter ended 31 March 2010.

Net cash of \$0.03 million used in investing activities was due to the purchase of new property, plant and equipment which was partially offset by proceeds received from the disposal of property, plant and equipment.

Net cash of \$2.0 million was generated from financing activities in the first quarter of 2010. This was due mainly to cash proceeds from the issuance of new shares arising from exercise of warrants which was partially utilised for repayment of finance lease liabilities and servicing of interest payments.

Overall, cash and cash equivalents stood at \$80.1 million as at 31 March 2010, an increase of \$38.3 million, from \$41.8 million as at 31 March 2009. This works out to cash of 30.9 cents per share as at 31 March 2010 as compared to 27.9 cents per share as at 31 March 2009.

- (ii) For the purpose of the consolidated cash flow statement, the consolidated cash and cash equivalents at the end of the financial period comprised the following:

		The Group	
		31 Mar 2010	31 Mar 2009
		\$'000	\$'000
Cash at bank and on hand		17,237	18,151
Short-term bank deposits		68,273	29,175
		85,510	47,326
Short-term bank deposits pledged to banks		(5,443)	(5,521)
Cash and cash equivalents per consolidated statement of cash flows		80,067	41,805

Bank deposits of \$5,443,000 (2009: \$5,521,000) are pledged to banks for banking facilities of certain subsidiaries.



1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

Attributable to equity holders of the Company					
Share capital	Warrants reserve	Retained profits	Total	Minority interest	Total equity
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000

The Group

As at 1 Jan 2010	23,993	618	34,307	58,918	596	59,514
Issue of new shares	2,358	-	-	2,358	-	2,358
Transfer from warrants reserve to share capital upon exercise of warrants	118	(118)	-	-	-	-
Total comprehensive income for the period	-	-	3,503	3,503	(1)	3,502
As at 31 Mar 2010	26,469	500	37,810	64,779	595	65,374

As at 1 Jan 2009	17,243	-	22,862	40,105	601	40,706
Total comprehensive income for the period	-	-	3,183	3,183	(3)	3,180
As at 31 Mar 2009	17,243	-	26,045	43,288	598	43,886

The Company

As at 1 Jan 2010	23,993	618	8,759	33,370	-	33,370
Issue of new shares	2,358	-	-	2,358	-	2,358
Transfer from warrants reserves to share capital upon exercise of warrants	118	(118)	-	-	-	-
Total comprehensive income for the period	-	-	19	19	-	19
As at 31 Mar 2010	26,469	500	8,778	35,747	-	35,747

As at 1 Jan 2009	17,243	-	3,721	20,964	-	20,964
Total comprehensive income for the period	-	-	59	59	-	59
As at 31 Mar 2009	17,243	-	3,780	21,023	-	21,023



- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year**

	Number of shares	\$
<u>Share Capital</u>		
Ordinary shares issued and fully paid		
Balance as at 1 January 2010	247,291,408	23,993,071
Issue of new shares pursuant to exercise of warrants	11,789,625	2,357,925
Transfer from warrants reserve to share capital upon exercise of warrants	-	117,896
Balance as at 31 March 2010	259,081,033	26,468,892

The Company issued 61,822,852 warrants on 6 January 2010, of which 11,789,625 had been exercised by warrant holders at the exercise price of \$0.20 per share during the first quarter ended 31 March 2010. There were 50,033,227 outstanding warrants as at 31 March 2010.

Except as mentioned above, there have been no changes in the issued share capital of the Company since 31 December 2009.

Under the Share Buy Back Mandate which was approved by the Shareholders on 20 April 2009, no shares were bought back by the Company during the first quarter ended 31 March 2010.

Except as mentioned above, there were no outstanding convertibles issued or treasury shares held by the Company as at 31 March 2009 and 31 March 2010.

- 1(d)(iii) Total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year**

	31 Mar 2010	31 Dec 2009
Total number of issued shares (excluding treasury shares)	259,081,033	247,291,408



1(d)(iv) A statement showing all sales, transfers, disposals, cancellation and/or use of treasury shares as at the end of the current financial period reported on

Not applicable.

2. Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice

The figures have not been audited or reviewed.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter)

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied

Except as disclosed in Note 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period compared with those for the audited financial statements as at 31 December 2009.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change

In the current year, the Group adopted the new/revised Financial Reporting Standards ("FRS") and Interpretations of FRS ("INT FRS") that are effective for annual periods beginning on or after 1 January 2010. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

The following are the new or amended FRS that are relevant to the Group:

FRS 27 (Revised)	Consolidated and Separate Financial Statements
FRS 103 (Revised)	Business Combinations

The adoption of the above FRS did not result in any substantial change to the Group's accounting policies nor any significant impact on the financial statements.



6. Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends

Basic earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial period.

The Group			
	Current first quarter ended 31 Mar 2010	Previous first quarter ended 31 Mar 2009	Increase/ (Decrease) %
Net profit attributable to equity holders of the Company (\$'000)	3,503	3,183	10.1
Weighted average number of ordinary shares outstanding for basic earnings per share	226,964,348	224,791,408	1.0
Basic earnings per share (cents per share)	1.54	1.42	8.5

Diluted earnings per share

For the purpose of calculating diluted earnings per share, profit attributable to equity holders of the Company and the weighted average number of ordinary shares outstanding are adjusted for the effects of all dilutive potential shares. The Company has one category of dilutive potential ordinary shares: warrants.

The Group			
	Current first quarter ended 31 Mar 2010	Previous first quarter ended 31 Mar 2009	Increase/ (Decrease) %
Net profit attributable to equity holders of the Company (\$'000)	3,503	3,183	10.1
Weighted average number of ordinary shares outstanding for basic earnings per share	226,964,348	224,791,408	1.0
Adjustments for warrants	29,817,782	-	n.a.
	256,782,130	224,791,408	14.2
Diluted earnings per share (cents per share)	1.36	1.42	(4.2)

n.a. – not applicable



7. **Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares, excluding treasury shares, of the issuer at the end of the**
(a) current period reported on and
(b) immediately preceding financial year

	The Group		The Company		Increase / (Decrease) %	
	As at 31 Mar 2010	As at 31 Dec 2009	As at 31 Mar 2010	As at 31 Dec 2009	The Group	The Company
Net tangible assets (\$'000)	63,091	57,230	35,747	33,270	10.2	7.4
Number of shares	259,081,033	247,291,408	259,081,033	247,291,408	4.8	4.8
NTA per share (cents)	24.35	23.14	13.80	13.45	5.2	2.6

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-**
- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
 - (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on**

Our Business

OKP Holdings Limited is a home-grown infrastructure and civil engineering company in the region. We specialise in the construction of urban and arterial roads, expressways, vehicular bridges, flyovers, airport infrastructure and oil & gas related infrastructure for petrochemical plants and oil storage terminals as well as the maintenance of roads and roads related facilities and building construction-related works. We tender for both public and private civil engineering and infrastructure construction projects.

We have two core business segments: Construction and Maintenance.



Income Statement Review (First Quarter of 2010 vs First Quarter of 2009)

	The Group			
	Current first quarter ended 31 Mar 2010	Previous first quarter ended 31 Mar 2009	Increase / (Decrease)	
	\$'000	\$'000	\$'000	%
Construction	27,431	20,921	6,510	31.1
Maintenance	6,473	8,700	(2,227)	(25.6)
Total Revenue	33,904	29,621	4,283	14.5

Revenue

Our Group registered a 14.5% increase in revenue to \$33.9 million in the first quarter of 2010 as compared to \$29.6 million in the first quarter of 2009. The increase was due mainly to a 31.1% increase in revenue from the construction segment to \$27.4 million, partially offset by a 25.6% decrease in revenue from the maintenance segment to \$6.5 million.

The growth in revenue from the construction segment was due mainly to the higher percentage of revenue recognised from a few construction projects which were in full swing in the first quarter of 2010.

The drop in revenue from the maintenance segment was due mainly to the substantial completion of existing maintenance projects in the first quarter of 2010 and the absence of any new maintenance contracts secured in the first quarter of 2010.

Gross profit and gross profit margin

In line with the increase in our revenue, our gross profit increased by \$0.9 million from \$4.9 million for the first quarter of 2009 to \$5.8 million for the first quarter of 2010.

Our gross profit margin remained fairly constant at approximately 17.1% and 16.5% for the first quarter of 2010 and 2009, respectively.

Other income

Other income decreased by \$0.1 million or 64.8% from \$0.2 million for the first quarter of 2009 to \$0.07 million for the first quarter of 2010. The decrease was due mainly to the absence of gain on foreign exchange of approximately \$0.1 million in the first quarter of 2010.



Administrative expenses

Administrative expenses increased by \$0.3 million or 23.1% from \$1.3 million for the first quarter of 2009 to \$1.6 million for the first quarter of 2010. The increase was largely attributable to the increase in professional fees incurred for the rights issue exercise and higher directors' remuneration and staff costs for the first quarter of 2010.

Finance expenses

Finance expenses decreased marginally by \$0.01 million due mainly to repayment of finance leases in the first quarter of 2010.

Profit before income tax

Profit before income tax increased by \$0.5 million or 13.9% from \$3.7 million in the first quarter of 2009 to \$4.2 million in the first quarter of 2010. The increase was due mainly to an increase in gross profit of \$0.9 million and partially offset by an increase in administrative expenses of \$0.3 million and decrease in other income by \$0.1 million as explained above.

Income tax expense

Income tax expense increased by \$0.2 million or 36.6% from \$0.5 million in the first quarter of 2009 to \$0.7 million in the first quarter of 2010 due mainly to higher profit before income tax as explained above.

Minority interests

Minority interests decreased due to losses incurred by a subsidiary in the first quarter of 2010.

Net profit

Overall, for the first quarter of 2010, net profit increased by \$0.3 million or 10.1% to \$3.5 million as compared to the first quarter of 2009 following the increase in profit before income tax of \$0.5 million which was partially offset by an increase in income tax expense of \$0.2 million, as explained above.

Our net profit margin remained fairly constant at 10.3% and 10.7% for the first quarter of 2010 and 2009 respectively.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results

No forecast or prospect statement was previously disclosed to shareholders.



10. A commentary at the date of the announcement of the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

On 14 April 2010, the Ministry of Trade and Industry announced that it expected the Singapore economy to grow by 7.0% to 9.0% in 2010, up from 4.5% to 6.5%. Advance estimates indicate that Singapore GDP expanded strongly by 13.1% on a year-on-year basis in the first quarter of 2010. The construction sector grew by 11.3% on a year-on-year basis in the first quarter of 2010, fuelled by major public sector civil engineering and residential contracts awarded. In the light of the overall positive climate, we believe the outlook for the construction industry will remain healthy for the next twelve months.

Our focus will remain on our traditional core business of construction and maintenance activities and we shall strive to offer high-quality, value added service to our clients. To date, we have secured three public sector projects totalling approximately \$39.5 million. The projects include construction and maintenance works at Tuas South Avenue 12 and Tuas South Avenue 14 worth \$5.2 million from the Jurong Town Corporation, ad hoc repairs and upgrading of roads, road related facilities and road structures in Central Sector for a period of 39 months worth \$19.4 million and ad hoc repairs and upgrading of roads, road related facilities and road structures in North-West Sector for a period of 39 months worth \$14.9 million from the Land Transport Authority. Going forward, Government projects will continue to be a fundamental and important part of our business and we will tender actively for these. We remain committed to building our track record and reputation in this sector. As at the date of this announcement, our order book based on secured contracts stood at approximately \$306.1 million, with some projects completing in 2013.

We hope to leverage on our track record and financial strength to participate in tender for larger civil engineering projects in order to generate higher profitability as well as to raise our business profile in the construction industry. Apart from public sector works, we also look to extend our civil engineering capabilities to the oil and gas sector.

Should the opportunity arise, we would also expand our business through acquisitions, joint ventures and/or strategic alliances that we believe can complement our construction and maintenance business. These can potentially provide us access to new markets and prospective clients. For example, our joint venture with CIF Singapore Pte Ltd is opening up opportunities for us in the African region.

While we actively prospect for growth opportunities, we remain committed to prudent cost management and improving operational efficiency.



11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? None.

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? None.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

12. If no dividend has been declared/recommendeded, a statement to that effect

No dividend has been declared/recommendeded for the first quarter ended 31 March 2010. The first and final dividend of 2.0 cent per ordinary share (one-tier tax-exempt) and special dividend of 1.0 cent per ordinary share (one-tier tax-exempt) for the financial year ended 31 December 2009 was approved at the Company's Eighth Annual General Meeting on 21 April 2010. Payment of the dividend will be made on 27 May 2010.



13. Use of proceeds

- (i) Placement of 13.6 million new ordinary shares at \$0.16821 for each share completed in February 2007 raising net proceeds of \$2.20 million

Use of proceeds	Amount allocated (\$'million)	Amount utilised (\$'million)	Balance amount (\$'million)
To fund expansion of the Group's oil, petrochemical and gas related business in Singapore	2.20	0.55	1.65

The unutilised proceeds are deposited with a bank pending deployment.

- (ii) Placement of 15.0 million new ordinary shares at \$0.45 for each share completed in May 2009 raising net proceeds of \$6.75 million

Use of proceeds	Amount allocated (\$'million)	Amount utilised (\$'million)	Balance amount (\$'million)
To be used as working capital for the Company's overseas business expansion	6.75	-	6.75

The unutilised proceeds are deposited with a bank pending deployment.

- (iii) Issuance of 61,822,852 warrants at \$0.01 for each warrant completed in January 2010 raising net proceeds of \$0.62 million

Use of proceeds	Amount allocated (\$'million)	Amount utilised (\$'million)	Balance amount (\$'million)
To be used as general working capital for the Company	0.62	-	0.62

The unutilised proceeds are deposited with a bank pending deployment.

- (iv) Exercise of 11,789,625 warrants at \$0.20 for each share as at 31 March 2010 raising net proceeds of \$2.36 million

Use of proceeds	Amount allocated (\$'million)	Amount utilised (\$'million)	Balance amount (\$'million)
To be used as general working capital for the Company	2.36	-	2.36

The unutilised proceeds are deposited with a bank pending deployment.



14. Interested person transactions disclosure

There was no interested person transaction, as defined in Chapter 9 of the Listing Manual of the Singapore Exchange Securities Trading Limited, entered into by the Group or by the Company during the first quarter ended 31 March 2010.

15. Confirmation pursuant to Rule 705(5) of the Listing Manual

The Board of Directors of OKP Holdings Limited confirms that, to the best of their knowledge, nothing has come to their attention which may render the financial results for the first quarter ended 31 March 2010 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Or Toh Wat
Group Managing Director
10 May 2010