



**Third Quarter and
Nine Months Financial
Statement for the Period
Ended 30 September 2010**

25 October 2010

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Third Quarter and Nine Months Financial Statement for the Period Ended 30 September 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			The Group		
	Third Quarter ended 30 Sep		Increase/ (Decrease)	Nine Months ended 30 Sep		Increase/ (Decrease)
	2010	2009		2010	2009	
	\$'000	\$'000	%	\$'000	\$'000	%
Revenue	36,599	35,118	4.2	110,256	96,614	14.1
Cost of works	(29,491)	(28,950)	1.9	(90,764)	(80,831)	12.3
Gross profit	7,108	6,168	15.2	19,492	15,783	23.5
Other income	125	111	12.6	245	1,369	(82.1)
Expenses						
- Administrative	(1,666)	(1,374)	21.3	(4,664)	(4,061)	14.8
- Finance	(38)	(45)	(15.6)	(114)	(147)	(22.4)
Profit before income tax	5,529	4,860	13.8	14,959	12,944	15.6
Income tax expense	(1,014)	(856)	18.5	(2,653)	(2,136)	24.2
Total comprehensive income, representing net profit for the period	4,515	4,004	12.8	12,306	10,808	13.9
Gross profit margin	19.4%	17.6%		17.7%	16.3%	
Net profit margin	12.3%	11.4%		11.2%	11.2%	
Total comprehensive income, representing net profit, attributable to:						
Equity holders of the Company	4,515	4,005	12.7	12,306	10,813	13.8
Non-controlling interests	-	(1)	n.m.	-	(5)	n.m.
	4,515	4,004	12.8	12,306	10,808	13.9

n.m – not meaningful



(i) Additional disclosures

Profit before income tax was arrived at:

	The Group			The Group		
	Third Quarter ended 30 Sep		Increase/ (Decrease)	Nine Months ended 30 Sep		Increase/ (Decrease)
	2010	2009		2010	2009	
	\$'000	\$'000	%	\$'000	\$'000	%
<u>After charging:-</u>						
Non-audit fee paid to the auditors of the Company	5	5	-	14	19	(26.3)
Depreciation of property, plant and equipment	65	63	3.2	169	190	(11.1)
Directors' remuneration						
- Directors of the Company	587	460	27.6	1,522	1,346	13.1
- Other Directors	96	81	18.5	310	245	26.5
Directors' fee	45	38	18.4	135	113	19.5
Interest paid and payable						
- Finance lease liabilities	38	45	(15.6)	114	147	(22.4)
Loss on foreign exchange (net)	85	46	84.8	94	29	224.1
Loss on disposal of property, plant and equipment	-	-	-	10	22	(54.5)
Employees compensation	381	286	33.2	1,144	924	23.8
<u>After crediting:-</u>						
Interest income						
- Bank deposits	29	13	123.1	81	43	88.4
- Financial asset, held-to-maturity	5	-	n.m.	6	-	n.m.
- Financial asset, available-for-sale	9	-	n.m.	9	-	n.m.
Gain on disposal of property, plant and equipment	26	34	(23.5)	37	77	(51.9)
Reversal of allowance for impairment of trade receivables	-	-	-	-	1,088	n.m.
Rental income from an investment property	10	18	(44.4)	30	38	(21.1)
Government grant- Job credit scheme	-	111	n.m.	93	317	(70.7)
<u>Included in the cost of works are the following:-</u>						
Depreciation of property, plant and equipment	618	594	4.0	1,723	1,555	10.8
Employees compensation	4,586	4,264	7.6	13,278	11,941	11.2

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 financial 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

Statements of Financial Position

	Note	The Group		The Company	
		30 Sep 2010	31 Dec 2009	30 Sep 2010	31 Dec 2009
		\$'000	\$'000	\$'000	\$'000
ASSETS					
Current assets					
Cash and cash equivalents		90,046	77,691	13,584	10,482
Trade and other receivables	i	30,581	26,201	3,326	11,957
Construction contracts work-in-progress		1,784	1,902	-	-
		<u>122,411</u>	<u>105,794</u>	<u>16,910</u>	<u>22,439</u>
Non-current assets					
Investments in subsidiaries	ii	-	-	15,174	14,576
Investment in a joint venture	iii	50	50	-	-
Investment property		1,200	1,200	-	-
Financial asset, held-to-maturity	iv	1,000	-	-	-
Financial asset, available for sale	v	745	-	-	-
Property, plant and equipment		16,847	13,645	2,975	2,289
Intangible asset		1,688	1,688	-	-
		<u>21,530</u>	<u>16,583</u>	<u>18,149</u>	<u>16,865</u>
Total assets		<u>143,941</u>	<u>122,377</u>	<u>35,059</u>	<u>39,304</u>
LIABILITIES					
Current liabilities					
Trade and other payables	vi	74,859	57,089	5,594	5,861
Finance lease liabilities		957	1,196	-	-
Current income tax liabilities		2,660	2,909	34	73
		<u>78,476</u>	<u>61,194</u>	<u>5,628</u>	<u>5,934</u>
Non-current liabilities					
Finance lease liabilities		1,072	1,505	-	-
Deferred income tax liabilities		249	164	-	-
		<u>1,321</u>	<u>1,669</u>	<u>-</u>	<u>-</u>
Total liabilities		<u>79,797</u>	<u>62,863</u>	<u>5,628</u>	<u>5,934</u>
NET ASSETS		<u>64,144</u>	<u>59,514</u>	<u>29,431</u>	<u>33,370</u>
EQUITY					
Capital and reserve attributable to equity holders of the Company					
Share capital		27,675	23,993	27,675	23,993
Warrants reserve		443	618	443	618
Retained profits		36,028	34,307	1,313	8,759
		<u>64,146</u>	<u>58,918</u>	<u>29,431</u>	<u>33,370</u>
Non-controlling interests		(2)	596	-	-
Total equity		<u>64,144</u>	<u>59,514</u>	<u>29,431</u>	<u>33,370</u>
Net tangible assets		<u>62,458</u>	<u>57,230</u>	<u>29,431</u>	<u>33,370</u>



Notes to Statements of Financial Position:

(i) Trade and other receivables comprise:

	The Group		The Company	
	30 Sep 2010	31 Dec 2009	30 Sep 2010	31 Dec 2009
	\$'000	\$'000	\$'000	\$'000
Trade receivables				
- Non-related parties	2,535	7,355	-	-
- Non-controlling shareholder of a subsidiary	-	234	-	-
- Subsidiaries	-	-	2,586	11,949
	2,535	7,589	2,586	11,949
Less: Allowance for impairment of receivables	-	(53)	(531)	(531)
Trade receivables – net	2,535	7,536	2,055	11,418
Construction contracts				
- Due from customers	23,160	14,721	-	-
- Retentions	3,304	1,643	-	-
	26,464	16,364	-	-
Non-trade receivables				
- Non-controlling shareholder of a subsidiary	6	6	-	-
- Subsidiaries	-	-	2,329	1,577
	6	6	2,329	1,577
Less: Allowance for impairment of receivables	-	-	(1,097)	(1,094)
Non-trade receivables - net	6	6	1,232	483
Deposits	468	282	-	37
Prepayments	613	805	38	18
Other receivables	495	1,208	1	1
	30,581	26,201	3,326	11,957



(ii) Investments in subsidiaries comprise:

	The Company	
	30 Sep 2010	31 Dec 2009
	\$'000	\$'000
<i>Equity investments at cost</i>		
Beginning of financial period/year	14,850	14,750
Acquisition of non-controlling interest in a subsidiary	598	-
Additional investment in a subsidiary	-	100
End of financial period/year	15,448	14,850
Less: Allowance for impairment	(274)	(274)
	15,174	14,576

Name of subsidiaries	Principal activities	Country of incorporation	Equity holding	
			30 Sep 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	100%	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	
30 Sep 2010	31 Dec 2009
\$'000	\$'000

Equity investment at cost	50	50
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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 30 September 2010, CIF-OKP remained inactive.

(iv) Financial asset, held-to-maturity – non-current comprises:

The Group		The Company	
30 Sep 2010	31 Dec 2009	30 Sep 2010	31 Dec 2009
\$'000	\$'000	\$'000	\$'000

Unlisted debt securities

- Bonds with fixed interest of 2.22% and maturity date of 5 July 2013 - Singapore	1,000	-	-	-
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(v) Financial asset, available-for-sale – non-current comprises:

The Group		The Company	
30 Sep 2010	31 Dec 2009	30 Sep 2010	31 Dec 2009
\$'000	\$'000	\$'000	\$'000

Unlisted debt securities

- Bonds with fixed interest of 7.875% without fixed maturity - Singapore	745	-	-	-
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(vi) Trade and other payables comprise:

	The Group		The Company	
	30 Sep 2010	31 Dec 2009	30 Sep 2010	31 Dec 2009
	\$'000	\$'000	\$'000	\$'000
Trade payables				
- Non-related parties	60,492	38,156	33	193
Non-trade payables				
- Subsidiaries	-	-	5,047	3,038
- Minority shareholder of a subsidiary	647	647	-	-
	647	647	5,047	3,038
Construction contracts				
- Advance received	-	2,982	-	-
Accrued operating expenses	13,283	15,189	514	2,625
Other payables	437	115	-	5
	<u>74,859</u>	<u>57,089</u>	<u>5,594</u>	<u>5,861</u>

Explanatory Notes:

(i) Current assets

Current assets increased by \$16.6 million, from \$105.8 million as at 31 December 2009 to \$122.4 million as at 30 September 2010. The increase was attributable to:

- an increase in cash and cash equivalents of approximately \$12.3 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 nine months ended 30 September 2010;
- an increase in trade and other receivables of approximately \$4.4 million due mainly to higher accrued receivables and retention monies on construction contracts following higher revenue recognised for the nine months ended 30 September 2010; and
- partially offset by the decrease in construction contracts work-in-progress of approximately \$0.1 million due mainly to lower unbilled amounts expected to be collected from customers for contract work performed up till 30 September 2010 as compared to 31 December 2009.

(ii) Non-current assets

Non-current assets increased by \$4.9 million, from \$16.6 million as at 31 December 2009 to \$21.5 million as at 30 September 2010. The increase was attributable to:

- the purchase of financial asset, held-to-maturity and financial asset, available-for-sale for \$1.0 million and \$0.7 million during the nine months ended 30 September 2010 respectively; and
- an increase in property, plant and equipment of \$3.2 million resulting from the acquisition of the property at 2A Sungei Kadut Drive Singapore 729554 for a consideration of \$3.55 million and the purchase of new plant and equipment, which was partially offset by depreciation and disposal of property, plant and equipment during the nine months ended 30 September 2010. The said property would be used for fabrication yard, workshop, storage of construction materials and office.



(iii) Current liabilities

Current liabilities increased by \$17.3 million, from \$61.2 million as at 31 December 2009 to \$78.5 million as at 30 September 2010. The increase was due mainly to:

- (a) an increase in trade payables and accrued operating expenses of approximately \$20.4 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 advance payment of approximately \$3.0 million from a customer for an on-going project. The entire advance has been transferred and recognised as revenue during the third quarter ended 30 September 2010.

(iv) Non-current liabilities

The decrease in non-current liabilities was due mainly to repayment of finance lease liabilities during the nine months ended 30 September 2010.

(v) Shareholders' equity

Shareholders' equity, comprising share capital, warrants reserve, retained profits and non-controlling interests, increased by \$4.6 million, from \$59.5 million as at 31 December 2009 to \$64.1 million as at 30 September 2010. The increase was largely attributable to:

- (a) the profit generated from operations of approximately \$12.3 million for the nine-months ended 30 September 2010;
- (b) the increase in share capital of approximately \$3.7 million which was partially offset by the decrease in warrants reserve of approximately \$0.2 million, resulting from the issuance of new shares arising from the exercise of warrants during the nine months ended 30 September 2010;

partially offset by:

- (c) the dividend payments to shareholders of approximately \$10.6 million during the nine months ended 30 September 2010; and
- (d) the decrease in non-controlling interests arising from the acquisition of the non-controlling interest in OKP (Oil & Gas) Infrastructure Pte Ltd for a cash consideration of \$0.6 million during the second quarter ended 30 June 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 30 Sep 2010		As at 31 Dec 2009	
\$'000	\$'000	\$'000	\$'000
Secured	Unsecured	Secured	Unsecured
957	-	1,196	-

(b) Amount repayable after one year

As at 30 Sep 2010		As at 31 Dec 2009	
\$'000	\$'000	\$'000	\$'000
Secured	Unsecured	Secured	Unsecured
1,072	-	1,505	-

(c) Details of any collateral

The above secured borrowings of the Group relate to finance lease liabilities secured by way of corporate guarantees 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

Statements of Cash Flows

	The Group		The Group	
	Third Quarter ended 30 Sep		Nine Months ended 30 Sep	
	2010	2009	2010	2009
	\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities				
Net profit	4,515	4,004	12,306	10,808
Adjustments for:				
- Income tax expense	1,014	856	2,653	2,136
- Depreciation of property, plant and equipment	683	657	1,892	1,745
- Gain on disposal of property, plant and equipment (net)	(26)	(34)	(27)	(55)
- Interest income	(43)	(13)	(96)	(43)
- Interest expense	38	45	114	147
Operating cash flow before working capital changes	6,181	5,515	16,842	14,738
Change in working capital				
- Trade and other receivables	569	1,240	(3,957)	(5,477)
- Construction contracts work-in-progress	(81)	(204)	118	34
- Trade and other payables	6,657	4,303	17,770	22,133
Cash generated from operations	13,326	10,854	30,773	31,428
Interest income	43	13	96	43
Income tax paid	(1,056)	(1,036)	(2,817)	(2,780)
Net cash provided by operating activities	12,313	9,831	28,052	28,691
Cash flows from investing activities				
Purchase of property, plant and equipment	(4,559)	(1,278)	(4,872)	(4,281)
Proceeds from disposal of property, plant and equipment	27	49	66	127
Purchase of financial asset, held-to-maturity	(1,000)	-	(1,000)	-
Purchase of financial asset, available-for-sale	(745)	-	(745)	-
Acquisition of non-controlling interest in a subsidiary	-	-	(598)	-
Net cash used in investing activities	(6,277)	(1,229)	(7,149)	(4,154)
Cash flows from financing activities				
Repayment of finance lease liabilities	(315)	(367)	(933)	(1,251)
Interest expense	(38)	(45)	(114)	(147)
Proceeds from issuance of shares	48	-	3,507	6,750
Dividend paid to shareholders	(2,648)	-	(10,585)	(2,997)
Net cash (used in)/provided by financing activities	(2,953)	(412)	(8,125)	2,355



Statements of Cash Flows (Cont'd)

Note	The Group		The Group	
	Third Quarter ended 30 Sep		Nine Months ended 30 Sep	
	2010	2009	2010	2009
	\$'000	\$'000	\$'000	\$'000
Net increase in cash and cash equivalents	3,083	8,190	12,778	26,892
Cash and cash equivalents at the beginning of the financial period	81,897	48,631	72,202	29,929
Cash and cash equivalents at the end of the financial period	84,980	56,821	84,980	56,821

Explanatory Notes:

- (i) Our Group generated net cash of \$28.1 million from operating activities in the nine months ended 30 September 2010 as compared to \$28.7 million in the nine months ended 30 September 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 nine months ended 30 September 2010.

Net cash of \$7.1 million used in investing activities was for the purchase of new property, plant and equipment, financial asset, held-to-maturity and financial asset, available-for-sale and acquisition of non-controlling interest in a subsidiary which was partially offset by proceeds received from the disposal of property, plant and equipment in the nine months ended 30 September 2010.

Net cash of \$8.1 million used in financing activities in the nine months ended 30 September 2010, included repayment of finance lease liabilities, interest payments and dividend payments to shareholders amounting to \$11.6 million which was partially offset by cash proceeds from the issuance of new shares arising from exercise of warrants.

Overall, cash and cash equivalents stood at \$85.0 million as at 30 September 2010, an increase of \$28.2 million, from \$56.8 million as at 30 September 2009. This works out to cash of 32.1 cents per share (based on 264,823,485 shares issued) as at 30 September 2010 as compared to 34.5 cents per share (based on 164,860,940 shares issued) as at 30 September 2009.

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

	The Group	
	30 Sep 2010	30 Sep 2009
	\$'000	\$'000
Cash at bank and on hand	13,371	7,490
Short-term bank deposits	76,675	54,825
	90,046	62,315
Short-term bank deposits pledged to banks	(5,066)	(5,494)
Cash and cash equivalents per consolidated statement of cash flows	84,980	56,821

Bank deposits of \$5,066,148 (2009: \$5,494,133) 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 interests	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
Issue of new shares	1,101	-	-	1,101	-	1,101
Transfer from warrants reserve to share capital upon exercise of warrants	55	(55)	-	-	-	-
Dividend relating to FY 2009 paid	-	-	(7,937)	(7,937)	-	(7,937)
Acquisition of non-controlling interest in a subsidiary	-	-	-	-	(598)	(598)
Total comprehensive income for the period	-	-	4,288	4,288	1	4,289
As at 30 Jun 2010	27,625	445	34,161	62,231	(2)	62,229
Issue of new shares	48	-	-	48	-	48
Transfer from warrants reserve to share capital upon exercise of warrants	2	(2)	-	-	-	-
Interim dividend relating to FY2010 paid	-	-	(2,648)	(2,648)	-	(2,648)
Total comprehensive income for the period	-	-	4,515	4,515	-	4,515
As at 30 Sep 2010	27,675	443	36,028	64,146	(2)	64,144



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

The Group

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
Issue of new shares	6,750	-	-	6,750	-	6,750
Dividend relating to FY2008 paid	-	-	(2,997)	(2,997)	-	(2,997)
Total comprehensive income for the period	-	-	3,625	3,625	(1)	3,624
As at 30 Jun 2009	23,993	-	26,673	50,666	597	51,263
Total comprehensive income for the period	-	-	4,005	4,005	(1)	4,004
As at 30 September 2009	23,993	-	30,678	54,671	596	55,267



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

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
Issue of new shares	1,101	-	-	1,101	-	1,101
Transfer from warrants reserves to share capital upon exercise of warrants	55	(55)	-	-	-	-
Dividend relating to FY2009 paid	-	-	(7,937)	(7,937)	-	(7,937)
Total comprehensive income for the period	-	-	3,090	3,090	-	3,090
As at 30 Jun 2010	27,625	445	3,931	32,001	-	32,001
Issue of new shares	48	-	-	48	-	48
Transfer from warrants reserves to share capital upon exercise of warrants	2	(2)	-	-	-	-
Interim dividend relating to FY2010 paid	-	-	(2,648)	(2,648)	-	(2,648)
Total comprehensive income for the period	-	-	30	30	-	30
As at 30 Sep 2010	27,675	443	1,313	29,431	-	29,431

The Company

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
Issue of new shares	6,750	-	-	6,750	-	6,750
Dividend relating to FY2008 paid	-	-	(2,997)	(2,997)	-	(2,997)
Total comprehensive income for the period	-	-	1	1	-	1
As at 30 Jun 2009	23,993	-	784	24,777	-	24,777
Total comprehensive income for the period	-	-	64	64	-	64
As at 30 Sep 2009	23,993	-	848	24,841	-	24,841



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
Issue of new shares pursuant to exercise of warrants	5,504,451	1,100,890
Transfer from warrants reserve to share capital upon exercise of warrants	-	55,045
Balance as at 30 June 2010	264,585,484	27,624,827
Issue of new shares pursuant to exercise of warrants	238,001	47,600
Transfer from warrants reserve to share capital upon exercise of warrants	-	2,380
Balance as at 30 September 2010	264,823,485	27,674,807

The Company issued 61,822,852 warrants on 6 January 2010, of which 238,001 had been exercised by warrant holders at the exercise price of \$0.20 per share during the third quarter ended 30 September 2010. There were 44,290,775 outstanding warrants as at 30 September 2010.

Except as mentioned above, there have been no changes in the issued share capital of the Company since 30 June 2010.



Under the Share Buy Back Mandate which was approved by the Shareholders on 21 April 2010, no shares were bought back by the Company during the third quarter ended 30 September 2010.

Except as mentioned above, there were no outstanding convertibles issued or treasury shares held by the Company as at 30 September 2009 and 30 September 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

	30 Sep 2010	31 Dec 2009
Total number of issued shares (excluding treasury shares)	264,823,485	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:

Amendment to FRS 7 Cash Flow Statements
 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 year:

	The Group			The Group		
	Third Quarter ended 30 Sep		Increase / (Decrease)	Nine Months ended 30 Sep		Increase / (Decrease)
	2010	2009		2010	2009	
	\$'000	\$'000	%	\$'000	\$'000	%
Net profit attributable to equity holders of the Company (\$'000)	4,515	4,005	12.7	12,306	10,813	13.8
Weighted average number of ordinary shares outstanding for basic earnings per share	259,269,181	235,258,441	10.2	259,269,181	235,258,441	10.2
Basic earnings per share (cents)	1.74	1.70	2.4	4.75	4.60	3.3



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			The Group		
	Third Quarter ended 30 Sep		Increase / (Decrease)	Nine Months ended 30 Sep		Increase / (Decrease)
	2010	2009		2010	2009	
	\$'000	\$'000	%	\$'000	\$'000	%
Net profit attributable to equity holders of the Company(\$'000)	4,515	4,005	12.7	12,306	10,813	13.8
Weighted average number of ordinary shares outstanding for basic earnings per share	259,269,181	235,258,441	10.2	259,269,181	235,258,441	10.2
Adjustment for - warrants	25,771,984	-	n.a.	25,771,984	-	n.a.
	285,041,165	235,258,441	21.2	285,041,165	235,258,441	21.2
Diluted earnings per share (cents)	1.58	1.70	(7.1)	4.32	4.60	(6.1)

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 30 Sep 2010	As at 31 Dec 2009	As at 30 Sep 2010	As at 31 Dec 2009	The Group	The Company
Net tangible assets (\$'000)	62,458	57,230	29,431	33,370	9.1	(11.8)
Number of shares	264,823,485	247,291,408	264,823,485	247,291,408	7.1	7.1
NTA per share (cents)	23.58	23.14	11.11	13.49	1.9	(17.6)

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. It specialises 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 have two core business segments: Construction and Maintenance.



Income Statement Review (Current nine months ended 30 Sep 2010 vs previous nine months ended 30 Sep 2009)

	The Group			
	Current nine months ended 30 Sep 2010	Previous nine months ended 30 Sep 2009	Increase / (Decrease)	
	\$'000	\$'000	\$'000	%
Construction	92,624	72,097	20,527	28.5
Maintenance	17,632	24,517	(6,885)	(28.1)
Total Revenue	110,256	96,614	13,642	14.1

Revenue

Our Group achieved record revenue of \$110.3 million for the nine months ended 30 September 2010, increasing 14.1% or \$13.6 million, from \$96.6 million in the nine months ended 30 September 2009 to \$110.3 million in the nine months ended 30 September 2010. The increase in revenue was contributed by strong revenue growth of 28.5% from the construction segment, partially offset by a 28.1% decrease in revenue from the maintenance segment.

The strong growth in revenue from the construction segment was largely attributable to a higher percentage of revenue recognised from a few major construction projects which were in full swing in the nine months ended 30 September 2010.

The decrease in revenue from the maintenance segment was due mainly to the substantial completion of existing maintenance projects in the nine months ended 30 September 2010 coupled with a lower percentage of revenue recognised from a few newly-awarded maintenance projects during the nine months ended 30 September 2010.

The construction segment continues to be the major contributor to our Group's revenue. On a segmental basis, our core construction segment and maintenance segment accounted for 84.0% (2009:74.6%) and 16.0% (2009:25.4%) of our Group's revenue, respectively, for the nine months ended 30 September 2010.

Gross profit and gross profit margin

Our gross profit increased by \$3.7 million or 23.5% from \$15.8 million in the nine months ended 30 September 2009 to \$19.5 million in the nine months ended 30 September 2010 following the increase in the revenue recognised.

Our gross profit margin increased from 16.3% in the nine months ended 30 September 2009 to 17.7% in the nine months ended 30 September 2010. The increase in our gross profit margin was largely attributable to a few key construction projects which had commanded better gross profit margins with better project management and tighter cost controls in the nine months ended 30 September 2010.



Other income

The decrease in other income of \$1.1 million or 82.1% was largely attributable to the reversal of allowance for impairment of trade receivables of \$1.1 million in the nine months ended 30 September 2009 which did not recur in the nine months ended 30 September 2010, coupled with a loss from foreign exchange of \$0.1 million resulting from the weakening of the US dollar against the Singapore dollar, partially offset by a \$0.1 million increase in bank deposits interests resulting from higher cash and cash equivalents and interest earned from financial assets.

Administrative expenses

The increase in administrative expenses of \$0.6 million or 14.8% was largely attributable to the increase in professional fees, and higher directors' remuneration and staff costs due to salary adjustments during the third quarter ended 30 September 2010.

Finance expenses

Finance expenses decreased marginally by \$0.03 million due mainly to repayment of finance leases during the nine months ended 30 September 2010.

Profit before income tax

Profit before income tax increased by \$2.0 million or 15.6% from \$12.9 million for the nine months ended 30 September 2009 to \$15.0 million for the nine months ended 30 September 2010. The increase was due mainly to an increase in gross profit of \$3.7 million, which was partially offset by a decrease in other income of \$1.1 million and an increase in administrative expenses of \$0.6 million, as explained above.

Income tax expense

Income tax expense increased by about \$0.5 million or 24.2% from \$2.1 million for the nine months ended 30 September 2009 to \$2.6 million for the nine months ended 30 September 2010. The higher income tax expense was due to higher profit before income tax, as explained above.

Non-controlling interests

There were no non-controlling interests for the nine months ended 30 September 2010 as the Group acquired the non-controlling interest in a subsidiary during the second quarter ended 30 June 2010.

Net profit

Our Group delivered record high net profit of \$12.3 million for the nine months ended 30 September 2010. Net profit increased by \$1.5 million or 13.9% from \$10.8 million for the nine months ended 30 September 2009 to \$12.3 million for the nine months ended 30 September 2010 following the increase in profit before income tax of \$2.0 million which was partially offset by an increase in income tax expense of about \$0.5 million, as explained above.

Our net profit margin remained constant at 11.2% for the nine months ended 30 September 2010 and 2009.



Income Statement Review (Current third quarter ended 30 Sep 2010 vs previous third quarter ended 30 Sep 2009)

	The Group			
	Current third quarter ended 30 Sep 2010	Previous third quarter ended 30 Sep 2009	Increase / (Decrease)	
	\$'000	\$'000	\$'000	%
Construction	30,468	28,334	2,134	7.5
Maintenance	6,131	6,784	(653)	(9.6)
Total Revenue	36,599	35,118	1,481	4.2

Revenue

Our Group registered an increase in revenue in the third quarter ended 30 September 2010 of \$1.5 million or 4.2% to \$36.6 million as compared to \$35.1 million in the third quarter ended 30 September 2009.

The increase was due mainly to a 7.5% growth from the construction segment. The higher percentage of revenue recognition for the construction segment came from a few key construction projects which were in full swing in the third quarter ended 30 September 2010.

The maintenance segment saw a lower percentage of revenue recognition due to the substantial completion of existing maintenance projects and lower contribution from newly-awarded maintenance projects.

Gross profit and gross profit margin

Due to the increase in our revenue, our gross profit increased by \$0.9 million or 15.2% from \$6.2 million for the third quarter ended 30 September 2009 to \$7.1 million for the third quarter ended 30 September 2010.

Our gross profit margin increased from 17.6% in the third quarter ended 30 September 2009 to 19.4% in the third quarter ended 30 September 2010. The increase in our gross profit margin was largely attributable to a few key construction projects which had commanded better gross profit margins with better project management and tighter cost controls in the third quarter ended 30 September 2010.

Other income

Other income remained fairly constant at \$0.1 million in the third quarter ended 30 September 2009 and 2010. The marginal increase of \$0.01 million was due mainly to higher interest earned from higher bank deposits, partially offset by the loss from foreign exchange resulting from the weakening of the US dollar against the Singapore dollar during the third quarter ended 30 September 2010.



Administrative expenses

The increase in administrative expenses of \$0.3 million or 21.3% was largely attributable to the increase in professional fees, and higher directors' remuneration and staff costs due to salary adjustments during the third quarter ended 30 September 2010.

Finance costs

Finance costs decreased marginally by \$0.01 million due to repayment of finance leases in the third quarter ended 30 September 2010.

Profit before income tax

Profit before income tax increased by \$0.6 million or 13.8% from \$4.9 million in the third quarter ended 30 September 2009 to \$5.5 million in the third quarter ended 30 September 2010. The increase was due mainly to an increase in gross profit of \$0.9 million coupled with an increase in other income of \$0.01 million, and partially offset by an increase in administrative expenses of \$0.3 million, as explained above.

Income tax expense

The \$0.1 million increase in income tax expense from \$0.9 million for the third quarter ended 30 September 2009 to \$1.0 million for the third quarter ended 30 September 2010 was due to higher profit before income tax as explained above.

Non-controlling interests

There were no non-controlling interests for the third quarter ended 30 September 2010 as the Group acquired the non-controlling interest in a subsidiary during the second quarter ended 30 June 2010.

Net profit

Overall, for the third quarter ended 30 September 2010, net profit increased by \$0.5 million or 12.8% to \$4.5 million as compared to the third quarter ended 30 September 2009 following the increase in profit before income tax of \$0.6 million which was partially offset by an increase in income tax expense of \$0.1 million, as explained above.

Our net profit margin for the third quarter ended 30 September 2010 was 11.4%, compared to 12.3% for the third quarter ended 30 September 2009 .

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 October 2010, the Ministry of Trade and Industry announced that it expected the Singapore economy to remain on track to achieve the overall growth forecast of 13.0% to 15.0% in 2010. Advance estimates indicated that the economy expanded by 10.3% in the third quarter of 2010 as compared to the previous corresponding period. The construction sector contracted by 12.0% in the third quarter of 2010 as compared to an expansion of 29.0% in the preceding quarter. The contraction was mainly due to the completion of key commercial and industrial building projects earlier in the year. However, the Government had also recently announced that it would spend \$60 billion to double Singapore's existing rail network over the next ten years. Overall, we believe the outlook for the construction industry will remain positive for the next twelve months.

We will continue to focus on our traditional core business of construction and maintenance activities, improving the track record that we have built up over the past 44 years. Our experience has held us in good stead and since the start of 2010, we have secured five public sector projects totalling approximately \$60.0 million. These are: (i) a \$5.2 million contract from the Jurong Town Corporation for construction and maintenance works at Tuas South Avenue 12 and Tuas South Avenue 14, (ii) a \$19.4 million contract from the Land Transport Authority for ad hoc repairs and upgrading of roads, road related facilities and road structures in Central Sector for a period of 39 months, (iii) a \$14.9 million contract from the Land Transport Authority for ad hoc repairs and upgrading of roads, road related facilities and road structures in North-West Sector for a period of 39 months, (iv) a \$6.0 million contract from the Public Utilities Board for desilting of Bukit Timah Phase II Diversion Canal and (v) a \$14.5 million contract from the Jurong Town Corporation for the construction of roads, drains, sewers and ancillary works at Cleantech Park (Phase 1), road widening works at Nanyang Avenue and sewage works along Jalan Bahar.

On the private sector front, we secured a \$1.1 million project from Exxonmobil Asia Pacific Pte Ltd to carry out land reclamation works on Jurong Island. We will continue to build up our capabilities and track record with a view to securing more deals in this sector locally or overseas.

As at the date of this announcement, our order book based on secured contracts stands at approximately \$327.6 million, with some projects completing in 2013.

We will leverage on our strengths and expertise to tender for larger and more complex civil engineering projects in order to generate higher profitability. This will also help to raise our Company's profile in the construction industry. However, we remain selective with regard to tender participation as this is one way we ensure prudence in our business operations. In addition, we also adopt necessary measures to control and reduce costs where possible so as to enhance our Group's core competencies and efficiency.

Our cash position stands at \$85.0 million as at 30 September 2010. This gives us some measure of financial strength, enabling us to explore larger projects and investments, either here or overseas. Our efforts to diversify and explore suitable opportunities to regionalise our core business continue as we seek to sharpen our competitive edge and reduce our reliance on a single source of revenue.



11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? No.

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? No.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

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

No interim dividend has been declared or recommended for the third quarter ended 30 September 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	1.15	1.05

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 17,532,077 warrants at \$0.20 for each share as at 30 September 2010 raising net proceeds of \$3.51 million

Use of proceeds	Amount allocated (\$'million)	Amount utilised (\$'million)	Balance amount (\$'million)
To be used as general working capital for the Company	3.51	-	3.51

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 third quarter ended 30 September 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 third quarter and nine months ended 30 September 2010 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Or Toh Wat
Group Managing Director
25 October 2010