



**Full Year Financial  
Statement and Dividend  
Announcement for the year ended  
31 December 2010**



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22 February 2011

## Table of Contents

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		<u>Page No</u>
1(a)	Income Statement	2
	Consolidated statement of comprehensive income	3
1(b)(i)	Statements of financial position	6
1(b)(ii)	Borrowings and debt securities	13
1(c)	Consolidated statements of cash flows	14
1(d)(i)	Consolidated statement of changes in equity	17
1(d)(ii)	Changes in share capital	21
1(d)(iii)	Total number of issued shares	22
1(d)(iv)	Statement of sales, transfers, disposals, cancellations and/or use of treasury shares	22
2 & 3	Audit statement	22
4	Accounting policies	23
5	Changes in accounting policies	23
6	Earnings per share	24
7	Net asset value per share	26
8 & 14	Review of group performance	26 & 34
9	Variance from previous prospect statement	30
10	Outlook	31
11 & 12 & 16	Dividend	32 & 34
13	Segmental information (Business)	33
15	Breakdown of sales	34
17	Use of proceeds	35
18	Interested person transactions	36

**Full Year Financial Statement and Dividend Announcement for the  
Year Ended 31 December 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		
	Fourth Quarter ended 31 Dec		Increase/ (Decrease)	Financial Year ended 31 Dec		Increase/ (Decrease)
	2010	2009		2010	2009	
	\$'000	\$'000	%	\$'000	\$'000	%
<b>Revenue</b>	29,600	33,368	(11.3)	139,856	129,982	7.6
Cost of works	(19,599)	(25,765)	(23.9)	(110,363)	(106,596)	3.5
<b>Gross profit</b>	<b>10,001</b>	<b>7,603</b>	31.5	<b>29,493</b>	<b>23,386</b>	26.1
Other income	548	92	495.7	887	1,462	(39.3)
Expenses						
- Administrative	(4,966)	(3,476)	42.9	(9,630)	(7,509)	28.2
- Other	(64)	(20)	220.0	(158)	(49)	222.4
- Finance	(37)	(39)	(5.1)	(151)	(186)	(18.8)
<b>Profit before income tax</b>	<b>5,482</b>	<b>4,160</b>	31.8	<b>20,441</b>	<b>17,104</b>	19.5
Income tax expense	(906)	(530)	70.9	(3,559)	(2,666)	33.5
<b>Net profit</b>	<b>4,576</b>	<b>3,630</b>	26.1	<b>16,882</b>	<b>14,438</b>	16.9
Gross profit margin	33.8%	22.8%		21.1%	18.0%	
Net profit margin	15.5%	10.9%		12.1%	11.1%	
<b>Profit attributable to:</b>						
Equity holders of the Company	4,646	3,629	28.0	16,952	14,442	17.4
Non-controlling interests	(70)	1	(7,100.0)	(70)	(4)	1,650.0
	4,576	3,630	26.1	16,882	14,438	16.9



(i) Consolidated Statement of comprehensive income for the fourth quarter and financial year ended 31 December 2010

	The Group			The Group		
	Fourth Quarter ended 31 Dec		Increase/ (Decrease)	Financial Year ended 31 Dec		Increase/ (Decrease)
	2010	2009		2010	2009	
	\$'000	\$'000	%	\$'000	\$'000	%
<b>Net profit</b>	4,576	3,630	26.1	16,882	14,438	16.9
<b>Other comprehensive income, net of tax:</b>						
Financial asset, available-for-sale						
- Fair value gains	15	-	n.m.	15	-	n.m.
<b>Total comprehensive income</b>	<b>4,591</b>	<b>3,630</b>	26.5	<b>16,897</b>	<b>14,438</b>	17.0
<b>Total comprehensive income, attributable to:</b>						
Equity holders of the Company	4,661	3,629	28.4	16,967	14,442	17.5
Non-controlling interests	(70)	1	(7,100.0)	(70)	(4)	1,650.0
	4,591	3,630	26.5	16,897	14,438	17.0

n.m – not meaningful



(ii) Additional disclosures

Profit before income tax was arrived at:

	The Group			The Group		
	Fourth Quarter ended 31 Dec		Increase/ (Decrease)	Financial Year ended 31 Dec		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	6	(16.7)	19	25	(24.0)
Depreciation of property, plant and equipment	182	62	193.5	351	252	39.3
Directors' remuneration						
- Directors of the Company	3,575	2,366	51.1	5,097	3,712	37.3
- Other Directors	90	82	9.8	400	327	22.3
Directors' fee	45	37	21.6	180	150	20.0
Interest paid and payable						
- Finance lease liabilities	37	39	(5.1)	151	186	(18.8)
Loss on foreign exchange (net)	27	20	35.0	120	49	144.9
Loss on disposal of property, plant and equipment	-	-	-	10	22	(54.5)
Employees compensation	447	361	23.8	1,591	1,285	23.8
Currency translation differences arise from debt securities investment	37	-	n.m.	37	-	n.m.
<u>After crediting:-</u>						
Interest income						
- Bank deposits	30	28	7.1	111	71	56.3
- Financial asset, held-to-maturity	6	-	n.m.	12	-	n.m.
- Financial asset, available-for-sale	14	-	n.m.	23	-	n.m.
Gain on disposal of property, plant and equipment	39	-	n.m.	76	77	(1.3)
Reversal of allowance for impairment of trade receivables	-	-	-	-	1,088	n.m.
Rental income from an investment property	11	10	10.0	41	48	(14.6)
Government grant- Job credit scheme	-	124	n.m.	93	441	(78.9)
Fair value gain on an investment property	300	-	n.m.	300	-	n.m.
<u>Included in the cost of works are the following:-</u>						
Depreciation of property, plant and equipment	745	654	13.9	2,468	2,209	11.7
Employees compensation	5,030	4,684	7.4	18,308	16,625	10.1

n.m. – not meaningful





**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

		The Group		The Company	
Note		31 Dec 2010	31 Dec 2009	31 Dec 2010	31 Dec 2009
		\$'000	\$'000	\$'000	\$'000
<b>ASSETS</b>					
<b>Current assets</b>					
	Cash and cash equivalents	100,074	77,741	14,103	10,482
i	Trade and other receivables	28,446	26,201	15,506	11,957
	Construction contract work-in-progress	2,681	1,902	-	-
		131,201	105,844	29,609	22,439
<b>Non-current assets</b>					
ii	Investments in subsidiaries	-	-	15,174	14,576
iii	Investments in joint ventures	-	-	-	-
	Investment property	1,500	1,200	-	-
iv	Financial asset, held-to-maturity	1,000	-	-	-
v	Financial asset, available-for-sale	726	-	-	-
	Property, plant and equipment	16,996	13,645	3,449	2,289
	Intangible asset	1,688	1,688	-	-
		21,910	16,533	18,623	16,865
	<b>Total assets</b>	153,111	122,377	48,232	39,304
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
vi	Trade and other payables	78,436	57,089	8,976	5,861
	Finance lease liabilities	898	1,196	-	-
	Current income tax liabilities	3,506	2,909	101	73
		82,840	61,194	9,077	5,934
<b>Non-current liabilities</b>					
	Finance lease liabilities	943	1,505	-	-
	Deferred income tax liabilities	393	164	-	-
		1,336	1,669	-	-
	<b>Total liabilities</b>	84,176	62,863	9,077	5,934
	<b>NET ASSETS</b>	<b>68,935</b>	<b>59,514</b>	<b>39,155</b>	<b>33,370</b>
<b>EQUITY</b>					
<b>Capital and reserves attributable to equity holders of the Company</b>					
	Share capital	27,885	23,993	27,885	23,993
vii	Other reserves	448	618	433	618
	Retained profits	40,674	34,307	10,837	8,759
		69,007	58,918	39,155	33,370
	<b>Non-controlling interests</b>	(72)	596	-	-
	<b>Total equity</b>	<b>68,935</b>	<b>59,514</b>	<b>39,155</b>	<b>33,370</b>
	<b>Net tangible assets</b>	<b>67,319</b>	<b>57,230</b>	<b>39,155</b>	<b>33,370</b>



**Notes to Statements of Financial Position:**

(i) Trade and other receivables comprise:

	The Group		The Company	
	31 Dec 2010	31 Dec 2009	31 Dec 2010	31 Dec 2009
	\$'000	\$'000	\$'000	\$'000
Trade receivables				
- Non-related parties	7,186	7,355	-	-
- Non-controlling shareholder of a subsidiary	-	234	-	-
- Subsidiaries	-	-	15,502	11,949
	7,186	7,589	15,502	11,949
Less: Allowance for impairment of receivables	-	(53)	(531)	(531)
Trade receivables – net	7,186	7,536	14,971	11,418
Construction contracts				
- Due from customers	16,523	14,721	-	-
- Retentions	3,731	1,643	-	-
	20,254	16,364	-	-
Non-trade receivables				
- Non-controlling shareholder of a subsidiary	6	6	-	-
- Subsidiaries	-	-	1,598	1,577
- Joint venture partner	32	-	19	-
- Joint venture company	2	-	-	-
	40	6	1,617	1,577
Less: Allowance for impairment of receivables	-	-	(1,097)	(1,094)
Non-trade receivables - net	40	6	520	483
Deposits	205	282	-	37
Prepayments	533	805	14	18
Other receivables	228	1,208	1	1
	<u>28,446</u>	<u>26,201</u>	<u>15,506</u>	<u>11,957</u>





(ii) Investments in subsidiaries comprise:

	The Company	
	31 Dec 2010	31 Dec 2009
	\$'000	\$'000
<i>Equity investments at cost</i>		
Beginning of financial year	14,850	14,750
Acquisition of non-controlling interest in a subsidiary	598	-
Additional investment in a subsidiary	-	100
End of financial 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	
			31 Dec 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) Investments in joint ventures:

On 8 December 2010, Or Kim Peow Contractors (Pte) Ltd (“OKPC”), a wholly-owned subsidiary, entered into a joint venture agreement with Soil-Build (Pte) Ltd (“SBPL”), incorporated in Singapore and a subsidiary of Soilbuild Group Holdings Ltd., to form a 50:50 joint venture company. On the same date, the joint venture company, Forte Builder Pte. Ltd. (“FBPL”) was incorporated in Singapore with a share capital of \$1,000,000 consisting of 1,000,000 ordinary shares. OKPC has a 50% equity interest at a cost of \$500,000 in FBPL. The principal activity of FBPL is the construction of the condominium housing development, comprising one (1) 36-storey block of 54 residential units at Angullia Park.

CIF-OKP Construction and Development Pte Ltd (“CIF-OKP”), incorporated in Singapore on 1 December 2009, remains inactive as at 31 December 2010. CIF- OKP is a joint venture company of OKP Technical Management Pte Ltd (“OKPTM”), a wholly owned subsidiary, and CIF Singapore Pte Ltd, a subsidiary of China Sonangol International Limited, with a share capital of \$100,000 consisting of 100 ordinary shares. OKPTM has a 50% equity interest at a cost of \$50,000 (2009: \$50,000) in CIF-OKP.

The following amounts represent the Group’s 50% share of the assets, liabilities, income and expenses of the joint ventures which are included in the consolidated balance sheet and statement of comprehensive income using the line-by-line format of proportionate consolidation:

	The Group	
	31 Dec 2010	31 Dec 2009
	\$'000	\$'000
Assets		
- Current assets	496	-
Liabilities		
- Current liabilities	-	-
Net assets	496	-
Revenue	-	-
Expenses	(4)	-
Profit before tax	(4)	-
Income tax	-	-
Profit after tax	(4)	-
Operating cash outflows	(17)	-

Name of joint ventures	Principal activities	Country of incorporation	Equity holding	
			31 Dec 2010	31 Dec 2009
CIF-OKP Construction and Development Pte Ltd	Design, construction and execution of urban developments (including road infrastructure)	Singapore	50%	50%
Forte Builder Pte Ltd	Business of general construction	Singapore	50%	-

Held by the Company

CIF-OKP Construction and Development Pte Ltd	Design, construction and execution of urban developments (including road infrastructure)	Singapore	50%	50%
Forte Builder Pte Ltd	Business of general construction	Singapore	50%	-



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

The Group	
31 Dec 2010	31 Dec 2009
\$'000	\$'000

Unlisted debt securities

- Bonds with fixed interest of 2.22% and maturity date of 5 July 2013 - Singapore

1,000

-

The fair value of the bonds at the balance sheet date is as follows:

- Bonds with fixed interest of 2.22% and maturity date of 5 July 2013

1,022

-

The fair value of the debt securities is based on available market or common reference prices provided by the bank.

(v) Financial asset, available-for-sale – non-current comprises:

The Group	
31 Dec 2010	31 Dec 2009
\$'000	\$'000

Beginning of financial year

-

-

Additions

745

-

Currency translation differences

(37)

-

Fair value gains recognised in other comprehensive income

18

-

End of financial year

726

-

Financial asset, available-for-sale is analysed as follows:

Unlisted debt securities

- Bonds with fixed interest of 7.875% without fixed maturity

726

-

The fair value of unlisted debt securities is based on available market or common reference prices provided by the bank.



(vi) Trade and other payables comprise:

	The Group		The Company	
	31 Dec 2010	31 Dec 2009	31 Dec 2010	31 Dec 2009
	\$'000	\$'000	\$'000	\$'000
Trade payables				
- Non-related parties	60,445	38,156	259	193
Non-trade payables				
- Subsidiaries	-	-	5,045	3,038
- Non-controlling shareholder of a subsidiary	647	647	-	-
	647	647	5,045	3,038
Construction contracts				
- Advance received	-	2,982	-	-
Accrued operating expenses	17,206	15,189	3,672	2,625
Other payables	138	115	-	5
	<u>78,436</u>	<u>57,089</u>	<u>8,976</u>	<u>5,861</u>

(vii) Other reserves comprise:

	The Group		The Company	
	31 Dec 2010	31 Dec 2009	31 Dec 2010	31 Dec 2009
	\$'000	\$'000	\$'000	\$'000
Warrant reserve				
- Beginning of financial year	618	-	618	-
- Pursuant to warrants issue exercise	-	618	-	618
- Transfer from warrants reserves to share capital upon exercise of warrants	(185)	-	(185)	-
- End of financial year	433	618	433	618
Fair value reserve				
- Beginning of financial year	-	-	-	-
- Financial asset – available-for-sale				
-Fair value gain	18	-	-	-
-Tax on fair value changes	(3)	-	-	-
- End of financial year	15	-	-	-
	<u>448</u>	<u>618</u>	<u>433</u>	<u>618</u>



## **Explanatory Notes:**

### **(i) Current assets**

Current assets increased by \$25.4 million, from \$105.8 million as at 31 December 2009 to \$131.2 million as at 31 December 2010. The increase was attributable to:

- (a) an increase in cash and cash equivalents of approximately \$22.3 million due mainly to the inflow of proceeds from the issuance of new shares arising from the exercise of warrants coupled with cash generated from operations in the financial year ended 31 December 2010 ("FY2010");
- (b) an increase in trade and other receivables of approximately \$2.3 million due mainly to higher accrued receivables and retention monies on construction contracts following higher revenue recognised in FY2010; and
- (c) an increase in construction contracts work-in-progress of approximately \$0.8 million following the increase in revenue and business activities in FY2010.

### **(ii) Non-current assets**

Non-current assets increased by \$5.4 million, from \$16.5 million as at 31 December 2009 to \$21.9 million as at 31 December 2010. The increase was attributable to:

- (a) the purchase of financial asset, held-to-maturity and financial asset, available-for-sale for \$1.0 million and \$0.7 million respectively in FY2010;
- (b) the fair value gain of approximately \$0.3 million arising from the revaluation of an investment property in FY2010; and
- (c) an increase in property, plant and equipment of \$3.4 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 FY2010. The said property would be used for fabrication yard, workshop, storage of construction materials and office.

### **(iii) Current liabilities**

Current liabilities increased by \$21.6 million, from \$61.2 million as at 31 December 2009 to \$82.8 million as at 31 December 2010. The increase was due mainly to:

- (a) an increase in trade payables and accrued operating expenses of approximately \$24.3 million arising from the increase in work done by sub-contractors on the various projects as the construction of the projects progressed; and
- (b) an increase in current income tax liabilities of approximately \$0.6 million due to higher tax provision for FY2010 resulting from higher profits generated during FY2010;

partially offset by

- (c) 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 FY2010; and
- (d) the decrease in finance lease liabilities of approximately \$0.3 million due to repayment during FY2010.

### **(iv) Non-current liabilities**

The decrease in non-current liabilities was due mainly to repayment of finance lease liabilities during FY2010.



(v) Shareholders' equity

Shareholders' equity, comprising share capital, other reserves, retained profits and non-controlling interests, increased by \$9.4 million, from \$59.5 million as at 31 December 2009 to \$68.9 million as at 31 December 2010. The increase was largely attributable to:

- (a) the profit generated from operations of approximately \$16.9 million in FY2010; and
- (b) the increase in share capital of approximately \$3.9 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 FY2010;

partially offset by:

- (c) the dividend payments to shareholders of approximately \$10.6 million during FY2010; 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 FY2010.

**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 Dec 2010		As at 31 Dec 2009	
\$'000	\$'000	\$'000	\$'000
Secured	Unsecured	Secured	Unsecured
898	-	1,196	-

- (b) Amount repayable after one year

As at 31 Dec 2010		As at 31 Dec 2009	
\$'000	\$'000	\$'000	\$'000
Secured	Unsecured	Secured	Unsecured
943	-	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**

Consolidated Statements of Cash Flows

Note	The Group		The Group	
	Fourth Quarter ended 31 Dec		Financial Year ended 31 Dec	
	2010	2009	2010	2009
	\$'000	\$'000	\$'000	\$'000
<b>Cash flows from operating activities</b>				
Net profit	4,576	3,630	16,882	14,438
Adjustments for:				
- Income tax expense	906	530	3,559	2,666
- Depreciation of property, plant and equipment	927	716	2,819	2,461
- Gain on disposal of property, plant and equipment (net)	(39)	-	(66)	(55)
- Unrealised currency translation loss	37	-	37	-
- Fair value gain on an investment property	(300)	-	(300)	-
- Interest income	(50)	(28)	(146)	(71)
- Finance expense	37	39	151	186
<b>Operating cash flow before working capital changes</b>	<b>6,094</b>	<b>4,887</b>	<b>22,936</b>	<b>19,625</b>
Change in working capital				
- Trade and other receivables	2,131	5,142	(1,825)	(336)
- Construction contracts work-in-progress	(897)	(264)	(779)	(230)
- Trade and other payables	3,577	6,035	21,346	28,169
<b>Cash generated from operations</b>	<b>10,905</b>	<b>15,800</b>	<b>41,678</b>	<b>47,228</b>
Interest income	50	28	146	71
Income tax refund /(paid)	81	166	(2,736)	(2,614)
<b>Net cash provided by operating activities</b>	<b>11,036</b>	<b>15,994</b>	<b>39,088</b>	<b>44,685</b>
<b>Cash flows from investing activities</b>				
Additions to of property, plant and equipment	(1,536)	(825)	(6,408)	(5,106)
Disposal of property, plant and equipment	614	-	680	127
Purchase of financial asset, held-to-maturity	-	-	(1,000)	-
Purchase of financial asset, available-for-sale	-	-	(745)	-
Acquisition of non-controlling interest in a subsidiary	-	-	(598)	-
<b>Net cash used in investing activities</b>	<b>(922)</b>	<b>(825)</b>	<b>(8,071)</b>	<b>(4,979)</b>



Consolidated Statements of Cash Flows (Cont'd)

Note	The Group		The Group	
	Fourth Quarter ended 31 Dec		Financial Year ended 31 Dec	
	2010	2009	2010	2009
	\$'000	\$'000	\$'000	\$'000
<b>Cash flows from financing activities</b>				
Repayment of finance lease liabilities	(301)	(317)	(1,234)	(1,568)
Finance expense	(37)	(39)	(151)	(186)
Proceeds from issuance of shares	199	-	3,706	6,750
Proceeds from rights issue exercise	-	618	-	618
Dividends paid to shareholders	-	-	(10,585)	(2,997)
<b>Net cash (used in)/provided by financing activities</b>	(139)	262	(8,264)	2,617
<b>Net increase in cash and cash equivalents</b>	9,975	15,431	22,753	42,323
Cash and cash equivalents at the beginning of the financial period/year	85,030	56,821	72,252	29,929
<b>Cash and cash equivalents at the end of the financial period/year</b>	95,005	72,252	95,005	72,252

**Explanatory Notes:**

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

	The Group	
	31 Dec 2010	31 Dec 2009
	\$'000	\$'000
Cash at bank and on hand	12,684	12,506
Short-term bank deposits	87,390	65,235
Short-term bank deposits pledged to banks	100,074	77,741
	(5,069)	(5,489)
Cash and cash equivalents per consolidated statement of cash flows	95,005	72,252

Bank deposits of \$5,069,000 (2009: \$5,489,000) are pledged to banks for banking facilities of certain subsidiaries.





- (ii) Our Group generated net cash of \$39.1 million from operating activities in FY2010 as compared to \$44.7 million in FY2009. 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 FY2010.

Net cash of \$8.1 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 FY2010.

Net cash of \$8.3 million used in financing activities in FY2010 included repayment of finance lease liabilities, interest payments and dividend payments to shareholders amounting to \$12.0 million which was partially offset by cash proceeds from the issuance of new shares arising from the exercise of warrants.

Overall, cash and cash equivalents stood at \$95.0 million as at 31 December 2010, an increase of \$22.7 million, from \$72.3 million as at 31 December 2009. This works out to cash of 35.7 cents per share (based on 265,823,335 shares issued) as at 31 December 2010 as compared to 29.2 cents per share (based on 247,291,408 shares issued) as at 31 December 2009.



**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	Fair value reserve	Retained profits	Total	Non-controlling interests	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>The Group</b>							
<b>As at 1 Jan 2010</b>	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
<b>As at 31 Mar 2010</b>	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
<b>As at 30 Jun 2010</b>	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
<b>As at 30 Sep 2010</b>	27,675	443	-	36,028	64,146	(2)	64,144
Issue of new shares	200	-	-	-	200	-	200
Transfer from warrants reserve to share capital upon exercise of warrants	10	(10)	-	-	-	-	-
Total comprehensive income for the period	-	-	15	4,646	4,661	(70)	4,591
<b>As at 31 Dec 2010</b>	27,885	433	15	40,674	69,007	(72)	68,935



Attributable to equity holders of the Company						
Share capital	Warrants reserve	Fair value reserve	Retained profits	Total	Non-controlling interests	Total equity
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000

The Group

<b>As at 1 Jan 2009</b>	17,243	-	-	22,862	40,105	600	40,705
Total comprehensive income for the period	-	-	-	3,183	3,183	(3)	3,180
<b>As at 31 Mar 2009</b>	17,243	-	-	26,045	43,288	597	43,885
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
<b>As at 30 Jun 2009</b>	23,993	-	-	26,673	50,666	596	51,262
Total comprehensive income for the period	-	-	-	4,005	4,005	(1)	4,004
<b>As at 30 Sep 2009</b>	23,993	-	-	30,678	54,671	595	55,266
Pursuant to warrants issue	-	618	-	-	618	-	618
Total comprehensive income for the period	-	-	-	3,629	3,629	1	3,630
<b>As at 31 Dec 2009</b>	23,993	618	-	34,307	58,918	596	59,514



Attributable to equity holders of the Company						
Share capital	Warrants reserve	Fair value reserve	Retained profits	Total	Non-controlling interests	Total equity
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000

The Company

<b>As at 1 Jan 2010</b>	23,993	618	-	8,759	33,370	-	33,370
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	-	-	-	19	19	-	19
<b>As at 31 Mar 2010</b>	26,469	500	-	8,778	35,747	-	35,747
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 FY2009 paid	-	-	-	(7,937)	(7,937)	-	(7,937)
Total comprehensive income for the period	-	-	-	3,090	3,090	-	3,090
<b>As at 30 Jun 2010</b>	27,625	445	-	3,931	32,001	-	32,001
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	-	-	-	30	30	-	30
<b>As at 30 Sep 2010</b>	27,675	443	-	1,313	29,431	-	29,431
Issue of new shares	200	-	-	-	200	-	200
Transfer from warrants reserve to share capital upon exercise of warrants	10	(10)	-	-	-	-	-
Total comprehensive income for the period	-	-	-	9,524	9,524	-	9,524
<b>As at 31 Dec 2010</b>	27,885	433	-	10,837	39,155	-	39,155



Attributable to equity holders of the Company						
Share capital	Warrants reserve	Fair value reserve	Retained profits	Total	Non-controlling interests	Total equity
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000

The Company

<b>As at 1 Jan 2009</b>	17,243	-	-	3,721	20,964	-	20,964
Total comprehensive income for the period	-	-	-	59	59	-	59
<b>As at 31 Mar 2009</b>	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
<b>As at 30 Jun 2009</b>	23,993	-	-	784	24,777	-	24,777
Total comprehensive income for the period	-	-	-	64	64	-	64
<b>As at 30 Sep 2009</b>	23,993	-	-	848	24,841	-	24,841
Pursuant to warrants issue	-	618	-	-	618	-	618
Total comprehensive income for the period	-	-	-	7,911	7,911	-	7,911
<b>As at 31 Dec 2009</b>	23,993	618	-	8,759	33,370	-	33,370



**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
Issue of new shares pursuant to exercise of warrants	999,850	199,970
Transfer from warrants reserve to share capital upon exercise of warrants	-	9,999
Balance as at 31 December 2010	265,823,335	27,884,776



The Company issued 61,822,852 warrants on 6 January 2010, of which 999,850 had been exercised by warrant holders at the exercise price of \$0.20 per share during the fourth quarter ended 31 December 2010. There were 43,290,925 outstanding warrants as at 31 December 2010.

Except as mentioned above, there have been no changes in the issued share capital of the Company since 30 September 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 fourth quarter ended 31 December 2010.

Except as mentioned above, there were no outstanding convertibles issued or treasury shares held by the Company as at 31 December 2009 and 31 December 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 Dec 2010	31 Dec 2009
Total number of issued shares (excluding treasury shares)	265,823,335	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.

During the current financial year, the Group changed its accounting policy for investments in joint ventures from applying equity accounting to proportionate consolidation. Management takes the view that this policy ensures consistency with the accounting policies adopted by the Group because proportionate consolidation involves combining the Group's share of the joint ventures' income and expenses, assets and liabilities and cash flows of the jointly-controlled entities on a line-by-line basis with similar items in the Group's financial statements. The policy has been applied prospectively from the fourth quarter ended 31 December 2010 because it was not practicable to estimate the effects of applying the policy either retrospectively, or prospectively from any earlier date since the joint ventures were not in operation then. Accordingly, the adoption of the new accounting policy has no effect on prior years' 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		
	Fourth Quarter ended 31 Dec		Increase / (Decrease)	Financial Year ended 31 Dec		Increase / (Decrease)
	2010	2009		2010	2009	
	\$'000	\$'000	%	\$'000	\$'000	%
Net profit attributable to equity holders of the Company (\$'000)	4,646	3,629	28.0	16,952	14,442	17.4
Weighted average number of ordinary shares outstanding for basic earnings per share	260,786,150	238,291,408	9.4	260,786,150	238,291,408	9.4
Basic earnings per share (cents)	1.78	1.52	17.1	6.50	6.06	7.3



### Diluted earnings per share

For the purpose of calculating diluted earnings per share, the weighted average number of ordinary shares outstanding is adjusted for the effects of all dilutive potential shares. The Company has one category of dilutive potential ordinary shares, being warrants.

	The Group			The Group		
	Fourth Quarter ended 31 Dec		Increase / (Decrease)	Financial Year ended 31 Dec		Increase / (Decrease)
	2010	2009		2010	2009	
	\$'000	\$'000	%	\$'000	\$'000	%
Net profit attributable to equity holders of the Company(\$'000)	4,646	3,629	28.0	16,952	14,442	17.4
Weighted average number of ordinary shares outstanding for basic earnings per share	260,786,150	238,291,408	9.4	260,786,150	238,291,408	9.4
Adjustment for - warrants	25,829,039	28,787	n.m.	25,829,039	28,787	n.m.
	286,615,189	238,320,195	20.3	286,615,189	238,320,195	20.3
Diluted earnings per share (cents)	1.62	1.52	6.6	5.91	6.06	(2.5)

n.m. – not meaningful



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 Dec 2010	As at 31 Dec 2009	As at 31 Dec 2010	As at 31 Dec 2009	The Group	The Company
Net tangible assets (\$'000)	67,319	57,230	39,155	33,370	17.6	17.3
Number of shares	265,823,335	247,291,408	265,823,335	247,291,408	7.5	7.5
NTA per share (cents)	25.32	23.14	14.73	13.49	9.4	9.2

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 financial year ended 31 December 2010 vs previous financial year ended 31 December 2009)**

	The Group			
	Current financial year ended 31 Dec 2010	Previous financial year ended 31 Dec 2009	Increase / (Decrease)	
	\$'000	\$'000	\$'000	%
Construction	115,977	98,184	17,793	18.1
Maintenance	23,879	31,798	(7,919)	(24.9)
<b>Total Revenue</b>	<b>139,856</b>	<b>129,982</b>	9,874	7.6

**Revenue**

Our Group achieved a record revenue of \$139.9 million for FY2010. This was an increase of 7.6% or \$9.9 million, from the \$130.0 million registered in the previous corresponding year ("FY2009"). The increase in revenue was contributed by revenue growth of 18.1% from the construction segment, partially offset by a 24.9% 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 FY2010.

The decrease in revenue from the maintenance segment was due mainly to the substantial completion of existing maintenance projects, coupled with a lower percentage of revenue recognised from a few newly-awarded maintenance projects during FY2010.

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 82.9% (2009: 75.5%) and 17.1% (2009: 24.5%) of our Group's revenue, respectively, for FY2010.

**Gross profit and gross profit margin**

Our gross profit increased by \$6.1 million or 26.1% from \$23.4 million for FY2009 to \$29.5 million for FY2010 following the increase in the revenue recognised.

Our gross profit margin increased from 18.0% for FY2009 to 21.1% for FY2010. The increase in our gross profit margin was largely attributable to a few projects in FY2010 which had commanded higher gross profit margins with better project management and tighter cost controls.



#### Other income

The decrease in other income of \$0.6 million or 39.3% was largely attributable to the reversal of allowance for impairment of trade receivables of \$1.1 million in FY2009 which did not recur in FY2010. The decrease was 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, fair value gain arising from the revaluation of an investment property of \$0.3 million in FY2010 and a \$0.1 million increase in sale of used construction materials at site during FY2010.

#### Administrative expenses

The increase in administrative expenses of \$2.1 million or 28.2% was largely attributable to higher directors' remuneration and staff costs due to salary adjustments and higher staff bonuses following the strong financial performance of the Group in FY2010.

#### Other expenses

Other expenses increased by \$0.1 million or 222.4% due to a loss from foreign exchange resulting from the weakening of the US dollar against the Singapore dollar during FY2010.

#### Finance expenses

Finance expenses decreased marginally by \$0.04 million due mainly to repayment of finance leases during FY2010.

#### Profit before income tax

Profit before income tax increased by \$3.3 million or 19.5% from \$17.1 million for FY2009 to \$20.4 million for FY2010. The increase was due mainly to an increase in gross profit of \$6.1 million, which was partially offset by a decrease in other income of \$0.6 million, an increase in administrative expenses of \$2.1 million and an increase in other expenses of \$0.1 million, as explained above.

#### Income tax expense

Income tax expense increased by \$0.9 million or 33.5%, from \$2.7 million for FY2009 to \$3.6 million for FY2010. The higher income tax expense was due to higher profit before income tax, as explained above.

#### Non-controlling interests

Non-controlling interests increased by \$0.07 million, resulting from losses incurred by subsidiaries during FY2010.

#### Net profit

Our Group reported record high net profit of \$16.9 million for FY2010. Net profit increased by \$2.4 million or 16.9% from \$14.4 million for FY2009 to \$16.8 million for FY2010 following the increase in profit before income tax of \$3.3 million which was partially offset by an increase in income tax expense of about \$0.9 million, as explained above.

Our net profit margin increased from 11.1% for FY2009 to 12.1% for FY2010.



**Income Statement Review (Current fourth quarter ended 31 December 2010 vs previous fourth quarter ended 31 December 2009)**

	The Group			
	Current fourth quarter ended 31 Dec 2010	Previous fourth quarter ended 31 Dec 2009	Increase / (Decrease)	
	\$'000	\$'000	\$'000	%
Construction	23,353	26,087	(2,734)	(10.5)
Maintenance	6,247	7,281	(1,034)	(14.2)
<b>Total Revenue</b>	<b>29,600</b>	<b>33,368</b>	<b>(3,768)</b>	<b>(11.3)</b>

Revenue

Our Group's revenue declined by \$3.8 million or 11.3% from \$33.4 million in the fourth quarter ended 31 December 2009 to \$29.6 million in the fourth quarter ended 31 December 2010. The decline was due to lower percentage of revenue recognition from some construction and maintenance projects which were substantially completed during the fourth quarter ended 31 December 2010.

Gross profit and gross profit margin

Our gross profit increased by \$2.4 million or 31.5% from \$7.6 million for the fourth quarter ended 31 December 2009 to \$10.0 million for the fourth quarter ended 31 December 2010 despite a decline in revenue.

Our gross profit margin increased from 22.8% in the fourth quarter ended 31 December 2009 to 33.8% in the fourth quarter ended 31 December 2010. Variation orders on a few projects and a change in the design requirements in some construction projects resulted in an increase in our gross profit margin in the fourth quarter ended 31 December 2010 as compared to the previous corresponding period. The relatively high profit margin also reflected the success of our continuous cost control efforts in the fourth quarter ended 31 December 2010.

Other income

The increase in other income of \$0.4 million or 495.7% was largely attributable to a fair value gain of \$0.3 million on an investment property, a gain on disposal of property, plant and equipment and higher interest earned from higher bank deposits and financial assets during the fourth quarter ended 31 December 2010.



#### Administrative expenses

The increase in administrative expenses of \$1.5 million or 42.9% was largely attributable to higher directors' remuneration and staff costs accrued during the fourth quarter ended 31 December 2010.

#### Other expenses

Other expenses increased marginally by \$0.04 million due to the loss from foreign exchange resulting from the weakening of the US dollar against the Singapore dollar in the fourth quarter ended 31 December 2010.

#### Finance expenses

Finance expenses decreased marginally by \$0.002 million due to repayment of finance leases in the fourth quarter ended 31 December 2010.

#### Profit before income tax

Profit before income tax increased by \$1.3 million or 31.8% from \$4.2 million in the fourth quarter ended 31 December 2009 to \$5.5 million in the fourth quarter ended 31 December 2010. The increase was due mainly to an increase in gross profit of \$2.4 million coupled with an increase in other income of \$0.4 million, and partially offset by an increase in administrative expenses of \$1.5 million, as explained above.

#### Income tax expense

The \$0.4 million increase in income tax expense from \$0.5 million for the fourth quarter 31 December 2009 to \$0.9 million for the fourth quarter ended 31 December 2010 was due to higher profit before income tax in the fourth quarter ended 31 December 2010, as explained above.

#### Non-controlling interests

Non-controlling interests of \$0.07 million was due to losses incurred by the subsidiaries in the fourth quarter ended 31 December 2010.

#### Net profit

Overall, for the fourth quarter ended 31 December 2010, net profit increased by \$0.9 million or 26.1% from \$3.6 million for the fourth quarter ended 31 December 2009 to \$4.5 million for the fourth quarter ended 31 December 2010 following the increase in profit before income tax of \$1.3 million which was partially offset by an increase in income tax expense of \$0.4 million, as explained above.

Our net profit margin increased from 10.9% for the fourth quarter ended 31 December 2009 to 15.5% for the fourth quarter ended 31 December 2010.

**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**

With a projected GDP growth of 4% to 6% for 2011 by the Ministry of Trade and Industry, construction demand is forecasted to be between \$22 billion and \$28 billion. Of this, between \$12 billion and \$15 billion is expected to be derived from public sector projects, making up about 55% of overall construction demand. The Government has said it will continue to invest in public infrastructure in the year ahead to support its economic activities, including infrastructure projects such as the Downtown Line Stage 3 and various major roadworks. The Building and Construction Authority expects a sustained level of construction demand in 2012 and 2013 of between \$19 billion and \$26 billion worth of contracts to be awarded annually. As such, we believe the outlook for the construction industry is promising for the next twelve months.

Since the start of 2010, we have secured six public sector projects totalling approximately \$82.2 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, (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 and (vi) a \$22.2 million contract from the Public Utilities Board for proposed road raising works along Orchard Road (from Orange Grove Road to Cairnhill Road).

On the private sector front, we secured (i) a \$1.1 million project from Exxonmobil Asia Pacific Pte Ltd to carry out land reclamation works on Jurong Island and (ii) a contract for the construction of a luxury condominium at Angullia Park worth \$83.5 million from Angullia Development Pte Ltd.

We will continue our strategy of focusing on our traditional civil engineering business and leverage on our established track record, expertise and strengths in our continuing efforts to become the first and preferred civil engineering contractor for various industries, here and overseas. At the same time, we will prospect actively for more contracts in the Oil & Gas Sector.

As at the date of this announcement, our order book based on secured contracts stands at approximately \$309.9 million, with some projects completing in 2014.

Our leading position in the public sector arena will put us in good stead to benefit directly from the slew of contracts anticipated in the years ahead. Over the years, we have broadened and deepened our expertise and as we look ahead, we are ready to take on bigger challenges. This may take the form of larger and more complex civil engineering projects that will generate higher revenue and profitability.

We remain selective with regard to tender participation as this is one way we ensure prudence in our business operations. In line with the Government's productivity drive, we shall adopt measures, where possible, to control and reduce costs so as to enhance our efficiency.

Our strong balance sheet and cash flow position enable 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? Yes

Name of Dividends	Final	Special dividend
Dividend Type	Cash	Cash
Dividend amount per share	\$0.02	\$0.02
	One-tier tax exempt	One-tier tax exempt

On 7 September 2010, the Company had paid one-tier tax exempt interim dividend of \$0.01 per share.

### **(b) Corresponding Period of the Immediately Preceding Financial Year**

Any dividend declared for the corresponding period of the immediately preceding financial year? Yes

Name of Dividends	First and final	Special dividend
Dividend Type	Cash	Cash
Dividend amount per share	\$0.02	\$0.01
	One-tier tax exempt	One-tier tax exempt

### **(c) Date payable**

Payment of the said dividends, if approved by shareholders at the forthcoming Eighth Annual General Meeting of the Company to be held on 20 April 2011, will be made on 27 May 2011.

### **(d) Books closure date**

Notice is hereby given that the Share Transfer Book and Register of Members of the Company will be closed on 6 May 2011 for the preparation of dividend payment. Duly stamped and completed registrable transfers received by the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. of 50 Raffles Place, #32-01, Singapore Land Tower, Singapore 048623 up to 5.00 p.m. on 5 May 2011 will be registered to determine shareholders' entitlement to the proposed final and special dividends.

Shareholders whose securities accounts with The Central Depository (Pte) Limited are credited with shares at 5.00 p.m. on 5 May 2011 will be entitled to the proposed final and special dividends.

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

Not applicable.



**PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT**  
(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

**13. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year**

Business Segments

The Management has determined the operating segments based on the reports reviewed by the Board of Directors that are used to make strategic decisions.

The Group's operating segments are its strategic business units which offer different services and are managed separately. The reportable segment presentation is based on the Group's management and internal reporting structure used for its strategic decision-making purposes.

The Group's activities comprise the following reportable segments:

- (i) Construction – It relates to the construction of urban and arterial roads, expressways, vehicular bridges, flyovers and buildings, airports infrastructure and oil & gas-related infrastructure for petrochemical plants and oil storage terminals.
- (ii) Maintenance – It relates to re-construction work performed on roads, road reserves, pavements, footpaths and kerbs, guardrails, railings, drains, signboards as well as bus bays and shelters.

	Current financial year ended 31 December 2010			Previous financial year ended 31 December 2009		
	Construction	Maintenance	Total	Construction	Maintenance	Total
<u>The Group</u>	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Revenue</b>						
Total segment revenue	115,977	26,118	142,095	98,187	35,228	133,415
Inter-segment revenue	-	(2,239)	(2,239)	(3)	(3,430)	(3,433)
Revenue to external parties	115,977	23,879	139,856	98,184	31,798	129,982
Gross profit	22,944	6,549	29,493	16,336	7,050	23,386
Other income			887			1,462
Unallocated costs			(9,788)			(7,558)
Finance expense			20,592 (151)			17,290 (186)
Profit before income tax			20,441			17,104
Income tax expense			(3,559)			(2,666)
<b>Net profit</b>			16,882			14,438
Total assets	22,219	9,628	31,847	21,569	6,937	28,506
Total liabilities	58,527	12,976	71,503	39,702	11,774	51,476

Revenue between segments are carried out at arm's length.



### Geographical Segments

Our Group operates predominately in Singapore.

#### **14. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments**

As explained under paragraph 8 above.

#### **15. A breakdown of sales**

	The Group			
	Current financial year ended 31 Dec 2010	Previous financial year ended 31 Dec 2009	Increase/ (Decrease)	
	\$'000	\$'000	\$'000	%
(a) Sales reported for first half year	73,657	61,496	12,161	19.8
(b) Operating profit after taxation before deducting minority interests reported for the first half year	7,791	6,808	983	14.4
(c) Sales reported for second half year	66,199	68,486	(2,287)	(3.3)
(d) Operating profit after taxation before deducting minority interests reported for the second half year	9,161	7,634	1,527	20.0

#### **16. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year**

Total Annual Dividend

	FY2010 (\$'000)	FY2009 (\$'000)
Ordinary	13,319	7,423
Preference	-	-
Total	13,319	7,423

The total annual dividend of \$0.05 (2009: \$0.03) per share based on the enlarged share capital of 266,380,085 (2009: 247,446,033) ordinary shares as at the date of this announcement amounts to \$13,319,004 (2009: \$7,423,381). The payment of the final and special dividend of \$0.04 cents per share is subject to the approval of the shareholders at the forthcoming Annual General Meeting of the Company.



## 17. 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 18,531,927 warrants at \$0.20 for each share as at 31 December 2010 raising net proceeds of \$3.71 million

Use of proceeds	Amount allocated (\$'million)	Amount utilised (\$'million)	Balance amount (\$'million)
To be used as general working capital for the Company	3.71	-	3.71

The unutilised proceeds are deposited with a bank pending deployment.



**18. 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 fourth quarter ended 31 December 2010.

**BY ORDER OF THE BOARD**

Or Toh Wat  
Group Managing Director  
22 February 2011