



**Full Year Financial
Statement and Dividend
Announcement for year ended
31 December 2005**

27 February 2006



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Full Year Financial Statement And Dividend Announcement for the year ended 31 December 2005

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 →		
		31 Dec 2005	31 Dec 2004	Increase/ (Decrease)
Note	\$'000	\$'000	%	
Revenue	i	61,440	72,710	(15.5)
Cost of works	ii	(57,775)	(67,261)	(14.1)
Gross profit	iii	3,665	5,449	(32.7)
Other income including interest income	iv	853	444	92.1
Administrative expenses	v	(3,855)	(3,976)	(3.0)
Other operating expenses	vi	(47)	(11)	327.3
Profit from operating activities	vii	616	1,906	(67.7)
Share of results of associated company	viii	-	(16)	n.m.
Profit before interest and tax		616	1,890	(67.4)
Finance costs	ix	(107)	(178)	(39.9)
Profit before taxation	x	509	1,712	(70.3)
Taxation	xi	(234)	(150)	56.0
Profit after taxation	xii	275	1,562	(82.4)

<u>Attributable to:-</u>				
Shareholders of the Company		285	1,562	(81.8)
Minority interests	xiii	(10)	-	n.m.
		275	1,562	(82.4)

n.m. – not meaningful



Explanatory Notes:

(i) **Revenue**

Revenue fell by 15.5% from \$72.7 million for FY2004 to \$61.4 million for FY2005. The decline was due to lower recognition of revenue from both road & building construction and road maintenance projects which were completed during the second half of 2005.

(ii) **Cost of works**

Cost of works for FY2005 decreased by \$9.5 million or 14.1% from \$67.3 million to \$57.8 million which was in line with the reduced revenue.

(iii) **Gross profit**

Gross profit margin dropped from 7.5% for FY2004 to 6.0% for FY2005. The decline was due to additional costs incurred as a result of the extension of the completion periods giving rise to the actual cost exceeding internal projections and change in the requirements of temporary works in some of the projects.

(iv) **Other income**

The increase in other income of \$0.4 million from \$0.4 million for FY2004 to \$0.8 million for FY2005 was largely attributable to higher interest income earned on higher cash balance during 2005 and profit from disposal of plant and equipment.

(v) **Administrative expenses**

Administrative expenses dropped marginally by \$0.1 million or 3.0%.

(vi) **Other operating expenses**

Other operating expenses were mainly loss on disposal of plant & equipment and foreign exchange losses.

(vii) **Profit from operating activities**

The decline in profit from operating activities by \$1.3 million from \$1.9 million for FY2004 to \$0.6 million for FY2005 was mainly attributable to the decrease in gross profit as explained in note (iii) above.

(viii) **Share of results of associated company**

There is no share of results of associated company in FY2005 following the de-registration of the associated company, Anhui SIN-HK Management & Consultancy Company Limited during the second half of 2005.

(ix) **Finance costs**

Finance costs decreased by \$0.07 million or 39.9%. The decrease was due to repayment to hire purchase creditors and full repayment of bank loans.



(x) Profit before taxation

Profit before taxation declined by \$1.2 million or 70.3% due mainly to lower gross profit margins as explained in note (iii) above which was partly offset by a decrease in administrative expenses and finance costs as explained in note (v) and (ix) above respectively.

(xi) Taxation

Tax expense increased by \$0.1 million from \$0.1 million for FY2004 to \$0.2 million for FY2005. The increase was mainly due to the adjustment for overprovision of taxes in respect of prior years in FY2004.

(xii) Profit after taxation

Overall, profit after taxation decreased \$1.3 million or 82.4% from \$1.6 million last year to \$0.3 million this year.

(xiii) Minority interests

Minority interests resulted from the incorporation of a subsidiary company, OKP (CNMI) Corporation during 2005.



(xiv) Additional disclosures

Profit before taxation was arrived at after:

	← The Group →		
	31 Dec 2005	31 Dec 2004	Increase/ (Decrease)
	<u>\$'000</u>	<u>\$'000</u>	<u>%</u>
<u>After charging:-</u>			
Non-audit fee paid to the			
- auditors of the Company	10	4	150.0
Depreciation of property, plant & equipment	265	333	(20.4)
Directors' remuneration			
- Directors of the Company	1,310	1,370	(4.4)
- Other Directors	264	265	(0.4)
Directors' fee	120	120	-
Interest paid and payable			
- Hire purchase creditors	101	91	11.0
- Banks	7	87	(92.0)
Loss on disposal of plant & equipment	22	5	340.0
Loss on disposal of an associated company	2	-	n.m.
Impairment loss			
- Investment property	-	70	n.m.
- Plant & equipment	24	23	4.3
Loss on foreign exchange (unrealised)	23	6	283.3
Allowances for doubtful receivables (trade)	-	48	n.m.
Staff costs	1,097	1,062	3.3
<u>After crediting:-</u>			
Interest income from bank deposits	130	32	306.3
Gain on foreign exchange (realised)	6	-	n.m.
Gain on disposal of plant & equipment	115	35	228.6
Allowance for doubtful receivables recovered (trade)	48	-	n.m.
<u>Included in the cost of works are the following:-</u>			
Depreciation of plant & equipment	1,159	1,220	(5.0)
Staff costs	7,480	8,035	(6.9)

(xv) Extraordinary/Exceptional items

nil

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

There were no material adjustments for under or overprovision of tax in respect of prior years.



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

	← The Group →		← The Company →	
	31 Dec 2005 \$'000	31 Dec 2004 \$'000	31 Dec 2005 \$'000	31 Dec 2004 \$'000
Non-Current Assets				
Properties, plant and equipment	6,679	7,160	22	36
Interests in subsidiary companies	-	-	14,090	13,926
Interests in associated company	-	63	-	-
Investment property	800	800	-	-
Intangible assets	1,688	1,688	-	-
Deferred tax assets	75	79	-	-
	9,242	9,790	14,112	13,962
Current Assets				
Construction contracts work-in-progress	2,614	5,284	-	-
Trade receivables	9,287	13,591	-	-
Advances to subsidiary companies	-	-	450	450
Amounts due from subsidiary companies (trade)	-	-	1,981	1,871
Amounts due from subsidiary companies (non-trade)	-	-	1,186	19
Amounts due from an associated company (non-trade)	-	1	-	-
Other receivables, deposits and prepayments	743	735	30	14
Cash and cash equivalents	12,781	11,935	220	218
	25,425	31,546	3,867	2,572
Current Liabilities				
Trade and other payables	14,074	18,424	356	522
Amount due to a subsidiary (non-trade)	-	-	2	-
Advance from subsidiary companies	-	-	1,300	-
Current portion of obligations under hire purchase creditors	566	835	11	11
Current portion of interest- bearing bank loans (secured)	-	1,100	-	-
Provision for income tax	178	447	8	33
	14,818	20,806	1,677	566
Net Current Assets	10,607	10,740	2,190	2,006
Non-Current Liabilities				
Obligations under hire purchase creditors	(936)	(1,284)	(8)	(19)
Deferred tax liabilities	(382)	(329)	-	-
	(1,318)	(1,613)	(8)	(19)
Net assets	18,531	18,917	16,294	15,949
Capital and Reserves				
Share capital	13,626	13,626	13,626	13,626
Share premium	1,329	1,329	1,329	1,329
Revenue reserves	3,580	3,962	1,339	994
Total shareholders' equity	18,535	18,917	16,294	15,949
Minority interests	(4)	-	-	-
	18,531	18,917	16,294	15,949
Net tangible assets	16,843	17,229	16,294	15,949



Explanatory Notes:

(i) Non-current assets

Property, plant & equipment decreased by \$0.5 million from \$7.2 million as at 31 December 2004 to \$6.7 million as at 31 December 2005. The decrease was due mainly to the depreciation and disposals of property, plant & equipment, offset by capital expenditure during FY2005.

(ii) Current assets

Current assets decreased by \$6.1 million from \$31.5 million as at 31 December 2004 to \$25.4 million as at 31 December 2005. The decrease was due mainly to:

- (a) Decrease in construction contracts work-in-progress resulted from lesser works which were in-progress in FY2005 and
- (b) Decrease of trade receivables following the reduction in revenue for FY2005

(iii) Current Liabilities

Current liabilities decreased by \$6.0 million from \$20.8 million as at 31 December 2004 to \$14.8 million as at 31 December 2005. The decrease was largely attributable to:

- (a) Decrease in short term bank loans due to full repayment of loan in FY2005
- (b) Decrease of trade and other payables owing to a decrease in revenue in FY2005.

(iv) Non-current liabilities

The decrease in non-current liabilities was due mainly to repayment of hire purchase creditors in FY2005.

(iv) Shareholders' equity

Shareholders' equity comprised share capital, share premium, minority interest and revenue reserves. It decreased by \$0.4 million from \$18.9 million to \$18.5 million. The decrease was mainly in lower revenue reserves relating to dividends payout in FY2005.



1(b)(ii) Aggregate amount of group's borrowings and debt securities (including hire purchase creditors)

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

As at 31 Dec 2005		As at 31 Dec 2004	
\$'000	\$'000	\$'000	\$'000
Secured	Unsecured	Secured	Unsecured
566	-	1,935	-

(b) Amount repayable after one year

As at 31 Dec 2005		As at 31 Dec 2004	
\$'000	\$'000	\$'000	\$'000
Secured	Unsecured	Secured	Unsecured
936	-	1,284	-

(c) Details of any collateral

The borrowings of the Group are generally secured by:-

- (1) Legal mortgage over one of the Group's freehold properties and investment property with net carrying value amounting to \$1,100,000 (2004:\$1,150,000) and \$800,048 (2004:\$800,048) respectively
- (2) Pledge of fixed deposits of subsidiary companies
- (3) Negative pledges over assets of certain subsidiary companies and
- (4) Corporate guarantee by OKP Holdings Limited.



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

	← The Group →	
Note	31 Dec 2005 \$'000	31 Dec 2004 \$'000
Cash flows from operating activities		
Profit before taxation and after share of results of associated company	509	1,712
Adjustments for:		
Depreciation of properties, plant and equipment	1,424	1,553
Loss on foreign exchange (unrealised)	23	6
Gain on disposal of plant and equipment	(115)	(35)
Loss on disposal of plant and equipment	22	5
Impairment loss of properties	23	23
Impairment loss of investment property	-	70
Interest income from bank deposits	(130)	(32)
Hire purchase interest	101	91
Bank loans interest	7	87
Loss on disposal of an associated company	2	-
Allowances for doubtful receivables(trade)	(48)	48
Share of results of associated company	-	16
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	1,818	3,544
Change in operating assets and liabilities:		
Construction contracts work-in-progress	2,669	(1,969)
Trade receivables	4,351	(3,355)
Other receivables, deposits and prepayments	7	(80)
Amounts due from an associated company	1	(1)
Trade and other payables	(4,349)	7,040
Cash generated from operations	4,497	5,179
Hire purchase interest paid	(101)	(91)
Bank loans interest paid	(7)	(87)
Interest income from bank deposits received	130	32
Income tax paid	(459)	(850)
NET CASH GENERATED FROM OPERATING ACTIVITIES	4,060	4,183
Cash flows from investing activities		
Purchase of plant and equipment	(799)	(819)
Proceeds from disposal of plant and equipment	265	221
Proceeds from disposal of associated company	61	-
NET CASH USED IN INVESTING ACTIVITIES	(473)	(598)
Cash flows from financing activities		
Payment to hire purchase creditors	(957)	(716)
Payment of dividend to shareholders	(667)	(563)
Repayment of bank loans	(1,100)	(1,866)
Proceeds from short term bank loans	-	1,100
Fixed deposits pledged with banks	(88)	(1,732)
Issuance of shares to minority	7	-
NET CASH USED IN FINANCING ACTIVITIES	(2,805)	(3,777)



	Note	← The Group →	
		31 Dec 2005 \$'000	31 Dec 2004 \$'000
Net increase/(decrease) in cash and cash equivalents held	i	782	(192)
Cash and cash equivalents at the beginning of the financial year		6,966	7,164
Effects of exchange rate changes on balances held in foreign currencies		(23)	(6)
Cash and cash equivalents at the end of the financial year	ii	7,725	6,966

Explanatory Notes:

- (i) Net cash inflow from operating activities in FY2005 remained at \$4.1 million.

Together with the opening cash and cash equivalents balances, the cash from operating activities were used to fund the investing activities and repayments of bank loans.

Net cash outflow from investing activities of \$0.5 million in FY2005 comprised mainly cash payments for plant & equipment less proceeds from sale of plant & equipment.

The repayment of bank borrowings of \$1.1 million was mainly from net cash generated from operating activities.

Overall, net cash inflow for the financial year ended 31 December 2005 was \$0.8 million. Our Group is in healthy position and we will retain additional cash reserves in our Group for future projects and overseas expansion.

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

	The Group	
	31 Dec 2005	31 Dec 2004
	\$'000	\$'000
Cash at bank and in hand	6,465	6,875
Fixed deposits with banks	6,316	5,060
	12,781	11,935
Fixed deposits pledged to banks	(5,056)	(4,969)
	7,725	6,966



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

	Issue Capital	Share Premium	Revenue Reserves	Minority Interest	Total
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
<u>The Group</u>					
As at 1 Jan 2005	13,626	1,329	3,962	-	18,917
Net profit for the year	-	-	285	(10)	275
Incorporation of a subsidiary	-	-	-	6	6
Final dividend paid of 0.49 cents per share in respect of financial year ended 31 December 2004	-	-	(667)	-	(667)
As at 31 Dec 2005	13,626	1,329	3,580	(4)	18,531
As at 1 Jan 2004	13,626	1,329	2,963	-	17,918
Net profit for the year -as previously stated	-	-	1,443	-	1,443
-effect of adopting FRS 103	-	-	119	-	119
-as restated	13,626	1,329	1,562	-	1,562
Final dividend paid of 0.41 cents per share in respect of financial year ended 31 December 2003	-	-	(563)	-	(563)
As at 31 Dec 2004	13,626	1,329	3,962	-	18,917
<u>The Company</u>					
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
As at 1 Jan 2005	13,626	1,329	994	-	15,949
Net profit for the period	-	-	1,012	-	1,012
Final dividend paid of 0.49 cents per share in respect of financial year ended 31 December 2004	-	-	(667)	-	(667)
As at 31 Dec 2005	13,626	1,329	1,339	-	16,294
As at 1 Jan 2004	13,626	1,329	723	-	15,678
Net profit for the year	-	-	834	-	834
Final dividend paid of 0.41 cents per share in respect of financial year ended 31 December 2003	-	-	(563)	-	(563)
As at 31 Dec 2004	13,626	1,329	994	-	15,949



- (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 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**

There have been no changes to the issued share capital of the Company since 31 December 2004.

- 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 item 5 of this announcement, the Group has applied the same accounting policies and methods of computation and the financial statements for the current financial year compared with those of the audited financial statements as at 31 December 2004.

- 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**

During the financial year, several new Financial Reporting Standards ("FRS") and revision to FRS became effective. The effect of the adoption of these new and revised FRS on the financial statements of the Group and of the Company is not significant.



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

	The Group		Increase/ (Decrease) %
	31 Dec 2005	31 Dec 2004	
Profit after taxation (\$'000)	275	1,562	(82.4)
Number of shares	136,260,940	136,260,940	-
EPS (cents)	0.20	1.15	(82.6)

**7. Net asset value (for the issuer and group) per ordinary share based on issued share capital 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) %	
	31 Dec 2005	31 Dec 2004	31 Dec 2005	31 Dec 2004	The Group	The Company
Net tangible assets (\$'000)	16,843	17,229	16,294	15,949	(2.2)	2.2
Number of shares	136,260,940	136,260,940	136,260,940	136,260,940	-	-
NTA per share (cents)	12.36	12.64	11.96	11.70	(2.2)	2.2



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

(i) **Revenue**

	The Group			
	31 Dec 05	31 Dec 04	Increase/(Decrease)	
	\$'000	\$'000	\$'000	%
Road and Building Construction	48,758	54,129	(5,371)	(9.9)
Road Maintenance	12,682	18,581	(5,899)	(31.7)
Total Revenue	61,440	72,710	(11,270)	(15.5)

Our Group's revenue declined by 15.5% from \$72.7 million for FY2004 to \$61.4 million for FY2005. The decline was due to lower percentage of revenue recognition from both the road & building construction and road maintenance projects which were completed during second half of 2005.

The drop in revenue from road & building construction segment was due mainly to the following:-

- (a) A lower recognition of revenue from projects which were completed in FY2005. The Construction of 2nd South Cross Taxiway and Associated Works, Singapore Changi Airport ("CAAS") project contributed approximately \$2.4 million to the revenue for FY2005 as compared to \$14.2 million for FY2004. The decrease was partially offset by an increase in revenue due to a full year revenue recognition from the Widening of Pan-Island Expressway from Kranji Expressway to Jalan Ahmad Ibrahim ("PIE").

The drop in revenue from road maintenance segment was due mainly to the following:-

- (a) A smaller contribution from Improvement to Old Roadside Drains in Serangoon Gardens, Rosyth & Hillside, Tai Keng Gardens, Kembangan Estate and Contract 25, in aggregate, contributed approximately \$0.5 million to the revenue for FY2005 as compared to \$5.4 million for FY2004.



(ii) **Profitability**

	The Group			
	31 Dec 05	31 Dec 04	Increase/(Decrease)	
	\$'000	\$'000	\$'000	%
Profit before interest and tax	616	1,890	(1,274)	(67.4)
<u>Comprising:</u>				
Road and Building Construction	156	714	(558)	(78.2)
Road Maintenance	460	1,176	(716)	(60.9)
Profit before interest and tax	616	1,890	(1,274)	(67.4)

Profit before interest and tax

Our Group reported a dip in profit before interest and tax from \$1.9 million in FY2004 to \$0.6 million in FY2005. The decrease was due mainly to lower profit margin from some of the projects. Gross profit margin dropped from 7.5% for FY2004 to 6.0% for FY2005.

On the other hand, the decline in the profit before interest and tax by 78.2% for the road and building construction segment was due mainly to lower profit margins from some existing projects. Additional costs were incurred as a result of the extension of the completion periods giving rise to the actual cost exceeding internal projections and a change in the requirements of temporary works in some of the projects. Labour cost and sub-contracting costs as a percentage of revenue from the road & building segment increased from 9.76% and 43.27% in FY2004 to 11.36% and 46.15% in FY2005 respectively.

The profit before interest and tax from the road maintenance segment declined by 60.9% from \$1.2 million to \$0.5 million due to increase in sub-contracting costs, which, as a percentage of revenue from the road maintenance segment, increased from 29.06% in FY2004 to 37.17% in FY2005.

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

No forecast was made in the previous announcement. On 26 January 2006, the Company has provided an update on the Group's financial performance for the financial year ended 31 December 2005. The Group expects loss for the second half of FY2005 due to additional costs incurred as a result of the extension of the completion periods giving rise to the actual cost exceeding internal projections in some of the projects. Our results are generally in line with the above update.



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.

According to the Building and Construction Authority (“BCA”), the value of local construction contracts awarded in FY2005 rose by almost 10% to \$11.3 billion. The construction demand for FY2006 is expected to grow further to hit the range between \$12 billion and \$13.5 billion. BCA also predicts that the annual value of the construction orders can reach \$12.5 billion to \$15 billion over the next five years. Despite the rosy outlook, the construction demand levels are still much lower than the historical peak of \$24 billion achieved in 1997. Hence, we believe that the limited market will continue to pose a challenge to our Group.

In view of the maturing construction industry in Singapore, we have been pursuing opportunities to regionalise our core business. In June 2005, we incorporated a subsidiary company, OKP (CNMI) Corporation (“OKPCNMI”) in Saipan, Commonwealth of the Northern Mariana Islands (“CNMI”) to handle our Group’s infrastructure construction-related businesses in the CNMI and Micronesia. The incorporation of OKPCNMI presents a strategic platform for our Group to expand our business geographically and allows our Group to partake in the future growth activities in the CNMI and open the gates to developing places in the Micronesia.

Backed by an established track record, expertise and experience in managing airport-related projects in Singapore, we managed to secure our first overseas contract in January 2006. OKPCNMI has been successfully awarded a USD8.7 million (estimated \$14.2 million) contract to build an airport runway at the Rota International Airport, located in the CNMI. This contract was awarded by the Commonwealth Ports Authority. It involves the building of 1,000 feet of extension runway at Rota International Airport, turnaround at both ends of the runway and other related earth-works. This 12-months project has commenced on 16 January 2006 and is expected to be completed by 10 January 2007. We believe that this project will remain a key strategic focus project for our Group in FY2006. Being the first Singapore company to do business in the CNMI, we believe that there is a strong demand for our construction expertise in airport infrastructure in the CNMI.

While we continue and further establish our presence overseas, we will remain focussed on our strength in home ground and tender for both public and private projects. Despite the continued weakness and intense competition in the construction industry, we have successfully tendered for and have been awarded 6 new contracts in FY2005, with a combined contract value of approximately \$19.5 million. These include the Final Premix Surfacing, Reinstatement and Ancillary Works at Tuas View, Phase 5 (\$7.5 million), Term Contract for Traffic Scheme for A Period of Seven Months (\$4.9 million), Construction of Petir Road and Outlet Drain, Road Repair and Re-surfacing at Senja Road, Senja Link and Segar Road (\$4.2 million), Road Repair and Re-Surfacing at Pasir Ris Drive 1 (Part 2A), Drive 12 (Part 1A, 1B & 2), Street 11 (Part 2), Street 13, Street 21 (Part 2) and Road Bridge over Sungei Api Api along Drive 3 (\$1.2 million), Additions and Alternations to Existing South Cross 1 Taxiway Bridge and Associated Works at Singapore Changi Airport (\$1.0 million) and Construction of Roads (Yishun Street 31) Between Yishun Ring Road and Yishun Avenue 6 (\$0.7 million).



We are currently working on 5 projects, which were secured in FY2005. We will remain fully committed to selectivity and financial discipline which are fundamental to our business strategy. Our current order book stands at \$85.4 million. We have generated strong and healthy operating cash flows with cash and cash equivalents at \$7.7 million as at 31 December 2005 despite the fact that the construction sector in Singapore continues to be weak.

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? Yes

Name of Dividends	First and final
Dividend Type	Cash
Dividend amount per share	0.49 cents
Dividend Rate	4.9% per ordinary share
Par value of shares	\$0.10
Tax rate	One-tier tax exempt

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

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

No dividend has been declared/recommendeded for the financial year ended 31 December 2005.



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 Company has the following main business segments:

Road and building construction – It relates to the construction of urban and arterial roads, expressways, vehicular bridges, flyovers and buildings.

Road 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.

<u>31 December 2005</u>	Road and Building Construction	Road Maintenance	Elimination	Group
	\$'000	\$'000	\$'000	\$'000
<u>Revenue and expenses</u>				
External revenue	48,758	12,682	-	61,440
Inter-segment revenue	1,351	7	(1,358)	-
Total revenue	50,109	12,689	(1,358)	61,440
Profit from operations				616
Share of results of associated company				-
Profit before interest and tax	156	460		616
Finance costs				(107)
Profit before tax				509
Taxation				(234)
Profit after tax				275
<u>Other Information</u>				
Segment assets	7,174	3,037	-	10,211
Unallocated assets	-	-	-	24,456
Consolidated total assets	7,174	3,037	-	34,667
Segment liabilities	9,961	3,230	-	13,191
Unallocated liabilities	-	-	-	2,945
Consolidated total liabilities	9,961	3,230	-	16,136



<u>31 December 2004</u>	Road and Building Construction	Road Maintenance	Elimination	Group
	\$'000	\$'000	\$'000	\$'000
<u>Revenue and expenses</u>				
External revenue	54,129	18,581	-	72,710
Inter-segment revenue	2,470	1,844	(4,314)	-
Total revenue	56,599	20,425	(4,314)	72,710
Profit from operations				1,906
Share of results of associated company				(16)
Profit before interest and tax	714	1,176		1,890
Finance costs				(178)
Profit before tax				1,712
Taxation				(150)
Profit after tax				1,562
<u>Other Information</u>				
Segment assets	16,368	2,506	-	18,874
Unallocated assets	-	-	-	22,462
Consolidated total assets	16,368	2,506	-	41,336
Segment liabilities	12,771	4,743	-	17,514
Unallocated liabilities	-	-	-	4,905
Consolidated total liabilities	12,771	4,743	-	22,419

Note: As the Group operates predominately in Singapore in FY2005, no segmented revenue and results for geographical segments are reported.

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 in paragraph 8.



15. A breakdown of sales

	The Group			
	31 Dec 2005	31 Dec 2004	Increase/(Decrease)	
	\$'000	\$'000	\$'000	%
(a) Sales reported for first half year	36,788	36,123	(665)	(1.8)
(b) Profit after taxation reported for the first half year	932	1,370	(438)	(32.0)
(c) Sales reported for second half year	24,652	36,587	(11,935)	(32.6)
(d) (Loss)/profit after taxation reported for the second half year	(657)	192	(849)	n.m.

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

	Latest Full Year (\$'000)	Previous Full Year (\$'000)
Ordinary	-	667
Preference	-	-
Total	-	667



17. Interested persons transactions disclosure

Interested Party	Nature of Transactions	Relationship	For full year ended 31 Dec 2005
			\$'000
Niru & Co	Provision of legal services	Mr Nirumalan s/o V Kanapathi Pillay, our independent director, is the Managing Partner of Niru & Co (Note a)	1
Loo & Partners	Provision of legal services	Mr Loo Choon Chiaw, our independent director, is the Managing Partner of Loo & Partners (Note b)	19
Oh Enc Nam	Sale of motor vehicle	Mr Oh Enc Nam is an Executive Director of the Company	130

Note:

(a) Mr Pillay has been appointed as an Independent Director of the Company with effect from 1 June 2005.

(b) Mr Loo has stepped down as an Independent Director of the Company with effect from 31 May 2005.

BY ORDER OF THE BOARD

Or Toh Wat
Group Managing Director
27 February 2006