OKP HOLDINGS LIMITED
胡金標控股有限公司

Full Year Financial Statement and Dividend Announcement for the year ended 31 December 2009

25 February 2010

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Company Regn No: 200201165G

Full Year Financial Statement and Dividend Announcement for the year ended 31 December 2009

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)
	2009	2008		2009	2008	
	$'000	$'000	%	$'000	$'000	%
Revenue	33,368	27,598	20.9	129,982	101,825	27.7
Cost of works	(25,765)	(19,053)	35.2	(106,596)	(80,501)	32.4
Gross profit	**7,603**	**8,545**	(11.0)	**23,386**	**21,324**	9.7
Other income	92	65	41.5	1,462	843	73.4
Expenses						
- Administrative	(3,476)	(4,406)	(21.1)	(7,509)	(9,498)	(20.9)
- Other	(20)	(177)	(88.7)	(49)	(249)	(80.3)
- Finance	(39)	(52)	(25.0)	(186)	(193)	(3.6)
Profit before income tax	**4,160**	**3,975**	4.7	**17,104**	**12,227**	39.9
Income tax expense	(530)	(950)	(44.2)	(2,666)	(2,696)	(1.1)
Net profit	**3,630**	**3,025**	20.0	**14,438**	**9,531**	51.5
Gross profit margin	22.8%	31.0%		18.0%	20.9%	
Net profit margin	10.9%	11.0%		11.1%	9.4%	
Attributable to:-						
Equity holders of the Company	3,629	3,018	20.2	14,442	9,458	52.7
Minority interests	1	7	(85.7)	(4)	73	(105.5)
	3,630	3,025	20.0	14,438	9,531	51.5

Consolidated statements of comprehensive income for the fourth quarter and full year ended 31 December

	The Group			The Group		
	Fourth Quarter ended 31 Dec		Increase / (Decrease)	Financial Year ended 31 Dec		Increase / (Decrease)
	2009	2008		2009	2008	
	$'000	$'000	%	$'000	$'000	%
Net profit for the period/year	3,630	3,025	20.0	14,438	9,531	51.5
Total comprehensive income for the period/year	3,630	3,025	20.0	14,438	9,531	51.5
Total comprehensive income attributable to:-						
Equity holders of the Company	3,629	3,018	20.2	14,442	9,458	52.7
Minority interests	1	7	(85.7)	(4)	73	(105.5)
	3,630	3,025	20.0	14,438	9,531	51.5

(i) 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)
	2009	2008		2009	2008	
	$'000	$'000	%	$'000	$'000	%
After charging:-						
Non-audit fee paid to the auditors of the Company	6	7	(14.3)	25	18	38.9
Depreciation of property, plant & equipment	62	51	21.6	252	260	(3.1)
Directors' remuneration						
- Directors of the Company	2,366	2,029	16.6	3,712	3,209	15.7
- Other Directors	82	115	(28.7)	327	324	0.9
Directors' fee	37	37	-	150	150	-
Interest paid and payable - Finance lease liabilities	39	52	(25.0)	186	193	(3.6)
Loss/(Gain) on foreign exchange (net)	20	130	(84.6)	49	200	(75.5)
Loss on disposal of property, plant & equipment	-	-	n.a.	22	21	4.8
Allowance for impairment of trade receivables	-	735	n.m.	-	735	n.m.
Employee compensation costs	361	383	(5.7)	1,285	1,438	(10.6)
Fair value loss on an investment property	-	200	n.m.	-	200	n.m.
Property, plant & equipment written off	-	49	n.m.	-	49	n.m.
After crediting:-						
Interest income from bank deposits	28	53	(47.2)	71	247	(71.3)
Gain on disposal of properties, plant & equipment	-	140	n.m.	77	181	(57.5)
Reversal of allowance for impairment of trade receivables	-	-	n.a.	1,088	-	n.m.
Included in the cost of works are the following:-						
Depreciation of property, plant & equipment	654	524	24.8	2,209	1,991	10.9
Employee compensation costs	4,684	4,099	14.3	16,625	15,060	10.4

n.m. – not meaningful
n.a. – not applicable

(ii) Extraordinary/Exceptional items

Nil

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

There was a $0.2 million adjustment for over-provision 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

Statements of Financial Position

	Note	The Group		The Company	
		31 Dec 2009	31 Dec 2008	31 Dec 2009	31 Dec 2008
		$'000	$'000	$'000	$'000
ASSETS					
Current assets					
Cash and cash equivalents		77,691	35,410	10,482	3,367
Trade and other receivables	i	26,200	25,873	11,957	6,392
Construction contracts works-in progress		1,903	1,672	-	-
		105,794	62,955	22,439	9,759
Non-current assets					
Investments in subsidiaries		-	-	14,576	14,476
Investment in joint venture		50	-	-	-
Investment property		1,200	1,200	-	-
Property, plant & equipment		13,646	10,978	2,289	13
Intangible assets		1,688	1,688	-	-
		16,584	13,866	16,865	14,489
Total assets		122,378	76,821	39,304	24,248
LIABILITIES					
Current liabilities					
Trade and other payables	ii	57,089	28,920	5,861	3,211
Current portion of finance lease liabilities		1,196	1,528	-	-
Current income tax liabilities		2,909	2,871	73	73
		61,194	33,319	5,934	3,284
Non-current liabilities					
Finance lease liabilities		1,505	2,647	-	-
Deferred income tax liabilities		164	149	-	-
		1,669	2,796	-	-
Total liabilities		62,863	36,115	5,934	3,284
NET ASSETS		**59,515**	**40,706**	**33,370**	**20,964**
EQUITY					
Capital and reserve attributable to equity holders of the Company					
Share capital		23,993	17,243	23,993	17,243
Warrants reserve		618	-	618	-
Retained earnings		34,307	22,862	8,759	3,721
		58,918	40,105	33,370	20,964
Minority interests		597	601	-	-
Total equity		**59,515**	**40,706**	**33,370**	**20,964**
Net tangible assets		**57,230**	**38,417**	**33,370**	**20,964**

Notes to statements of financial position:

(i) Trade and other receivables comprise:

	The Group		The Company	
	31 Dec 2009	31 Dec 2008	31 Dec 2009	31 Dec 2008
	$'000	$'000	$'000	$'000
Trade receivables				
- Non-related parties	7,355	6,406	-	-
- Minority shareholder of a subsidiary	234	358	-	-
- Subsidiaries	-	-	11,949	6,416
	7,589	6,764	11,949	6,416
Less:Allowance for impairment of receivables	(53)	(1,196)	(531)	(531)
Trade receivables - net	7,536	5,568	11,418	5,885
Construction contracts				
- Due from customers	14,721	17,572	-	-
- Retentions	1,643	1,871	-	-
	16,364	19,443	-	-
Non-trade receivables				
- Minority shareholder of a subsidiary	6	6	-	-
- Subsidiaries	-	-	1,577	1,504
	6	6	1,577	1,504
Less:Allowance for impairment of receivables	-	-	(1,094)	(1,021)
Non-trade receivables - net	6	6	483	483
Advances to suppliers	1,012	-	-	-
Deposits	281	208	37	3
Prepayments	805	422	18	20
Other receivables	196	226	1	1
	26,200	25,873	11,957	6,392

(iii) Trade and other payables comprise:

	The Group		The Company	
	31 Dec 2009	31 Dec 2008	31 Dec 2009	31 Dec 2008
	$'000	$'000	$'000	$'000
Trade payables				
- Non-related parties	38,156	19,206	193	165
Non-trade payables				
- Subsidiaries	-	-	3,038	1,318
- Minority shareholder of a subsidiary	647	588	-	-
	647	588	3,038	1,318
Accrued operating expenses	15,189	9,092	2,625	1,728
Advance from a customer	2,982	-	-	-
Other payables	115	34	5	-
	57,089	28,920	5,861	3,211

Explanatory Notes:

(i) Current assets

Current assets increased by $42.8 million, from $63.0 million as at 31 December 2008 to $105.8 million as at 31 December 2009. The increase was attributable to:

(a) an increase in cash and cash equivalents of approximately $42.3 million due mainly to the inflow of proceeds from the issuance of new shares and rights issue exercise during FY2009 coupled with higher cash generated from operations as a result of strong operational performance in FY2009;

(b) an increase in trade and other receivables of approximately $0.3 million due mainly to higher amount of prepayments balance and advances made to suppliers as at 31 December 2009; and

(c) an increase in construction contracts works-in-progress of approximately $0.2 million following the increase in business revenue and activities in FY2009.

(ii) Non-current assets

The increase of $2.7 million in non-current assets was due mainly to the acquisition of the property at 30 Tagore Lane Singapore 787484 for a cash consideration of $2.05 million and the purchase of new plant & equipment, partially offset by depreciation and disposal of property, plant & equipment during FY2009.

(iii) Current liabilities

Current liabilities increased by $27.9 million, from $33.3 million as at 31 December 2008 to $61.2 million as at 31 December 2009. The increase was due mainly to:

(a) an increase in trade payables and accrued operating expenses of approximately $25.0 million arising from accrual of construction costs for some on-going projects as at 31 December 2009 and provision of bonuses for both the directors and employees for achieving the strong financial performance of the Group in FY2009;

(b) an advance received from a customer of approximately $3.0 million for an on-going project during FY2009; and

(c) partially offset by the decrease in finance lease liabilities due to repayment during FY2009.

(iv) Non-current liabilities

The decrease in non-current liabilities was due mainly to the repayment of finance lease liabilities during FY2009.

(v) Shareholders' equity

Shareholders' equity, comprising share capital, warrants reserve, retained earnings and minority interest increased by $18.8 million, from $40.7 million as at 31 December 2008 to $59.5 million as at 31 December 2009. The increase was largely attributable to:

(a) the profit generated from operations of approximately $11.5 million for FY2009;

(b) the increase in share capital of approximately $6.7 million resulting from the issuance of new shares; and

(c) the warrants reserve of approximately $0.6 million in relation to the rights issue exercise during FY2009.

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 2009		As at 31 Dec 2008	
$'000	$'000	$'000	$'000
Secured	Unsecured	Secured	Unsecured
1,196	-	1,528	-

(b) Amount repayable after one year

As at 31 Dec 2009		As at 31 Dec 2008	
$'000	$'000	$'000	$'000
Secured	Unsecured	Secured	Unsecured
1,505	-	2,647	-

(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 & 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

	Note	The Group Fourth Quarter ended 31 Dec 2009 $'000	The Group Fourth Quarter ended 31 Dec 2008 $'000	The Group Financial Year ended 31 Dec 2009 $'000	The Group Financial Year ended 31 Dec 2008 $'000
Cash flows from operating activities					
Net profit		3,630	3,025	14,438	9,531
Adjustments for:					
- Income tax expense		530	950	2,666	2,696
- Depreciation of property, plant & equipment		716	575	2,461	2,251
- Gain on disposal of property, plant & equipment (net)		-	(140)	(55)	(160)
- Net fair value loss/ (gain) on an investment property		-	200	-	200
- Interest income		(28)	(53)	(71)	(247)
- Interest expense		39	52	186	193
Operating cash flow before working capital changes		4,887	4,609	19,625	14,464
Change in working capital					
- Trade and other receivables		5,142	(1,808)	(336)	10,653
- Construction contracts work-in-progress		(264)	1,041	(230)	133
- Trade and other payables		5,985	905	28,119	(6,856)
Cash generated from operations		15,750	4,747	47,178	18,394
- Interest income		28	53	71	247
- Income tax refund/ (paid) (net)		166	37	(2,614)	(2,862)
Net cash provided by operating activities		15,944	4,837	44,635	15,779
Cash flows from investing activities					
- Purchase of property, plant & equipment		(825)	-	(5,106)	(570)
- Proceeds from disposal of property, plant & equipment		-	386	127	404
Net cash (used in)/ generated from investing activities		(825)	386	(4,979)	(166)
Cash flows from financing activities					
- Repayment of finance lease liabilities		(317)	(726)	(1,568)	(1,901)
- Interest expense		(39)	(52)	(186)	(193)
- Proceeds from issuance of shares		-	-	6,750	-
- Proceeds from rights issue exercise		618	-	618	-
- Dividend paid to shareholders		-	-	(2,997)	(2,997)
Net cash generated from/ (used in) financing activities		262	(778)	2,617	(5,091)

	Note	The Group		The Group	
		Fourth Quarter ended 31 Dec		Financial Year ended 31 Dec	
		2009	2008	2009	2008
		$'000	$'000	$'000	$'000
Net increase in cash and cash equivalents	i	15,381	4,445	42,273	10,522
Cash and cash equivalents at the beginning of the financial period/year		56,821	25,484	29,929	19,407
Cash and cash equivalents at the end of the financial period/year	ii	72,202	29,929	72,202	29,929

<u>Explanatory Notes:</u>

(i) Our Group continued to enjoy positive cash flow and working capital for FY2009. We generated a net cash amount of $47.2 million from operating activities in FY2009 on the back of stronger operational performance. This is a significant increase of $28.8 million from $18.4 million in FY2008.

Net cash used in investing activities amounting to $5.0 million mainly due to purchases of new property, plant & equipment to support existing projects in FY2009.

Net cash inflow from financing activities was $2.6 million. This was mainly due to cash proceeds from the issuance of new shares and rights issue exercise of $7.4 million, which was partially offset by repayment of finance lease liabilities, interest payments and dividend payments to shareholders in FY2009 amounting to $4.8 million.

Overall, cash and cash equivalents stood at $72.2 million as at 31 December 2009. This is a significant increase of $42.3 million, from $29.9 million as at 31 December 2008. This works out to cash of 29.2 cents per share as at 31 December 2009 compared with 20.0 cents per share as at 31 December 2008.

We have a set of healthy financials and this puts us in a favourable position for future growth.

(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 2009	31 Dec 2008
	$'000	$'000
Cash at bank and on hand	12,456	11,785
Short-term bank deposits	65,235	23,625
	77,691	35,410
Short-term bank deposits pledged to banks	(5,489)	(5,481)
Cash and cash equivalents in consolidated statement of cash flows	72,202	29,929

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	Retained earnings	Warrants Reserve	Total	Minority interest	Total equity
	$'000	$'000	$'000	$'000	$'000	$'000
<u>The Group</u>						
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
Issuance and allotment of new ordinary shares	6,750	-	-	6,750	-	6,750
Total comprehensive income for the period	-	3,625	-	3,625	(1)	3,624
Dividend relating to 2008 paid	-	(2,997)	-	(2,997)	-	(2,997)
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 Sep 2009	23,993	30,678	-	54,671	596	55,267
Pursuant to warrants issue	-	-	618	618	-	618
Total comprehensive income for the period	-	3,629	-	3,629	1	3,630
As at 31 Dec 2009	**23,993**	**34,307**	**618**	**58,918**	**597**	**59,515**

	Attributable to Equity holders of the Company					
	Share capital	Retained earnings	Warrants Reserve	Total	Minority interest	Total equity
	$'000	$'000	$'000	$'000	$'000	$'000
The Group (Contd…)						
As at 1 Jan 2008	17,243	16,402	-	33,645	527	34,172
Total comprehensive Income for the period	-	2,408	-	2,408	54	2,462
As at 31 Mar 2008	17,243	18,810	-	36,053	581	36,634
Total comprehensive income for the period	-	1,897	-	1,897	40	1,937
Dividend relating to 2007 paid	-	(2,997)	-	(2,997)	-	(2,997)
As at 30 Jun 2008	17,243	17,710	-	34,953	621	35,574
Total comprehensive income for the period	-	2,134	-	2,134	(27)	2,107
As at 30 Sep 2008	17,243	19,844	-	37,087	594	37,681
Total comprehensive income for the period	-	3,018	-	3,018	7	3,025
As at 31 Dec 2008	**17,243**	**22,862**	**-**	**40,105**	**601**	**40,706**

	Attributable to Equity holders of the Company					
	Share capital	Retained earnings	Warrants Reserve	Total	Minority interest	Total equity
	$'000	$'000	$'000	$'000	$'000	$'000
<u>The Company</u>						
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
Issuance and allotment of new ordinary shares	6,750	-	-	6,750	-	6,750
Total comprehensive income for the period	-	1	-	1	-	1
Dividend relating to 2008 paid	-	(2,997)	-	(2,997)	-	(2,997)
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
Pursuant to warrants issue	-	-	618	618	-	618
Total comprehensive income for the period	-	7,911	-	7,911	-	7,911
As at 31 Dec 2009	**23,993**	**8,759**	**618**	**33,370**	**-**	**33,370**

	Attributable to Equity holders of the Company					
	Share capital	Retained earnings	Warrants Reserve	Total	Minority interest	Total equity
	$'000	$'000	$'000	$'000	$'000	$'000
The Company (Cont'd…)						
As at 1 Jan 2008	17,243	3,372	-	20,615	-	20,615
Total comprehensive Income for the period	-	137	-	137	-	137
As at 31 Mar 2008	17,243	3,509	-	20,752	-	20,752
Total comprehensive income for the period	-	26	-	26	-	26
Dividend relating to 2008 paid	-	(2,997)	-	(2,997)	-	(2,997)
As at 30 Jun 2008	17,243	538	-	17,781	-	17,781
Total comprehensive income for the period	-	28	-	28	-	28
As at 30 Sep 2008	17,243	566	-	17,809	-	17,809
Total comprehensive income for the period	-	3,155	-	3,155	-	3,155
As at 31 Dec 2008	**17,243**	**3,721**	**-**	**20,964**	**-**	**20,964**

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 2009	149,860,940	17,243,071
Issuance of new shares on 26 May 2009 pursuant to Subscription Agreement	15,000,000	6,750,000
Balance as at 30 June 2009 and 30 September 2009	164,860,940	23,993,071
Issuance of Bonus Shares on 30 November 2009 pursuant to Bonus Issue	82,430,468	-
Balance as at 31 December 2009	247,291,408	23,993,071

On 26 May 2009, the Company allotted and issued 15 million new ordinary shares in the capital of the Company (the “Subscription Shares”) at the price of $0.45 for each Subscription Share for a total consideration of $6,750,000 in cash pursuant to the Subscription Agreement dated 17 April 2009. The Subscription Shares ranked *pari passu* in all respects with the previously issued shares.

On 30 November 2009, the Company allotted and issued 82,430,468 new ordinary shares in the capital of the Company (the “Bonus Shares”) pursuant to the bonus issue exercise on the basis of one Bonus Share for every two ordinary shares in the capital of the Company held by the entitled shareholders. The Bonus Shares ranked *pari passu* in all respects with the previously issued shares.

On 6 January 2010, the Company allotted and issued 61,822,852 warrants (the “Warrants”) pursuant to the rights issue exercise on the basis of one Warrant for every four ordinary shares in the capital of the Company held by the entitled shareholders. The issue price of each Warrant was $0.01, with each Warrant carrying the right to subscribe for one new share (the “New Share”) at an exercise price of $0.20 for each New Share.

The Warrants may be exercised within a period of three (3) years, commencing on and including the date of the issue of the Warrants and expiring on the date immediately preceding the third (3rd) anniversary of the date of issue of the Warrants (i.e. on 5 January 2013). Assuming all the Warrants are fully exercised, the number of issued ordinary shares will increase from 247,291,408 to 309,114,260.

Subsequent to the balance sheet date, of the 61,822,852 Warrants, 154,625 Warrants were exercised and 154,625 New Shares were issued during the period from 6 January 2010 to 25 February 2010.

Except as mentioned above, there have been no changes in the issued share capital of the Company since 31 December 2008.

Under the Share Buy Back Mandate which was approved by the Shareholders on 20 April 2009, no shares were bought back by the Company during the fourth quarter and full year ended 31 December 2009.

There were no outstanding convertibles issued or treasury shares held by the Company as at 31 December 2008 and 31 December 2009.

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 December 2009	31 December 2008
Total number of issued shares (excluding treasury shares)	247,291,408	149,860,940

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 year compared with those for the audited financial statements for FY2008.

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 FY2009, 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 2009. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

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

FRS 1 (Revised)	Presentation of Financial Statements
FRS 108	Operating Segments

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 financial 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)
	2009	2008		2009	2008	
	$'000	$'000	%	$'000	$'000	%
Net profit attributable to equity holders of the Company($'000)	3,629	3,018	20.2	14,442	9,458	52.7
Weighted average number of ordinary shares outstanding for basic earnings per share	238,291,408	224,791,408	6.0	238,291,408	224,791,408	6.0
Basic earnings per share (cents)	1.52	1.34	13.4	6.06	4.21	43.9

The basic earnings per share of the Group increased by 43.9% from 4.21 cents per share for FY2008 to 6.06 cents per share for FY2009.

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		
	Fourth Quarter ended 31 Dec		Increase / (Decrease)	Financial Year ended 31 Dec		Increase / (Decrease)
	2009	2008		2009	2008	
	$'000	$'000	%	$'000	$'000	%
Net profit attributable to equity holders of the Company($'000)	3,629	3,018	20.2	14,442	9,458	52.7
Weighted average number of ordinary shares outstanding for basic earnings per share	238,291,408	224,791,408	6.0	238,291,408	224,791,408	6.0
Adjustments for - warrants	28,787	-		28,787	-	
	238,320,195	224,791,408		238,320,195	224,791,408	
Diluted earnings per share (cents)	1.52	1.34	13.4	6.06	4.21	43.9

The diluted earnings per share of the Group increased by 43.9% from 4.21 cents per share for FY2008 to 6.06 cents per share for FY2009.

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 financial period reported on and
(b) immediately preceding financial year

	The Group		The Company		Increase / (Decrease) %	
	Current financial year ended 31 Dec 2009	Previous financial year ended 31 Dec 2008	Current financial year ended 31 Dec 2009	Previous financial year ended 31 Dec 2008	The Group	The Company
Net tangible assets ($'000)	57,230	38,417	33,370	20,964	49.0	59.2
Number of shares	247,291,408	149,860,940	247,291,408	149,860,940	65.0	65.0
NTA per share (cents)	23.14	25.64	13.49	13.99	(9.8)	(3.6)

The Group's net tangible assets value per share decreased by 9.8% from 25.64 cents as at 31 December 2008 to 23.14 cents as at 31 December 2009 due to an increase in the number of shares issued as at 31 December 2009.

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

<u>Our Business</u>

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

We have two core business segments: Construction and Maintenance.

Income Statement Review (Current Financial Year ended 31 December 2009 vs Previous Financial Year ended 31 December 2008)

	The Group			
	Current financial year ended 31 Dec 2009	Previous financial year ended 31 Dec 2008	Increase / (Decrease)	
	$'000	$'000	$'000	%
Construction	98,184	70,910	27,274	38.5
Maintenance	31,798	30,915	883	2.9
Total Revenue	**129,982**	**101,825**	28,157	27.7

Revenue

For the financial year ended 31 December 2009 ("FY2009"), our Group achieved a record high revenue of $130.0 million since we were listed in 2002. This was an increase of 27.7% from the $101.8 million registered in the previous corresponding year ("FY2008"). The rise in revenue was contributed by a strong revenue growth of 38.5% from the construction segment, coupled with the marginal increase in the recurring revenue from the maintenance segment.

The strong growth in revenue from the construction segment was attributable to the higher percentage of revenue recognised from a few construction projects which were in full swing and revenue from some new projects secured during FY2009.

The construction segment continued to be the major contributor to our Group's revenue. It accounted for 75.5% (2008:69.6%) of our Group's revenue in FY2009, with the maintenance segment making up the remaining 24.5% (2008:30.4%).

Gross profit and gross profit margin

In line with the increase in our revenue, our gross profit increased by $2.1 million from $21.3 million for FY2008 to $23.4 million for FY2009.

Our gross profit margin dropped slightly from 20.9% for FY2008 to 18.0% for FY2009. This was due mainly to the relatively higher costs accrued during the initial stages of a few new projects that started in FY2009.

Other income

The increase in other income of $0.6 million or 73.4% was largely attributable to a non-recurring reversal of allowance for impairment of trade receivables of $1.1 million during FY2009, partially offset by lower interest income from bank deposits of $0.2 million and the non-recurring loss arising from the revaluation of an investment property of $0.2 million in FY2008.

Administrative expenses

The decrease in administrative expenses of $2.0 million or 20.9% was largely attributable to a decrease in professional fees, the absence of allowance for impairment of trade receivables and a decrease in transportation expenses, which were partially offset by higher directors' remuneration and staff bonuses to reward staff for achieving the strong financial performance of our Group in FY2009.

Other expenses

Other expenses decreased by $0.2 million due mainly to lower foreign exchange losses resulting from the weakening of the United States Dollar against the Singapore Dollar for FY2009.

Finance expenses

Finance expenses decreased marginally by $0.007 million due mainly to repayment of finance leases in FY2009.

Profit before income tax

The Group achieved a profit before income tax of $17.1 million, an increase of $4.9 million or 39.9% from FY2008. This was due mainly to an increase in our gross profit of $2.1 million and other income of $0.6 million coupled with a decrease in administrative expenses of $2.0 million, other expenses of $0.2 million and finance costs of $0.007 million as explained above.

Our profit before income tax margin increased from 12.0% for FY2008 to 13.2% for FY2009.

Income tax expense

Income tax expense for FY2009 and FY2008 remained constant at $2.7 million, representing an effective tax rate of 15.5% for FY2009 and 22.0% for FY2008. The decrease in effective tax rate for FY2009 was due mainly to a refund of an overprovision of tax amounting to $0.2 million in the fourth quarter of 2009, a reduction in corporate tax rate from 18% in FY2008 to 17% in FY2009 and certain income items which were not subject to tax.

Minority interests

Minority interests decreased due to losses incurred by a subsidiary for FY2009.

Net profit

Overall, net profit surged by 51.5% or $4.9 million to $14.4 million as compared to FY2008 following the increase in profit before income tax, as explained above.

Our net profit margin increased from 9.4% for FY2008 to 11.1% for FY2009.

Income Statement Review (Fourth Quarter ended 31 December 2009 vs Fourth Quarter ended 31 December 2008)

	The Group			
	Current fourth quarter ended 31 Dec 2009	Previous fourth quarter ended 31 Dec 2008	Increase / (Decrease)	
	$'000	$'000	$'000	%
Construction	26,087	14,698	11,389	77.5
Maintenance	7,281	12,900	(5,619)	(43.6)
Total Revenue	**33,368**	**27,598**	5,770	20.9

Revenue

The construction segment contributed $26.1 million to our Group's revenue in the fourth quarter of 2009, compared to $14.7 million in the fourth quarter of 2008. The increase in revenue from the construction segment was due to higher percentage of revenue recognition of a few key construction projects in the fourth quarter of 2009.

Revenue from the maintenance segment decreased by 43.6% to $7.3 million in the fourth quarter of 2009 from $12.9 million previously. This was due mainly to substantial completion of a few maintenance projects in the fourth quarter of 2009.

Gross profit and gross profit margin

Our gross profit decreased by $0.9 million from $8.6 million in the fourth quarter of 2008 to $7.6 million in the fourth quarter of 2009. This represented a decrease in the gross profit margin from 31.0% for the fourth quarter of 2008 to 22.8% for the fourth quarter of 2009.

The decrease in gross profit and gross profit margin was due mainly to relatively higher costs accrued during the initial stages of a few new construction projects which commenced towards the end of second quarter ended 30 June 2009 and which had spilled over to the third and fourth quarters of 2009 and the absence of variation orders for a few construction projects which resulted in a higher gross profit and gross profit margin in the fourth quarter of 2008.

Other income

Other income remained constant at approximately $0.1 million for the fourth quarter of 2008 and 2009.

Administrative expenses

The decrease in administrative expenses by $0.9 million was largely attributable to the absence of allowance for impairment of trade receivables and decrease in transportation expenses which were incurred in the fourth quarter of 2008.

Other expenses

Other expenses decreased by $0.2 million due mainly to lower foreign exchange losses resulting from the weakening of the United States Dollar against the Singapore Dollar in the fourth quarter of 2009.

Finance expenses

Finance expenses decreased marginally by $0.01 million due mainly to repayment of finance leases in the fourth quarter of 2009.

Profit before income tax

Profit before income tax increased by $0.2 million or 4.7% to $4.2 million due mainly to the decrease in administrative expenses of $0.9 million, other expenses of $0.2 and finance expenses of $0.01 million, and was partially offset by the decrease in gross profit of $0.9 million, as explained above.

Our profit before income tax margin dropped from 14.4% for FY2008 to 12.5% for FY2009.

Income tax expense

The lower income tax expense and effective tax rate in FY2009, as compared to FY2008 was the result of a refund of an overprovision of tax amounting to $0.2 million in the fourth quarter of 2009.

Minority interests

Minority interests decreased due to losses incurred by a subsidiary in the fourth quarter of 2009.

Net profit

Overall, for the fourth quarter of 2009, net profit increased by $0.6 million or 20.0%, compared to the previous corresponding period, following the increase in profit before income tax and reduction in income tax expense, as explained above.

Our net profit margin remained relatively constant at 11.0% for the fourth quarter of 2008 and 10.9% for the fourth quarter of 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 4 January 2010, the Ministry of Trade and Industry announced that Singapore's GDP contracted by 2.1% in 2009, which is in line with the earlier official estimate of a 2% to 2.5% contraction. On 19 February 2010, the government revised the growth forecast for 2010 to 4.5% to 6.5%, up from 3% to 5%.

The outlook for the Singapore construction industry for the next twelve months remains positive. According to the Building and Construction Authority, Singapore's construction demand for 2010 is likely to reach between $21 billion and $27 billion. Of this, the public sector is likely to remain the key construction demand driver, contributing about 65% of the industry demand to between $14 billion and $17.9 billion, fuelled by higher growth in most categories of building demand and continuing strong civil engineering construction demand led by Land Transport Authority's MRT and related projects.

We believe that our excellent track record and leading position in public sector work puts us in a good position to benefit from the strong pipeline of large government infrastructure projects. Public projects will continue to be the mainstay of our earnings base in 2010, although we will continue to tender for both public and private civil engineering projects to strengthen our construction order book. We currently have a gross construction order book of approximately $266.6 million with contracts lasting up to FY2011.

We will continue our strategy of focusing on our traditional civil engineering business, leveraging our established track record, expertise and strengths as the preferred choice of civil engineering contractor for various industries, here and overseas.

We remain committed to establishing a presence in the Oil & Gas Sector. We will continue to hone our knowledge in the Oil & Gas Sector and to maintain relationships with our clients and industry players.

At the same time, we are actively exploring opportunities for new businesses and appropriate investments to grow our business.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? 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

(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	$0.02
	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 21 April 2010, will be made on 27 May 2010.

(d) Books closure date

Notice is hereby given that the Transfer Book and Register of Members of the Company will be closed on 7 May 2010 for the preparation of dividend payment. Duly 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 6 May 2010 will be registered to determine shareholders' entitlement to the proposed first, final and special dividend.

Shareholders whose securities accounts with the Central Depository (Pte) Limited are credited with shares at 5.00 p.m. on 6 May 2010 will be entitled to the proposed first, final and special dividend.

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.

	Primary Reporting- Business Segment					
	Current financial year ended 31 December 2009			Previous financial year ended 31 December 2008		
The Group	Construction	Maintenance	Total	Construction	Maintenance	Total
	$'000	$'000	$'000	$'000	$'000	$'000
Revenue and expenses						
External revenue	98,184	31,798	129,982	70,910	30,915	101,825
Inter-segment revenue	3	3,430	3,433	5,276	2,447	7,723
Total revenue	98,187	35,228	133,415	76,186	33,362	109,548
Elimination			(3,433)			(7,723)
			129,982			101,825
Segment result	16,336	7,050	23,386	18,946	2,378	21,324
Other income			1,462			843
Unallocated costs			(7,558)			(9,747)
			17,290			12,420
Finance expense			(186)			(193)
Profit before income tax			17,104			12,227
Income tax expense			(2,666)			(2,696)
Net profit			14,438			9,531
Segment assets	19,139	6,667	25,806	17,815	8,873	26,688
Unallocated assets	-	-	96,572	-	-	50,133
Consolidated total assets			122,378			76,821
Segment liabilities	39,702	11,774	51,476	17,856	7,537	25,393
Unallocated liabilities	-	-	11,387	-	-	10,722
Consolidated total liabilities			62,863			36,115

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 2009	Previous financial year ended 31 Dec 2008	Increase/ (Decrease)	
	$'000	$'000	$'000	%
(a) Sales reported for first half year	61,496	50,935	10,561	20.7
(b) Operating profit after taxation before deducting minority interests reported for the first half year	6,808	4,304	2,504	58.2
(c) Sales reported for second half year	68,486	50,890	17,596	34.6
(d) Operating profit after taxation before deducting minority interests reported for the second half year	7,634	5,154	2,480	48.1

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

	FY2009 ($'000)	FY2008 ($'000)
Ordinary	7,423	2,997
Preference	-	-
Total	7,423	2,997

The total annual dividend of $0.03 (2008: $0.02) per share based on the enlarged share capital of 247,446,033 (2008: 149,860,940) ordinary shares as at the date of this announcement amounted to $7,423,381 (2008: $2,997,219).

17. Use of proceeds

(i) <u>Placement of 13.6 million new ordinary shares at $0.16821 completed in February 2007 raising net proceeds of $2.20 million</u>

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

The balance unutilised proceeds are deposited with a bank pending deployment.

(ii) <u>Placement of 15.0 million new ordinary shares at $0.45 completed in May 2009 raising net proceeds of $6.75 million</u>

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 balance unutilised proceeds are deposited with a bank pending deployment.

(iii) <u>Issuance of 61,822,852 warrants at $0.01 completed in January 2010 raising net proceeds of $0.62 million</u>

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 balance unutilised proceeds are deposited with a bank pending deployment.

18. Interested person transactions disclosure

Name of interested person	Nature of transactions	Relationship	Aggregate value of all interested person transactions	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920
			$'000	$'000
Global Law Alliance LLC (incorporating Niru & Co)	Provision of legal services	Mr Nirumalan s/o V Kanapathi Pillai, the independent director of the Company, is the Senior Director of Global Law Alliance LLC	4	Not applicable. The Company does not have a shareholders' mandate under Rule 920

BY ORDER OF THE BOARD

Or Toh Wat
Group Managing Director
25 February 2010