

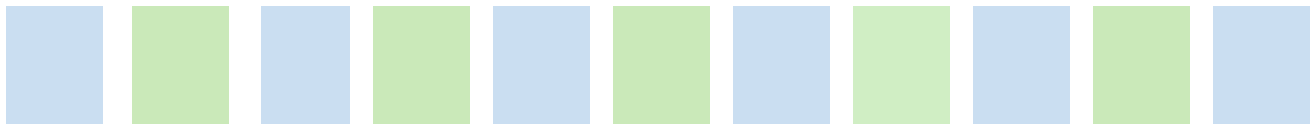


**OKP HOLDINGS LIMITED**

胡金標控股有限公司

**Full Year Financial  
Statements and Dividend  
Announcement for the year ended**

**31 December 2021**



**21 February 2022**

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**Full Year Financial Statements and Dividend Announcement for the Year Ended 31 December 2021**
**PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF HALF-YEAR AND FULL YEAR RESULTS**
**1(a) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the Group, together with a comparative statement for the corresponding period of the immediately preceding financial year**

| Note   | The Group              |              |                         | The Group                   |              |                         |
|--|------------------------|--------------|-------------------------|-----------------------------|--------------|-------------------------|
|  | Half Year ended 31 Dec |              | Increase/<br>(Decrease) | Financial Year ended 31 Dec |              | Increase/<br>(Decrease) |
|  | 2021                   | 2020         |                         | 2021                        | 2020         |                         |
|  | \$'000                 | \$'000       | %                       | \$'000                      | \$'000       | %                       |
| <b>Revenue</b>   | 44,970                 | 37,439       | 20.1                    | 90,035                      | 69,627       | 29.3                    |
| Cost of sales  | (42,652)               | (33,843)     | 26.0                    | (83,241)                    | (62,251)     | 33.7                    |
| <b>Gross profit</b>  | <b>2,318</b>           | <b>3,596</b> | (35.5)                  | <b>6,794</b>                | <b>7,376</b> | (7.9)                   |
| Other gains, net   | 5,466                  | 5,913        | (7.6)                   | 7,740                       | 10,704       | (27.7)                  |
| Expenses   |                        |              |                         |                             |              |                         |
| - Administrative   | (4,762)                | (6,355)      | (25.1)                  | (9,300)                     | (12,117)     | (23.2)                  |
| - Finance  | (613)                  | (551)        | 11.3                    | (1,138)                     | (1,163)      | (2.1)                   |
| Share of profit/<br>(loss) of<br>associated<br>companies<br>and joint<br>ventures, net | 128                    | (471)        | 127.2                   | 352                         | (367)        | 195.9                   |
| <b>Profit before<br/>income tax</b>  | <b>2,537</b>           | <b>2,132</b> | 19.0                    | <b>4,448</b>                | <b>4,433</b> | 0.3                     |
| Income tax<br>credit/(expense)   | 260                    | (168)        | (254.8)                 | (213)                       | (478)        | (55.4)                  |
| <b>Net profit</b>  | <b>2,797</b>           | <b>1,964</b> | 42.4                    | <b>4,235</b>                | <b>3,955</b> | 7.1                     |
| Gross profit<br>margin   | 5.2%                   | 9.6%         |                         | 7.5%                        | 10.6%        |                         |
| Net profit<br>margin   | 6.2%                   | 5.2%         |                         | 4.7%                        | 5.7%         |                         |
| Effective tax<br>rate  | n.m.                   | 7.9%         |                         | 4.8%                        | 10.8%        |                         |
| Net profit<br>attributable to:   |                        |              |                         |                             |              |                         |
| Equity holders<br>of the<br>Company  | 539                    | 1,683        | (68.0)                  | 1,515                       | 3,293        | (54.0)                  |
| Non-controlling<br>interests   | 2,258                  | 281          | 703.6                   | 2,720                       | 662          | 310.9                   |
|  | <b>2,797</b>           | <b>1,964</b> | 42.4                    | <b>4,235</b>                | <b>3,955</b> | 7.1                     |



Consolidated statement of comprehensive income for the half year ended 31 December 2021 and financial year ended 31 December 2021 (Cont'd)

|   | The Group              |              |                         | The Group                   |              |                         |
|---|------------------------|--------------|-------------------------|-----------------------------|--------------|-------------------------|
|   | Half Year ended 31 Dec |              | Increase/<br>(Decrease) | Financial Year ended 31 Dec |              | Increase/<br>(Decrease) |
|   | 2021                   | 2020         |                         | 2021                        | 2020         |                         |
|   | \$'000                 | \$'000       | %                       | \$'000                      | \$'000       | %                       |
| <b>Net profit</b>   | 2,797                  | 1,964        | 42.4                    | 4,235                       | 3,955        | 7.1                     |
| Other comprehensive income:                                 |                        |              |                         |                             |              |                         |
| Currency translation differences arising from consolidation | (306)                  | 307          | (199.7)                 | (400)                       | 404          | (199.0)                 |
| <b>Total comprehensive income, net of tax</b>               | <b>2,491</b>           | <b>2,271</b> | 9.7                     | <b>3,835</b>                | <b>4,359</b> | (12.0)                  |
| <b>Total comprehensive income attributable to:</b>          |                        |              |                         |                             |              |                         |
| Equity holders of the Company                               | 383                    | 1,840        | (79.2)                  | 1,311                       | 3,499        | (62.5)                  |
| Non-controlling interests                                   | 2,108                  | 431          | 389.1                   | 2,524                       | 860          | 193.5                   |
|   | 2,491                  | 2,271        | 9.7                     | 3,835                       | 4,359        | (12.0)                  |

Note:

- (i) Currency translation difference was attributed to (a) assets and liabilities of foreign operations that were translated to Singapore dollars at the exchange rate at the reporting date and (b) income and expenses of foreign operations that were translated to Singapore dollars at the exchange rate at the date of transactions.



**1(b)(i) A statement of financial position (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 2021    | 31 Dec 2020    | 31 Dec 2021   | 31 Dec 2020   |
|   |      | \$'000         | \$'000         | \$'000        | \$'000        |
| <b>ASSETS</b>   |      |                |                |               |               |
| <b>Current assets</b>   |      |                |                |               |               |
| Cash and cash equivalents   |      | 51,030         | 79,097         | 3,513         | 4,078         |
| Trade and other receivables   | 9    | 8,023          | 9,730          | 19,549        | 18,113        |
| Contract assets   | 10   | 15,584         | 14,239         | -             | -             |
| Inventories   |      | 1,687          | -              | -             | -             |
|   |      | <u>76,324</u>  | <u>103,066</u> | <u>23,062</u> | <u>22,191</u> |
| <b>Non-current assets</b>   |      |                |                |               |               |
| Investments in subsidiary corporations                                    | 11   | -              | -              | 19,219        | 19,219        |
| Investments in joint ventures   | 12   | 32             | 35             | -             | -             |
| Investments in associated companies                                       | 13   | 915            | 411            | -             | -             |
| Investment properties   | 14   | 78,487         | 52,107         | -             | -             |
| Other receivables   | 15   | 11,775         | 8,925          | -             | -             |
| Property, plant and equipment   | 16   | 21,658         | 20,858         | 13,080        | 13,184        |
| Right-of-use assets   | 17   | 11,923         | 9,926          | -             | -             |
| Intangible assets   | 18   | 1,725          | 1,751          | 12            | 16            |
| Deferred income tax assets  |      | 294            | -              | -             | -             |
|   |      | <u>126,809</u> | <u>94,013</u>  | <u>32,311</u> | <u>32,419</u> |
| <b>Total assets</b>   |      | <u>203,133</u> | <u>197,079</u> | <u>55,373</u> | <u>54,610</u> |
| <b>LIABILITIES</b>  |      |                |                |               |               |
| <b>Current liabilities</b>  |      |                |                |               |               |
| Trade and other payables  | 19   | 20,730         | 20,178         | 2,942         | 3,113         |
| Contract liabilities  | 10   | -              | 8,934          | -             | -             |
| Lease liabilities   | 17   | 2,087          | 1,957          | -             | -             |
| Bank borrowings   | 20   | 13,934         | 5,315          | 4,050         | 4,500         |
| Provisions  |      | -              | 1,400          | -             | -             |
| Current income tax liabilities  |      | 571            | 764            | 60            | 60            |
|   |      | <u>37,322</u>  | <u>38,548</u>  | <u>7,052</u>  | <u>7,673</u>  |
| <b>Non-current liabilities</b>  |      |                |                |               |               |
| Other payables  | 19   | 15,274         | 9,914          | -             | -             |
| Lease liabilities   | 17   | 4,316          | 3,139          | -             | -             |
| Bank borrowings   | 20   | 20,086         | 21,190         | -             | -             |
| Deferred income tax liabilities   |      | 863            | 1,104          | 10            | 10            |
|   |      | <u>40,539</u>  | <u>35,347</u>  | <u>10</u>     | <u>10</u>     |
| <b>Total liabilities</b>  |      | <u>77,861</u>  | <u>73,895</u>  | <u>7,062</u>  | <u>7,683</u>  |
| <b>NET ASSETS</b>   |      | <u>125,272</u> | <u>123,184</u> | <u>48,311</u> | <u>46,927</u> |
| <b>EQUITY</b>   |      |                |                |               |               |
| <b>Capital and reserves attributable to equity holders of the Company</b> |      |                |                |               |               |
| Share capital   | 21   | 36,832         | 36,832         | 36,832        | 36,832        |
| Treasury shares   | 21   | (235)          | (235)          | (235)         | (235)         |
| Other reserves  | 22   | 3,442          | 3,244          | -             | -             |
| Retained profits  |      | 81,670         | 82,304         | 11,714        | 10,330        |
|   |      | <u>121,709</u> | <u>122,145</u> | <u>48,311</u> | <u>46,927</u> |
| <b>Non-controlling interests</b>  |      | <u>3,563</u>   | <u>1,039</u>   | <u>-</u>      | <u>-</u>      |
| <b>Total equity</b>   |      | <u>125,272</u> | <u>123,184</u> | <u>48,311</u> | <u>46,927</u> |
| <b>Net tangible assets</b>  |      | <u>123,547</u> | <u>121,433</u> | <u>48,299</u> | <u>46,911</u> |



**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 |                 |                 |                           |                              |                  | Non-controlling interest | Total equity |
|------|---|-----------------|-----------------|---------------------------|------------------------------|------------------|--------------------------|--------------|
|      | Share Capital                                 | Treasury shares | Capital reserve | Asset revaluation reserve | Currency translation reserve | Retained profits |                          |              |
| Note | \$'000  | \$'000          | \$'000          | \$'000                    | \$'000                       | \$'000           | \$'000                   | \$'000       |

The Group

|   |   |        |       |       |       |       |         |         |       |         |
|---|---|--------|-------|-------|-------|-------|---------|---------|-------|---------|
| <b>As at 1 Jan 2021</b>                     |   | 36,832 | (235) | 1,706 | 1,372 | 166   | 82,304  | 122,145 | 1,039 | 123,184 |
| Profit for the period                       |   | -      | -     | -     | -     | -     | 976     | 976     | 462   | 1,438   |
| Other comprehensive income for the period   |   | -      | -     | -     | -     | (48)  | -       | (48)    | (46)  | (94)    |
|   |   | -      | -     | -     | -     | (48)  | 976     | 928     | 416   | 1,344   |
| Fair value adjustment on interest-free loan |   | -      | -     | 169   | -     | -     | -       | 169     | -     | 169     |
| Dividend relating to FY2020                 | 8 | -      | -     | -     | -     | -     | (2,149) | (2,149) | -     | (2,149) |
| <b>As at 30 Jun 2021</b>                    |   | 36,832 | (235) | 1,875 | 1,372 | 118   | 81,131  | 121,093 | 1,455 | 122,548 |
| Profit for the period                       |   | -      | -     | -     | -     | -     | 539     | 539     | 2,258 | 2,797   |
| Other comprehensive income for the period   |   | -      | -     | -     | -     | (156) | -       | (156)   | (150) | (306)   |
|   |   | -      | -     | -     | -     | (156) | 539     | 383     | 2,108 | 2,491   |
| Fair value adjustment on interest-free loan |   | -      | -     | 233   | -     | -     | -       | 233     | -     | 233     |
| <b>As at 31 Dec 2021</b>                    |   | 36,832 | (235) | 2,108 | 1,372 | (38)  | 81,670  | 121,709 | 3,563 | 125,272 |



## Consolidated statement of changes in equity (Cont'd)

|      | Attributable to equity holders of the Company |                 |                 |                           |                              |                  | Non-controlling interest | Total equity |
|------|---|-----------------|-----------------|---------------------------|------------------------------|------------------|--------------------------|--------------|
|      | Share Capital                                 | Treasury shares | Capital reserve | Asset revaluation reserve | Currency translation reserve | Retained profits |                          |              |
| Note | \$'000  | \$'000          | \$'000          | \$'000                    | \$'000                       | \$'000           | \$'000                   | \$'000       |

### The Group

|   |    |        |       |       |       |      |         |         |       |         |
|---|----|--------|-------|-------|-------|------|---------|---------|-------|---------|
| <b>As at 1 Jan 2020</b>                     |    | 36,832 | -     | 1,656 | 1,372 | (40) | 81,164  | 120,984 | 179   | 121,163 |
| Profit for the period                       |    | -      | -     | -     | -     | -    | 1,610   | 1,610   | 381   | 1,991   |
| Other comprehensive loss for the period     |    | -      | -     | -     | -     | 49   | -       | 49      | 48    | 97      |
|   |    | -      | -     | -     | -     | 49   | 1,610   | 1,659   | 429   | 2,088   |
| Purchase of treasury shares                 | 21 | -      | (235) | -     | -     | -    | -       | (235)   | -     | (235)   |
| Dividend relating to FY2019                 | 8  | -      | -     | -     | -     | -    | (2,153) | (2,153) | -     | (2,153) |
| <b>As at 30 Jun 2020</b>                    |    | 36,832 | (235) | 1,656 | 1,372 | 9    | 80,621  | 120,255 | 608   | 120,863 |
| Profit for the period                       |    | -      | -     | -     | -     | -    | 1,683   | 1,683   | 281   | 1,964   |
| Other comprehensive loss for the period     |    | -      | -     | -     | -     | 157  | -       | 157     | 150   | 307     |
|   |    | -      | -     | -     | -     | 157  | 1,683   | 1,840   | 431   | 2,271   |
| Fair value adjustment on interest-free loan |    | -      | -     | 50    | -     | -    | -       | 50      | -     | 50      |
| <b>As at 31 Dec 2020</b>                    |    | 36,832 | (235) | 1,706 | 1,372 | 166  | 82,304  | 122,145 | 1,039 | 123,184 |



| Attributable to equity holders of the Company |               |                 |                  |              |
|---|---------------|-----------------|------------------|--------------|
|   | Share capital | Treasury shares | Retained profits | Total equity |
| Note  | \$'000        | \$'000          | \$'000           | \$'000       |

The Company

**As at 1 Jan 2021** 36,832 (235) 10,330 46,927

Total comprehensive income for the period - - 128 128

Dividend relating to FY2020 8 - - (2,149) (2,149)

**As at 30 Jun 2021** 36,832 (235) 8,309 44,906

Total comprehensive income for the period - - 3,405 3,405

**As at 31 Dec 2021** 36,832 (235) 11,714 48,311

**As at 1 Jan 2020** 36,832 - 9,084 45,916

Total comprehensive income for the period - - 1,069 1,069

Purchase of treasury shares 21 - (235) - (235)

Dividend relating to FY2019 8 - - (2,153) (2,153)

**As at 30 Jun 2020** 36,832 (235) 8,000 44,597

Total comprehensive income for the period - - 2,330 2,330

**As at 31 Dec 2020** 36,832 (235) 10,330 46,927





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

Consolidated statement of cash flows

|   |  | The Group                   |               |
|---|--|-----------------------------|---------------|
|   |  | Financial Year ended 31 Dec |               |
|   |  | 2021                        | 2020          |
| Note  |  | \$'000                      | \$'000        |
| <b>Cash flows from operating activities</b> |  |                             |               |
|   | Net profit   | 4,235                       | 3,955         |
|   | Adjustments for:   |                             |               |
|   | - Income tax expense   | 213                         | 478           |
|   | - Depreciation of property, plant and equipment                    | 6 2,202                     | 2,135         |
|   | - Depreciation of right-of-use assets                              | 6 2,076                     | 2,045         |
|   | - Amortisation of intangible assets                                | 6 26                        | 30            |
|   | - Gain on disposal of right-of-use assets                          | 6 -                         | (16)          |
|   | - Gain on disposal of property, plant and equipment, net           | 6 (74)                      | (16)          |
|   | - Property, plant and equipment written off                        | -                           | 1             |
|   | - Reversal of impairment allowance made                            | 6 -                         | (1,228)       |
|   | - Share of results of associated companies and joint ventures, net | (352)                       | 367           |
|   | - Fair value(gain)/loss on investment properties, net              | 6 (4,371)                   | 677           |
|   | - Interest income  | 6 (136)                     | (544)         |
|   | - Interest expense   | 1,138                       | 1,163         |
|   | - Foreign exchange differences                                     | 976                         | (420)         |
|   | <b>Operating cash flow before working capital changes</b>          | <b>5,933</b>                | <b>8,627</b>  |
|   | Change in working capital  |                             |               |
|   | - Trade and other receivables                                      | 1,706                       | (2,592)       |
|   | - Contract assets  | (1,345)                     | 1,428         |
|   | - Inventories  | (1,687)                     | -             |
|   | - Contract liabilities   | (8,934)                     | 8,934         |
|   | - Trade and other payables   | 549                         | 898           |
|   | - Provisions   | (1,400)                     | 1,400         |
|   | <b>Cash (used in)/generated from operations</b>                    | <b>(5,178)</b>              | <b>18,695</b> |
|   | - Interest received  | 136                         | 544           |
|   | - Income tax paid  | (950)                       | (545)         |
|   | <b>Net cash (used in)/provided by operating activities</b>         | <b>(5,992)</b>              | <b>18,694</b> |
| <b>Cash flows from investing activities</b> |  |                             |               |
|   | - Additions to property, plant and equipment                       | (3,027)                     | (9,695)       |
|   | - Additions to right-of-use assets                                 | (395)                       | (73)          |
|   | - Additions to investment properties                               | (24,403)                    | -             |
|   | - Advance to an associated company                                 | (3,000)                     | (2,233)       |
|   | - Proceeds from disposal of property, plant and equipment          | 100                         | 55            |
|   | - Proceeds from disposal of right-of-use assets                    | 98                          | 78            |
|   | - Proceeds from disposal of assets classified as held for sale     | -                           | 11,000        |
|   | - Dividend received from joint ventures                            | -                           | 450           |
|   | - Capital reduction in a joint venture                             | -                           | 115           |
|   | <b>Net cash used in investing activities</b>                       | <b>(30,627)</b>             | <b>(303)</b>  |



Consolidated statement of cash flows (Cont'd)

| The Group                   |        |
|-----------------------------|--------|
| Financial Year ended 31 Dec |        |
| 2021                        | 2020   |
| \$'000                      | \$'000 |

**Cash flows from financing activities**

- Repayment of lease liabilities
- Advance from a non-controlling shareholder
- Interest paid
- Proceeds from bank borrowings
- Purchase of treasury shares
- Repayment of borrowings
- Dividend paid to shareholders
- Bank deposits pledged

|    |         |         |
|----|---------|---------|
|    | (2,469) | (3,028) |
|    | 5,684   | 717     |
|    | (696)   | (837)   |
|    | 11,700  | 4,500   |
| 21 | -       | (235)   |
|    | (3,431) | (3,134) |
| 8  | (2,149) | (2,153) |
|    | (57)    | (53)    |

**Net cash provided by/(used in) financing activities**

8,582 (4,223)

**Net (decrease)/increase in cash and cash equivalents**

(28,037) 14,168

Cash and cash equivalents at the beginning of the financial year

73,958 59,552

Effects of currency translation on cash and cash equivalents

(87) 238

**Cash and cash equivalents at the end of the financial year**

45,834 73,958

**Explanatory Notes:**

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

| The Group  |             |             |
|--|-------------|-------------|
|  | 31 Dec 2021 | 31 Dec 2020 |
|  | \$'000      | \$'000      |
| Cash at bank and on hand   | 15,821      | 29,084      |
| Short-term bank deposits   | 35,062      | 49,658      |
| Trust account – Cash at bank                                       | 147         | 355         |
|  | 51,030      | 79,097      |
| Short-term bank deposits pledged to banks                          | (5,196)     | (5,139)     |
| Cash and cash equivalents per consolidated statement of cash flows | 45,834      | 73,958      |

Short-term bank deposits of \$5,195,509 (2020: \$5,138,894) are pledged to banks for banking facilities of certain subsidiary corporations.



## Notes to the interim consolidated financial statements

### 1. Corporate information

OKP Holdings Limited (the “Company”) is incorporated and domiciled in Singapore and its shares are publicly traded on the Mainboard of the Singapore Exchange. The address of its registered office is 30 Tagore Lane, Singapore 787484. These interim consolidated financial statements for the six months ended 31 December 2021 and unaudited financial statements for the financial year ended 31 December 2021 are those of the Company and its subsidiary corporations (collectively, the “Group”). The principal activities of the Company are those relating to investment holding and the provision of management services to its subsidiary corporations.

The principal activities of the Group are:

- (a) road and building construction and maintenance
- (b) technical management and consultancy services
- (c) civil engineering projects in respect of oil, petrochemical and gas related businesses
- (d) rental services and investment holding
- (e) property development
- (f) transport and logistics services

### 2. Basis of preparation

The condensed interim financial statements for the six months ended 31 December 2021 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last interim financial statements for the period ended 30 June 2021.

The unaudited financial statements for the financial year ended 31 December 2021 have been prepared in accordance with the Singapore Financial Reporting Standards (International) under the historical cost convention, except for the adoption of new and amended standards as set out in Note 2.1.

The interim financial statements are presented in Singapore dollar which is the Company’s functional currency.

During the financial year ended 31 December 2021, the Group reported a net cash used in operating activities of \$6.0 million. The Board of Directors has assessed that the going concern basis of preparation for this set of financial statements remain appropriate due to the following:

- i. The Group is profit-making and is in a net assets and net current assets position of \$125.3 million and \$39.0 million respectively; and
- ii. The Group has sufficient cash to fund the operations of the Group, with free cash and cash equivalents of \$45.8 million as at 31 December 2021.

#### 2.1. New and amended standards adopted by the Group

A number of amendments to Standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those Standards.



## 2.2. Use of judgements and estimates

In preparing the unaudited financial statements, the management of the Group (the "Management") has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The significant judgements made by the Management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2020.

Estimates, assumptions and judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are as follows:

- Estimated impairment of goodwill
- Depreciation of property, plant and equipment
- Impairment of property, plant and equipment
- Recognition of revenue from construction and maintenance contracts

There were no significant changes in critical judgements, estimates and assumptions as compared to those that were applied to the consolidated financial statements as at and for the year ended 31 December 2020.

## 3. Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period/year.

## 4. Segment and revenue information

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, airport infrastructure and oil and 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.  |
| (iii) Rental income – | It relates to income received from rental of investment properties.   |



#### 4.1 Reportable segments

|   | Primary Reporting - Business Segment |               |                  |               |                                |               |                  |               |
|---|--------------------------------------|---------------|------------------|---------------|--------------------------------|---------------|------------------|---------------|
|   | Half Year ended<br>31 Dec 2021       |               |                  |               | Half Year ended<br>31 Dec 2020 |               |                  |               |
|   | Construction                         | Maintenance   | Rental<br>income | Total         | Construction                   | Maintenance   | Rental<br>income | Total         |
| <b>The Group</b>                                  |                                      |               |                  |               |                                |               |                  |               |
| <b>Revenue</b>                                    | <b>\$'000</b>                        | <b>\$'000</b> | <b>\$'000</b>    | <b>\$'000</b> | <b>\$'000</b>                  | <b>\$'000</b> | <b>\$'000</b>    | <b>\$'000</b> |
| Total segment revenue                             | 44,466                               | 14,689        | 3,676            | 62,831        | 38,854                         | 10,587        | 3,402            | 52,843        |
| Inter-segment revenue                             | (17,861)                             | -             | -                | (17,861)      | (15,170)                       | (234)         | -                | (15,404)      |
| Revenue from external parties                     | 26,605                               | 14,689        | 3,676            | 44,970        | 23,684                         | 10,353        | 3,402            | 37,439        |
| <b>Gross profit</b>                               | <b>(2,626)</b>                       | <b>2,484</b>  | <b>2,460</b>     | <b>2,318</b>  | <b>492</b>                     | <b>698</b>    | <b>2,406</b>     | <b>3,596</b>  |
| Other income                                      |                                      |               |                  |               |                                |               |                  |               |
| - Allocated                                       |                                      |               | 4,371            | 4,371         |                                |               | -                | -             |
| - Unallocated                                     |                                      |               |                  | 2,055         |                                |               |                  | 6,590         |
| Other losses                                      |                                      |               |                  |               |                                |               |                  |               |
| - Allocated                                       |                                      |               | -                | -             |                                |               | (677)            | (677)         |
| - Unallocated                                     |                                      |               |                  | (960)         |                                |               |                  | -             |
| Administrative costs                              |                                      |               |                  |               |                                |               |                  |               |
| - Allocated                                       |                                      |               | (172)            | (172)         |                                |               | (31)             | (31)          |
| - Unallocated                                     |                                      |               |                  | (4,589)       |                                |               |                  | (6,324)       |
| Share of profit/(loss) of joint venture companies |                                      |               |                  | 6             |                                |               |                  | (23)          |
| Share of profit/(loss) of associated companies    |                                      |               |                  | 121           |                                |               |                  | (448)         |
| Finance expenses                                  |                                      |               |                  | 3,150         |                                |               |                  | 2,683         |
| - Allocated                                       |                                      |               | (538)            | (538)         |                                |               | (442)            | (442)         |
| - Unallocated                                     |                                      |               |                  | (75)          |                                |               |                  | (109)         |
| Profit before income tax                          |                                      |               |                  | 2,537         |                                |               |                  | 2,132         |
| Income tax (expense)/credit                       |                                      |               |                  |               |                                |               |                  |               |
| - Allocated                                       |                                      |               | (71)             | (71)          |                                |               | (393)            | (393)         |
| - Unallocated                                     |                                      |               |                  | 331           |                                |               |                  | 225           |
| <b>Net profit for the interim period</b>          |                                      |               |                  | <b>2,797</b>  |                                |               |                  | <b>1,964</b>  |
| Depreciation of property, plant and equipment     | 680                                  | 223           | -                | 903           | 624                            | 233           | -                | 857           |
| Depreciation of right-of-use assets               | 856                                  | 228           | -                | 1,084         | 669                            | 293           | -                | 962           |
| Amortisation                                      | 8                                    | -             | -                | 8             | 10                             | -             | -                | 10            |
| Segment assets                                    |                                      |               |                  |               |                                |               |                  |               |
| - Allocated                                       | 17,211                               | 6,859         | 82,882           | 106,952       | 14,254                         | 9,153         | 57,977           | 81,384        |
| - Unallocated                                     |                                      |               | 96,181           | 96,181        |                                |               | 115,695          | 115,695       |
| Total assets                                      |                                      |               |                  | 203,133       |                                |               |                  | 197,079       |
| Additions to                                      |                                      |               |                  |               |                                |               |                  |               |
| - Right-of-use assets                             | 2,275                                | -             | 1,488            | 3,763         | 515                            | 45            | 961              | 1,521         |
| - Investment properties                           |                                      |               | 12,760           | 12,760        |                                |               | -                | -             |
|   |                                      |               |                  | 16,523        |                                |               |                  | 1,521         |
| Segment liabilities                               |                                      |               |                  |               |                                |               |                  |               |
| - Allocated                                       | 11,130                               | 5,947         | 49,800           | 66,877        | 16,231                         | 7,730         | 36,863           | 60,824        |
| - Unallocated                                     |                                      |               | 10,984           | 10,984        |                                |               | 13,071           | 13,071        |
| Total liabilities                                 |                                      |               |                  | 77,861        |                                |               |                  | 73,895        |



|   | Primary Reporting - Business Segment |               |                  |               |                                     |               |                  |               |
|---|--------------------------------------|---------------|------------------|---------------|-------------------------------------|---------------|------------------|---------------|
|   | Financial Year ended<br>31 Dec 2021  |               |                  |               | Financial Year ended<br>31 Dec 2020 |               |                  |               |
|   | Construction                         | Maintenance   | Rental<br>income | Total         | Construction                        | Maintenance   | Rental<br>income | Total         |
| <b>The Group</b>                                  |                                      |               |                  |               |                                     |               |                  |               |
| <b>Revenue</b>                                    | <b>\$'000</b>                        | <b>\$'000</b> | <b>\$'000</b>    | <b>\$'000</b> | <b>\$'000</b>                       | <b>\$'000</b> | <b>\$'000</b>    | <b>\$'000</b> |
| Total segment revenue                             | 92,477                               | 26,405        | 7,070            | 125,952       | 74,574                              | 17,478        | 6,318            | 98,370        |
| Inter-segment revenue                             | (35,917)                             | -             | -                | (35,917)      | (28,509)                            | (234)         | -                | (28,743)      |
| Revenue from external parties                     | 56,560                               | 26,405        | 7,070            | 90,035        | 46,065                              | 17,244        | 6,318            | 69,627        |
| <b>Gross profit</b>                               | <b>(1,806)</b>                       | <b>3,860</b>  | <b>4,740</b>     | <b>6,794</b>  | <b>2,006</b>                        | <b>1,033</b>  | <b>4,337</b>     | <b>7,376</b>  |
| Other income                                      |                                      |               |                  |               |                                     |               |                  |               |
| - Allocated                                       |                                      |               | 4,371            | 4,371         |                                     |               | -                | -             |
| - Unallocated                                     |                                      |               |                  | 4,409         |                                     |               |                  | 11,381        |
| Other losses                                      |                                      |               |                  |               |                                     |               |                  |               |
| - Allocated                                       |                                      |               | -                | -             |                                     |               | (677)            | (677)         |
| - Unallocated                                     |                                      |               |                  | (1,040)       |                                     |               |                  | -             |
| Administrative costs                              |                                      |               |                  |               |                                     |               |                  |               |
| - Allocated                                       |                                      |               | (323)            | (323)         |                                     |               | (53)             | (53)          |
| - Unallocated                                     |                                      |               |                  | (8,976)       |                                     |               |                  | (12,064)      |
| Share of (loss)/profit of joint venture companies |                                      |               |                  | (4)           |                                     |               |                  | 326           |
| Share of profit/(loss) of associated companies    |                                      |               |                  | 355           |                                     |               |                  | (693)         |
|   |                                      |               |                  | 5,586         |                                     |               |                  | 5,596         |
| Finance expenses                                  |                                      |               |                  |               |                                     |               |                  |               |
| - Allocated                                       |                                      |               | (989)            | (989)         |                                     |               | (928)            | (928)         |
| - Unallocated                                     |                                      |               |                  | (149)         |                                     |               |                  | (235)         |
| Profit before income tax                          |                                      |               |                  | 4,448         |                                     |               |                  | 4,433         |
| Income tax (expense)/credit                       |                                      |               |                  |               |                                     |               |                  |               |
| - Allocated                                       |                                      |               | (488)            | (488)         |                                     |               | (690)            | (690)         |
| - Unallocated                                     |                                      |               |                  | 275           |                                     |               |                  | 212           |
| <b>Net profit for the financial year</b>          |                                      |               |                  | <b>4,235</b>  |                                     |               |                  | <b>3,955</b>  |
| Depreciation of property, plant and equipment     | 1,309                                | 437           | -                | 1,746         | 1,247                               | 436           | -                | 1,683         |
| Depreciation of right-of-use assets               | 1,596                                | 469           | -                | 2,065         | 1,464                               | 570           | -                | 2,034         |
| Amortisation                                      | 16                                   | -             | -                | 16            | 20                                  | -             | -                | 20            |
| Segment assets                                    |                                      |               |                  |               |                                     |               |                  |               |
| - Allocated                                       | 17,211                               | 6,859         | 82,882           | 106,952       | 14,254                              | 9,153         | 57,977           | 81,384        |
| - Unallocated                                     |                                      |               | 96,181           | 96,181        |                                     |               | 115,695          | 115,695       |
| Total assets                                      |                                      |               |                  | 203,133       |                                     |               |                  | 197,079       |
| Additions to                                      |                                      |               |                  |               |                                     |               |                  |               |
| - Right-of-use assets                             | 2,625                                | 48            | 1,498            | 4,171         | 1,795                               | 45            | 961              | 2,801         |
| - Investment properties                           |                                      |               | 24,403           | 24,403        |                                     |               | -                | -             |
|   |                                      |               |                  | 28,574        |                                     |               |                  | 2,801         |
| Segment liabilities                               |                                      |               |                  |               |                                     |               |                  |               |
| - Allocated                                       | 11,130                               | 5,947         | 49,800           | 66,877        | 16,231                              | 7,730         | 36,863           | 60,824        |
| - Unallocated                                     |                                      |               | 10,984           | 10,984        |                                     |               | 13,071           | 13,071        |
| Total liabilities                                 |                                      |               |                  | 77,861        |                                     |               |                  | 73,895        |



Revenue between segments is carried out as agreed by both parties. The revenue from external parties reported to the Board of Directors is measured in a manner consistent with that in the statement of comprehensive income.

The Board of Directors assesses the performance of the operating segments based on gross profit. Administrative and finance expenses and other income are not allocated to segments.

#### 4.2 Disaggregation of revenue

The Group derives revenue from the transfer of goods and services over time in the following major service lines and geographical regions. Revenue is attributed to countries by location of customers.

| The Group              |        | The Group                   |        |
|------------------------|--------|-----------------------------|--------|
| Half Year ended 31 Dec |        | Financial Year ended 31 Dec |        |
| 2021                   | 2020   | 2021                        | 2020   |
| \$'000                 | \$'000 | \$'000                      | \$'000 |

##### Over time

##### Construction and maintenance

|             |        |        |        |        |
|-------------|--------|--------|--------|--------|
| - Singapore | 41,294 | 34,037 | 82,965 | 63,309 |
|-------------|--------|--------|--------|--------|

##### Rental income

|             |               |               |               |               |
|-------------|---------------|---------------|---------------|---------------|
| - Singapore | 456           | 126           | 608           | 252           |
| - Australia | 3,220         | 3,276         | 6,462         | 6,066         |
|             | 3,676         | 3,402         | 7,070         | 6,318         |
|             | <u>44,970</u> | <u>37,439</u> | <u>90,035</u> | <u>69,627</u> |

A breakdown of sales:

|  | The Group                   |        |                      |        |
|--|-----------------------------|--------|----------------------|--------|
|  | Financial Year ended 31 Dec |        | Increase/ (Decrease) |        |
|  | 2021                        | 2020   |                      |        |
|  | \$'000                      | \$'000 | \$'000               | %      |
| (a) Sales reported for first half year   | 45,065                      | 32,188 | 12,877               | 40.0   |
| (b) Operating profit after taxation before deducting non-controlling interests reported for the first half year  | 1,438                       | 1,991  | (553)                | (27.8) |
| (c) Sales reported for second half year  | 44,970                      | 37,439 | 7,531                | 20.1   |
| (d) Operating profit after taxation before deducting non-controlling interests reported for the second half year | 2,797                       | 1,964  | 833                  | 42.4   |



## 5. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 31 December 2021 and 31 December 2020:

|                              | The Group     |               | The Company   |               |
|------------------------------|---------------|---------------|---------------|---------------|
|                              | 31 Dec 2021   | 31 Dec 2020   | 31 Dec 2021   | 30 Dec 2020   |
|                              | \$'000        | \$'000        | \$'000        | \$'000        |
| <b>Financial assets</b>      |               |               |               |               |
| Cash and cash equivalents    | 51,030        | 79,097        | 3,513         | 4,078         |
| Trade and other receivables  | 18,482        | 16,276        | 19,490        | 18,030        |
|                              | <u>69,512</u> | <u>95,373</u> | <u>23,003</u> | <u>22,108</u> |
| <b>Financial liabilities</b> |               |               |               |               |
| Trade and other payables     | 36,004        | 29,566        | 2,942         | 3,113         |
| Contract liabilities         | -             | 8,934         | -             | -             |
| Lease liabilities            | 6,403         | 5,096         | -             | -             |
| Borrowings                   | 34,020        | 26,505        | 4,050         | 4,500         |
|                              | <u>76,427</u> | <u>70,101</u> | <u>6,992</u>  | <u>7,613</u>  |

## 6. Profit before taxation

### 6.1 Significant items

| Notes   | The Group              |        |                         | The Group                   |         |                         |         |
|---|------------------------|--------|-------------------------|-----------------------------|---------|-------------------------|---------|
|   | Half Year ended 31 Dec |        | Increase/<br>(Decrease) | Financial Year ended 31 Dec |         | Increase/<br>(Decrease) |         |
|   | 2021                   | 2020   |                         | 2021                        | 2020    |                         |         |
|   | \$'000                 | \$'000 | %                       | \$'000                      | \$'000  | %                       |         |
| <b>Income</b>   |                        |        |                         |                             |         |                         |         |
| Interest income - bank deposits                         | 61                     | 134    | (54.5)                  | 136                         | 544     | (75.0)                  |         |
| Gain on disposal of property, plant and equipment (net) | 84                     | 9      | 833.3                   | 74                          | 16      | 362.5                   |         |
| Gain on disposal of right-of-use assets                 | -                      | 15     | n.m.                    | -                           | 16      | n.m.                    |         |
| Government grants                                       | a                      | 1,815  | 5,836                   | (68.9)                      | 3,946   | 8,573                   | (54.0)  |
| Reversal of impairment allowance made                   | b                      | -      | -                       | -                           | -       | 1,228                   | (100.0) |
| (Loss)/Gain on foreign exchange                         | c                      | (960)  | 446                     | (315.2)                     | (1,040) | 712                     | (246.1) |
| Fair value gain/(loss) on investment properties, net    |                        | 4,371  | (677)                   | 745.6                       | 4,371   | (677)                   | 745.6   |

Note:

- Government grants included \$3.9 million arising from COVID-19 government relief measures such as Job Support Scheme and Wage Credit Scheme payouts, COVID-Safe firm-based and project-based support, Co-Sharing of Prolongation Costs due to COVID-19, rental waiver and foreign worker levy rebate.
- This is a one-off reversal of impairment allowance following the completion of the disposal of a former associated company, CS Amber Development Pte Ltd.
- (Loss)/Gain on foreign exchange mainly arose from the revaluation of assets denominated in Australian dollar to Singapore dollar.





| Notes   | The Group              |        |                         | The Group                   |        |                         |
|---|------------------------|--------|-------------------------|-----------------------------|--------|-------------------------|
|   | Half Year ended 31 Dec |        | Increase/<br>(Decrease) | Financial Year ended 31 Dec |        | Increase/<br>(Decrease) |
|   | 2021                   | 2020   |                         | 2021                        | 2020   |                         |
|   | \$'000                 | \$'000 | %                       | \$'000                      | \$'000 | %                       |
| <b>Expenses</b>   |                        |        |                         |                             |        |                         |
| Non-audit fee paid to the auditors of the Company         | 15                     | 17     | (11.8)                  | 28                          | 28     | -                       |
| Amortisation of intangible assets                         | 5                      | 5      | -                       | 10                          | 10     | -                       |
| Depreciation of property, plant and equipment             | 226                    | 226    | -                       | 456                         | 452    | 0.9                     |
| Depreciation of right-of-use assets                       | 5                      | 5      | -                       | 11                          | 11     | -                       |
| Directors' remuneration                                   |                        |        |                         |                             |        |                         |
| - Directors of the Company                                | 1,203                  | 1,346  | (10.6)                  | 2,505                       | 2,683  | (6.6)                   |
| - Other directors   | 181                    | 132    | 37.1                    | 362                         | 364    | (0.5)                   |
| Directors' fees   | 90                     | 90     | -                       | 180                         | 180    | -                       |
| Interest paid and payable                                 |                        |        |                         |                             |        |                         |
| - Bank borrowings   | 298                    | 271    | 10.0                    | 547                         | 603    | (9.3)                   |
| - Lease liabilities                                       | 75                     | 109    | (31.2)                  | 149                         | 234    | (36.3)                  |
| - Notional interest on loan                               | 240                    | 171    | 40.4                    | 442                         | 326    | 35.6                    |
| Employee compensation                                     | 1,926                  | 1,558  | 23.6                    | 3,745                       | 3,194  | 17.3                    |
| <u>Included in the cost of sales are the following: -</u> |                        |        |                         |                             |        |                         |
| Depreciation of property, plant and equipment             | 903                    | 857    | 5.4                     | 1,746                       | 1,683  | 3.7                     |
| Depreciation of right-of-use assets                       | 1,084                  | 962    | 12.7                    | 2,065                       | 2,034  | 1.5                     |
| Amortisation of intangible assets                         | 8                      | 10     | (20.0)                  | 16                          | 20     | (20.0)                  |
| Employee compensation                                     | 14,478                 | 12,108 | 19.6                    | 28,452                      | 23,522 | 21.0                    |

n.m. - not meaningful

## 6.2 Related party transactions

There are no related party transactions apart from those disclosed elsewhere in the financial statements.



## 7. Taxation

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the interim consolidated statement of profit or loss are:

| The Group              |        | The Group                   |        |
|------------------------|--------|-----------------------------|--------|
| Half Year ended 31 Dec |        | Financial Year ended 31 Dec |        |
| 2021                   | 2020   | 2021                        | 2020   |
| \$'000                 | \$'000 | \$'000                      | \$'000 |

Tax expense attributable to profit is made up of:

- Profit from current financial year:

Current income tax

- Singapore

- Foreign

|      |     |     |     |
|------|-----|-----|-----|
| (22) | 18  | -   | 44  |
| 375  | 393 | 791 | 690 |
| 353  | 411 | 791 | 734 |

Deferred income tax

- Singapore

- Foreign

|       |       |       |       |
|-------|-------|-------|-------|
| (276) | (135) | (241) | (148) |
| (303) | -     | (303) | -     |
| (579) | (135) | (544) | (148) |

- Over provision in prior financial years:

Current income tax

- Singapore

|       |       |      |       |
|-------|-------|------|-------|
| (34)  | (108) | (34) | (108) |
| (34)  | (108) | (34) | (108) |
| (260) | 168   | 213  | 478   |

## 8. Dividends

| Group and Company           |        |
|-----------------------------|--------|
| Financial Year ended 31 Dec |        |
| 2021                        | 2020   |
| \$'000                      | \$'000 |

*Ordinary dividends paid*

Final one-tier tax exempt dividend paid in respect of the previous financial year of \$0.007 (2020: \$0.007) per share

2,149 2,153



## 9. Trade and other receivables

|   | The Group   |             | The Company |             |
|---|-------------|-------------|-------------|-------------|
|   | 31 Dec 2021 | 31 Dec 2020 | 31 Dec 2021 | 31 Dec 2020 |
|   | \$'000      | \$'000      | \$'000      | \$'000      |
| Trade receivables                             |             |             |             |             |
| - Non-related parties                         | 3,277       | 1,759       | -           | -           |
| - Subsidiary corporations                     | -           | -           | 8,191       | 6,733       |
| - Joint venture                               | 405         | 717         | -           | -           |
|   | 3,682       | 2,476       | 8,191       | 6,733       |
| Retentions                                    | 266         | 266         | -           | -           |
| Non-trade receivables                         |             |             |             |             |
| - Subsidiary corporations                     | -           | -           | 11,971      | 11,952      |
| - Associated companies                        | 9           | 9           | -           | -           |
| - Joint ventures                              | 36          | 36          | -           | -           |
| - Non-related parties                         | 494         | 692         | 6           | 4           |
|   | 539         | 737         | 11,977      | 11,956      |
| Less: Allowance for impairment of receivables | -           | -           | (688)       | (688)       |
| Non-trade receivables - net                   | 539         | 737         | 11,289      | 11,268      |
| Government grant receivable                   | 128         | 1,454       | -           | 14          |
| Advance to suppliers/sub-contractors          | 150         | 1,089       | -           | -           |
| Deposits                                      | 1,918       | 2,419       | 10          | 15          |
| Prepayments                                   | 1,340       | 1,289       | 59          | 83          |
|   | 8,023       | 9,730       | 19,549      | 18,113      |

The non-trade amounts due from subsidiary corporations, associated companies and joint ventures are unsecured, interest-free and repayable on demand.

The advance to suppliers/sub-contractors relates to a portion of advance payments received from government agencies which have been passed down to the suppliers/sub-contractors engaged by the Group.

Government grant receivable relates to Foreign Worker Levy rebate.



## 10. Contract assets and liabilities

| The Group   |             |
|-------------|-------------|
| 31 Dec 2021 | 31 Dec 2020 |
| \$'000      | \$'000      |

### Contract assets

Construction contracts due from customers

|        |        |
|--------|--------|
| 15,584 | 14,239 |
|--------|--------|

### Contract liabilities

Advances received

|   |       |
|---|-------|
| - | 8,934 |
|---|-------|

The advances received relate to (a) advance payment for public sector construction contracts affected by the suspension of activities at workplaces due to COVID-19 for Built Environment firms of \$Nil (2020: \$6.2 million) and (b) mobilisation advance payment received from a customer of \$Nil (2020: \$2.7 million).

## 11. Investments in subsidiary corporations

| The Company |             |
|-------------|-------------|
| 31 Dec 2021 | 31 Dec 2020 |
| \$'000      | \$'000      |

### Equity investments at cost

Beginning and end of financial year

|        |        |
|--------|--------|
| 17,632 | 17,632 |
|--------|--------|

### Allowance for impairment

Beginning and end of financial year

|       |       |
|-------|-------|
| (110) | (110) |
|-------|-------|

### Loan to a subsidiary corporation

Beginning and end of financial year

|       |       |
|-------|-------|
| 1,697 | 1,697 |
|-------|-------|

|        |        |
|--------|--------|
| 19,219 | 19,219 |
|--------|--------|



| Name of subsidiary corporations   | Principal activities   | Country of incorporation/ registration | Equity holding held by the Group |             |
|---|--|--|----------------------------------|-------------|
|   |  |  | 31 Dec 2021                      | 31 Dec 2020 |
| <u>Held by the Company</u>  |  |  |                                  |             |
| Or Kim Peow Contractors (Private) Limited <sup>(@)</sup>  | Business of road and building construction and maintenance   | Singapore                              | 100%                             | 100%        |
| Eng Lam Contractors Co (Pte) Ltd <sup>(@)</sup>   | Business of road construction and maintenance  | Singapore                              | 100%                             | 100%        |
| OKP Technical Management Pte Ltd <sup>(@)(*)</sup>  | Provision of technical management and consultancy services   | Singapore                              | 100%                             | 100%        |
| OKP Investments (Singapore) Pte Ltd <sup>(@)(*)</sup>   | Investment holding   | Singapore                              | 100%                             | 100%        |
| OKP (Oil & Gas) Infrastructure Pte Ltd <sup>(@)(*)</sup>  | Business of carrying out civil engineering projects in respect of oil, petrochemical and gas related businesses in Singapore | Singapore                              | 100%                             | 100%        |
| United Pavement Specialists Pte Ltd <sup>(@)(*)</sup>   | Provision of rental services and investment holding  | Singapore                              | 100%                             | 100%        |
| OKP Land Pte Ltd <sup>(@)</sup>   | Investment holding and property development  | Singapore                              | 100%                             | 100%        |
| OKP Transport & Trading Pte Ltd <sup>(@)(*)</sup>   | Provision of transport and logistics services  | Singapore                              | 100%                             | 100%        |
| <u>Held by Or Kim Peow Contractors (Private) Limited and Eng Lam Contractors Co (Pte) Ltd</u>   |  |  |                                  |             |
| <u>Unincorporated joint venture</u>   |  |  |                                  |             |
| EL-OKP JV <sup>(^)</sup>  | Business of general construction   | Singapore                              | 100%                             | -           |
| <u>Held by OKP Land Pte Ltd</u>   |  |  |                                  |             |
| Raffles Prestige Capital Pte Ltd <sup>(@)</sup>   | Investment holding   | Singapore                              | 51%                              | 51%         |
| <u>Held by Raffles Prestige Capital Pte Ltd</u>   |  |  |                                  |             |
| Bennett WA Investment Pty Ltd <sup>(#)</sup>  | Property investment  | Australia                              | 51%                              | 51%         |
| <p>(@) Audited by Nexia TS Public Accounting Corporation.</p> <p>(#) Audited by Nexia Perth Services Pty Ltd.</p> <p>(*) Dormant company.</p> <p>(^) Registered on 23 August 2021 and not required to be audited under the laws of relevant jurisdiction.</p> |  |  |                                  |             |



## 12. Investments in joint ventures

| The Group   |             |
|-------------|-------------|
| 31 Dec 2021 | 31 Dec 2020 |
| \$'000      | \$'000      |

### Interests in joint ventures

|  |     |       |
|--|-----|-------|
| Beginning of financial year              | 35  | 274   |
| Share of (loss)/profit of joint ventures | (3) | 326   |
| Dividend received                        | -   | (450) |
| Capital reduction in a joint venture     | -   | (115) |
| End of financial year                    | 32  | 35    |

Details of the joint ventures are as follows:

| Name of joint ventures | Principal activities | Country of incorporation | Percentage of ownership interest |             |
|------------------------|----------------------|--------------------------|----------------------------------|-------------|
|                        |                      |                          | 31 Dec 2021                      | 31 Dec 2020 |

#### Held by subsidiary corporations

##### Incorporated joint ventures

|   |  |           |     |     |
|---|--|-----------|-----|-----|
| CS-OKP Construction and Development Pte Ltd <sup>(@)(1)</sup> | Design, construction and execution of urban developments (including road infrastructure) | Singapore | -   | 50% |
| Forte Builder Pte Ltd <sup>(#)(2)</sup>                       | Business of general construction   | Singapore | -   | 50% |
| Lakehomes Pte Ltd <sup>(^)(3)</sup>                           | Property development   | Singapore | 10% | 10% |

##### Unincorporated joint ventures

|   |                                  |           |     |     |
|---|----------------------------------|-----------|-----|-----|
| Chye Joo – Or Kim Peow JV <sup>(*)(4)</sup>   | Business of general construction | Singapore | 50% | 50% |
| Eng Lam – United E&P JV <sup>(&amp;)(5)</sup> | Business of general construction | Singapore | 55% | 55% |

(@) Audited by Heng Lee Seng LLP.

(#) Audited by Nexia TS Public Accounting Corporation.

(^) Audited by Ernst & Young LLP.

(\*) Registered on 4 May 2015 and not required to be audited under the laws of relevant jurisdiction.

(&) Registered on 9 April 2019 and not required to be audited under the laws of relevant jurisdiction.

(1) CS-OKP Construction and Development Pte Ltd ("CS-OKP") was incorporated in Singapore on 1 December 2009. CS-OKP is a joint venture company of OKP Technical Management Pte Ltd ("OKPTM"), a wholly-owned subsidiary corporation, and CS Mining Pte Ltd, a subsidiary corporation of China Sonangol International Limited, with a share capital of \$100,000 consisting of 100 ordinary shares. OKPTM had a 50% equity interest at a cost of \$50,000 in CS-OKP as at 31 December 2020.

CS-OKP has been struck off on 15 March 2021.

(2) On 8 December 2010, Or Kim Peow Contractors (Private) Ltd ("OKPC"), a wholly-owned subsidiary corporation, entered into a joint venture agreement with Soil-Build (Pte) Ltd ("SBPL"), incorporated in Singapore and a subsidiary corporation of Soilbuild Construction Group 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 had a 50% equity interest at a cost of \$500,000 in FBPL. The principal activity of FBPL was the construction of the condominium housing development, comprising one (1) 36-storey block of 54 residential units at Angullia Park.



On 30 December 2019, FBPL undertook a capital reduction pursuant to which the share capital of FBPL was reduced from \$1,000,000 consisting of 1,000,000 ordinary shares to \$50,000 consisting of 50,000 ordinary shares, by way of cancellation of 950,000 issued and fully paid ordinary shares and returning a total sum of \$950,000 to its shareholders.

FBPL has been struck off on 5 January 2021.

- (3) On 15 August 2013, a joint venture company, Lakehomes Pte Ltd ("LH") was incorporated in Singapore with a share capital of \$1,000,000 consisting of 1,000,000 ordinary shares. OKP Land Pte Ltd ("OKPL"), a wholly-owned subsidiary corporation, has a 10% equity interest at a cost of \$100,000 in LH. The principal activity of LH is to develop a land parcel at Yuan Ching Road/Tao Ching Road into an executive condominium. On 13 September 2013, OKPL entered into a joint venture agreement with BBR Development Pte Ltd, Evia Real Estate (5) Pte Ltd, CNH Investment Pte Ltd and Ho Lee Group Pte Ltd for the aforesaid executive condominium development.

On 20 November 2020, LH undertook a capital reduction pursuant to which the share capital of LH was reduced from \$1,000,000 consisting of 1,000,000 ordinary shares to \$100 consisting of 100 ordinary shares, by way of cancellation of 999,900 issued and fully paid ordinary shares and returning a total sum of \$999,900 to its shareholders.

- (4) On 4 May 2015, a joint venture partnership, Chye Joo - Or Kim Peow JV was registered to execute the improvement to Bukit Timah First Diversion Canal Contract 3 (Holland Green to Clementi Road) awarded by the Public Utilities Board.
- (5) On 9 April 2019, a joint venture partnership, Eng Lam - United E&P JV was registered to execute two contracts awarded by a government agency.

The Group has joint control over these joint ventures as under the contractual agreements, unanimous consent is required from all parties to the arrangements for all relevant activities.

The Group's joint arrangements are structured as private limited companies and partnerships such that the Group and the parties to the agreements have the rights to the net assets of the private limited companies and partnerships under the arrangements. Therefore, these arrangements are classified as joint ventures.

The following amounts represent the summarised unaudited financial information of the joint ventures:

|                                 | The Group   |             |
|---------------------------------|-------------|-------------|
|                                 | 31 Dec 2021 | 31 Dec 2020 |
|                                 | \$'000      | \$'000      |
| Assets                          |             |             |
| - Current assets                | 2,206       | 6,237       |
| Liabilities                     |             |             |
| - Current liabilities           | (1,972)     | (6,036)     |
| Net assets                      | 234         | 201         |
| Revenue                         | 11,736      | 9,800       |
| Expenses                        | (11,874)    | (9,002)     |
| (Loss)/Profit before income tax | (138)       | 798         |
| Income tax expense              | -           | (1)         |
| Net (loss)/profit               | (138)       | 797         |

The information above reflects the amounts included in the unaudited financial statements of the joint ventures, adjusted for differences in accounting policies between the Group and the joint ventures, if any.



### 13. Investments in associated companies

| The Group   |             |
|-------------|-------------|
| 31 Dec 2021 | 31 Dec 2020 |
| \$'000      | \$'000      |

#### Interests in associated companies

|  |     |       |
|--|-----|-------|
| Beginning of financial year                    | 411 | 1,174 |
| Notional fair value of loan (net)              | 149 | (70)  |
| Share of profit/(loss) of associated companies | 355 | (693) |
| End of financial year                          | 915 | 411   |

| Name of associated companies | Principal activities | Country of incorporation | Equity holding |             |
|------------------------------|----------------------|--------------------------|----------------|-------------|
|                              |                      |                          | 31 Dec 2021    | 31 Dec 2020 |

#### Held by subsidiary corporations

|   |   |           |       |       |
|---|---|-----------|-------|-------|
| Chong Kuo Development Pte Ltd <sup>(&amp;)(1)</sup> | Property development                        | Singapore | 22.5% | 22.5% |
| USB Holdings Pte Ltd <sup>(#)(2)</sup>              | Investment holding and property development | Singapore | 25%   | 25%   |

#### Held by USB Holdings Pte Ltd

|   |                      |           |      |      |
|---|----------------------|-----------|------|------|
| United Singapore Builders Pte Ltd <sup>(#)(3)</sup> | General contractors  | Singapore | 100% | 100% |
| USB (Phoenix) Pte Ltd <sup>(#)(4)</sup>             | Property development | Singapore | 100% | 100% |

(&) Audited by Ernst & Young LLP

(#) Audited by Nexia TS Public Accounting Corporation

(1) On 20 February 2018, an associated company, Chong Kuo Development Pte Ltd ("ChongKuo") was incorporated in Singapore with a share capital of \$2,000,000 consisting of 2,000,000 ordinary shares. OKP Land Pte Ltd ("OKPL"), a wholly-owned subsidiary corporation, has a 22.5% equity interest at a cost of \$450,000 in ChongKuo. The principal activity of ChongKuo is to develop a residential condominium on the land parcel at Chong Kuo Road.

(2) On 29 March 2018, OKP Investments (Singapore) Pte Ltd ("OKPIS"), a wholly-owned subsidiary corporation, together with Ho Lee Group Pte Ltd, HSB Holdings Pte. Ltd. and B&D Investment and Property Pte. Ltd. incorporated USB Holdings Pte. Ltd. ("USBH"). The principal business activities of USBH are investment holding and property development.

(3) On 8 January 2014, Or Kim Peow Contractors (Private) Ltd ("OKPC"), a wholly-owned subsidiary corporation, entered into a shareholders' agreement with Chye Joo Construction Pte Ltd, Ho Lee Construction Pte Ltd, Hwa Seng Builder Pte Ltd, Swee Hong Limited and United Singapore Builders Pte Ltd ("USB") to tender for and, if successful, undertake Mass Rapid Transit projects, including the construction of related infrastructure such as stations, tunnels and depots. As at 31 December 2014, OKPC had a 20% equity interest at a cost of \$200,000 in USB.

On 3 June 2015, OKPC acquired another 5% of the issued share capital of USB by way of acquisition of 50,000 ordinary shares for \$1.00. Consequently, OKPC has a 25% equity interest at a cost of \$200,001 in USB. On 17 August 2015, OKPC was allotted and issued 500,000 new ordinary shares by the capitalisation of its advance to USB and hence, its shareholding in USB increased to 750,000 shares. The shareholding percentage remains unchanged at 25% of the total issued and paid-up capital in USB.

USB became a wholly-owned subsidiary corporation of USB Holdings Pte Ltd after a restructuring exercise which took place on 2 July 2018.

(4) On 23 August 2018, USBH incorporated a wholly-owned subsidiary corporation, USB (Phoenix) Pte. Ltd. ("USB Phoenix"). USB Phoenix has been incorporated with an issued and paid-up share capital of \$2, comprising 2 ordinary shares held by USBH. The principal business activity of USB Phoenix is to redevelop the property at 71-85 Phoenix Avenue, Phoenix Heights, Singapore.





The summarised unaudited financial information of the associated companies, not adjusted for the proportion of ownership interest held by the Group, is as follows:

| The Group                     |                |                |
|-------------------------------|----------------|----------------|
|                               | 31 Dec 2021    | 31 Dec 2020    |
|                               | \$'000         | \$'000         |
| <b>Assets</b>                 |                |                |
| - Current assets              | 111,472        | 112,504        |
| - Non-current assets          | 853            | 520            |
| <b>Liabilities</b>            |                |                |
| - Current liabilities         | (8,517)        | (13,566)       |
| - Non-current liabilities     | (104,622)      | (95,764)       |
| <b>Net assets</b>             | <b>(814)</b>   | <b>3,694</b>   |
| <b>Revenue</b>                |                |                |
|                               | 56,357         | 38,340         |
| <b>Expenses</b>               |                |                |
|                               | (61,611)       | (40,256)       |
| <b>Loss before income tax</b> | <b>(5,254)</b> | <b>(1,916)</b> |
| <b>Income tax credit</b>      | <b>-</b>       | <b>1</b>       |
| <b>Net loss</b>               | <b>(5,254)</b> | <b>(1,915)</b> |

The Group has not recognised its share of loss of its associated company, USB Holdings Pte Ltd amounting to \$1.7 million (2020: \$Nil) as the Group's cumulative share of losses exceeded its interest in this entity and the Group has no obligation in respect of those losses. The cumulative unrecognised losses with respect to this entity amounted to \$1.7 million (2020: \$Nil) as at 31 December 2021.

#### 14. Investment properties

The Group's investment properties consist of both commercial and industrial properties, held for long-term rental yields and/or capital appreciation and are not substantially occupied by the Group. They are leased to non-related parties under non-cancellable leases.

| The Group   |               |               |
|---|---------------|---------------|
|   | 31 Dec 2021   | 31 Dec 2020   |
|   | \$'000        | \$'000        |
| Beginning of financial year                                     | 52,107        | 49,568        |
| Additions   | 24,403        | -             |
| Currency translation differences                                | (2,394)       | 3,216         |
| <b>Net fair value gain/(loss) recognised in profit and loss</b> | <b>4,371</b>  | <b>(677)</b>  |
| <b>End of financial year</b>                                    | <b>78,487</b> | <b>52,107</b> |



## 14.1 Valuation

The Group engages external, independent and qualified valuers to determine the fair value of the Group's properties at the end of every financial year based on the properties' highest and best use. The Group's policy is to revalue its investment properties on an annual basis. Discussions on the valuation process, key inputs applied in the valuation approach and the reasons for the fair value changes are held between the Management and the independent valuer yearly.

The fair value of the Group's investment properties is determined based on significant other observable inputs and is categorised under Level 2 of the fair value measurement hierarchy. Level 2 fair value of the Group's property in Australia has been derived on a range of assumptions and estimates (including, amongst others, the rental and rental growth rates, discount rates and terminal capitalisation rates) used by the valuers. These estimates are based on local market conditions existing at the balance sheet date. Level 2 fair values of the Group's properties in Singapore have been derived using the Direct Market Comparison method based on the properties' highest and best use. Market prices of comparable properties in close proximity are adjusted for differences in key attributes such as property size. The most significant input in this valuation method is market price per square metre.

## 15. Other receivables (non-current)

| The Group   |             |
|-------------|-------------|
| 31 Dec 2021 | 31 Dec 2020 |
| \$'000      | \$'000      |

Loans to associated companies

- Chong Kuo Development Pte Ltd

4,410 4,410

- USB Holdings Pte Ltd

8,037 5,037

Less: Notional fair value of loan (net)

(672) (522)

11,775 8,925

The loans to associated companies are unsecured and interest-free advances for the purpose of operating and development activities in their respective fields. The loans are not expected to be repaid within the next 12 months.

## 16. Property, plant and equipment

During the financial year ended 31 December 2021, the Group acquired property, plant and equipment amounting to \$3.0 million (2020: \$9.7 million) and disposed of property, plant and equipment amounting to \$25,000 (2020: \$39,000).



## 17. Leases

(a) Amounts recognised in the statements of financial position

| The Group   |             |
|-------------|-------------|
| 31 Dec 2021 | 31 Dec 2020 |
| \$'000      | \$'000      |

### Right-of-use assets

|                                 |               |              |
|---------------------------------|---------------|--------------|
| Office unit                     | 174           | 254          |
| Plant and machineries           | 9,899         | 7,450        |
| Motor vehicles                  | 1,311         | 1,696        |
| Use of state land for worksites | 539           | 526          |
|                                 | <u>11,923</u> | <u>9,926</u> |

### Lease liabilities

|             |              |              |
|-------------|--------------|--------------|
| Current     | 2,087        | 1,957        |
| Non-current | 4,316        | 3,139        |
|             | <u>6,403</u> | <u>5,096</u> |

(b) Amounts recognised in the statement of comprehensive income

| The Group              |        |
|------------------------|--------|
| Half Year ended 31 Dec |        |
| 2021                   | 2020   |
| \$'000                 | \$'000 |

| The Group                   |        |
|-----------------------------|--------|
| Financial Year ended 31 Dec |        |
| 2021                        | 2020   |
| \$'000                      | \$'000 |

### Depreciation of right-of-use assets

|                                 |              |            |              |              |
|---------------------------------|--------------|------------|--------------|--------------|
| Office unit                     | 40           | 92         | 80           | 354          |
| Plant and machineries           | 642          | 552        | 1,218        | 1,071        |
| Motor vehicles                  | 139          | 144        | 287          | 276          |
| Use of state land for worksites | 268          | 179        | 491          | 344          |
|                                 | <u>1,089</u> | <u>967</u> | <u>2,076</u> | <u>2,045</u> |

Interest expense (included in finance expenses)

|  |           |            |            |            |
|--|-----------|------------|------------|------------|
|  | <u>75</u> | <u>109</u> | <u>149</u> | <u>234</u> |
|--|-----------|------------|------------|------------|



## 18. Intangible assets

| The Group   |             | The Company |             |
|-------------|-------------|-------------|-------------|
| 31 Dec 2021 | 31 Dec 2020 | 31 Dec 2021 | 31 Dec 2020 |
| \$'000      | \$'000      | \$'000      | \$'000      |

### Composition:

|                            |              |              |           |           |
|----------------------------|--------------|--------------|-----------|-----------|
| Goodwill                   | 1,688        | 1,688        | -         | -         |
| Computer software licences | 37           | 63           | 12        | 16        |
|                            | <u>1,725</u> | <u>1,751</u> | <u>12</u> | <u>16</u> |

### (a) Goodwill

#### Cost/net book value

|                                     |              |              |          |          |
|-------------------------------------|--------------|--------------|----------|----------|
| As at 30 June and as at 31 December | <u>1,688</u> | <u>1,688</u> | <u>-</u> | <u>-</u> |
|-------------------------------------|--------------|--------------|----------|----------|

This represents goodwill on acquisitions of subsidiary corporations which is the excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired.

### (b) Computer software licences

#### Cost

|                   |            |            |           |           |
|-------------------|------------|------------|-----------|-----------|
| As at 30 June     | 520        | 520        | 78        | 78        |
| Additions         | -          | -          | -         | -         |
| As at 31 December | <u>520</u> | <u>520</u> | <u>78</u> | <u>78</u> |

#### Accumulated Amortisation

|                     |            |            |           |           |
|---------------------|------------|------------|-----------|-----------|
| As at 30 June       | 470        | 442        | 64        | 59        |
| Amortisation charge | 13         | 15         | 2         | 3         |
| As at 31 December   | <u>483</u> | <u>457</u> | <u>66</u> | <u>62</u> |

|                |           |           |           |           |
|----------------|-----------|-----------|-----------|-----------|
| Net book value | <u>37</u> | <u>63</u> | <u>12</u> | <u>16</u> |
|----------------|-----------|-----------|-----------|-----------|

Computer software licences relate to fees paid to third parties in relation to the entitlement to use the computer software and are amortised over 5 years.

## 18.1 Goodwill impairment

Goodwill is tested for impairment annually and whenever there is indication that the goodwill may be impaired. The recoverable amount of goodwill and where applicable, CGU have been determined based on value-in-use calculations. The recoverable amount of a CGU was determined based on value-in-use. Cash flow projections used in these value-in-use calculations were based on financial budgets approved by the Management covering a three-year period. Cash flows beyond the three-year period were extrapolated using the estimated growth rates stated below. The growth rates did not exceed the long-term average growth rate for the business in which the CGU operates.

Value-in-use was determined by discounting the future cash flows to be generated from the continuing use of the CGU. Value-in-use as at 30 December 2021 was determined similarly to the 31 June 2021 goodwill impairment test, and was based on the following key assumptions:

- Gross margin of 3% - 9% (2020: 8% - 15%)
- Growth rate of 3% - 8% (2020: 8%)
- Discount rate of 7.2% (2020: 7.2%)

For goodwill attributable to construction segment and maintenance segment, the change in the estimated recoverable amount from any reasonably possible change in the key estimates does not materially cause the recoverable amount to be lower than its carrying amount.



19. Trade and other payables

|                                       | The Group     |               | The Company  |              |
|---------------------------------------|---------------|---------------|--------------|--------------|
|                                       | 31 Dec 2021   | 31 Dec 2020   | 31 Dec 2021  | 31 Dec 2020  |
|                                       | \$'000        | \$'000        | \$'000       | \$'000       |
| <u>Current</u>                        |               |               |              |              |
| Trade payables                        |               |               |              |              |
| - Non-related parties                 | 12,811        | 11,235        | 67           | 70           |
| Non-trade payables                    |               |               |              |              |
| - Subsidiary corporations             | -             | -             | 1,955        | 1,955        |
| - Non-controlling interests           | 600           | 442           | -            | -            |
| - Non-related parties                 | 473           | 401           | -            | -            |
|                                       | 1,073         | 843           | 1,955        | 1,955        |
| Deferred grant income                 | -             | 526           | -            | -            |
| Accrued operating expenses            | 6,846         | 7,574         | 920          | 1,088        |
|                                       | <u>20,730</u> | <u>20,178</u> | <u>2,942</u> | <u>3,113</u> |
| <u>Non-current</u>                    |               |               |              |              |
| Non-trade payables                    |               |               |              |              |
| - Loan from non-controlling interests | 16,090        | 10,788        | -            | -            |
| Less: Notional fair value of loan     | (816)         | (874)         | -            | -            |
|                                       | <u>15,274</u> | <u>9,914</u>  | <u>-</u>     | <u>-</u>     |

The current non-trade amounts due to subsidiary corporations and non-controlling interests are unsecured, interest-free and repayable on demand.

Deferred grant income relates to Jobs Support Scheme payout and Foreign Worker Levy rebate.

The non-current loan from non-controlling interests is unsecured and interest-free for the purpose of funding the subsidiary corporation's operating and development activities. The loan is denominated in Singapore and Australian dollar and is not expected to be repaid within the next 12 months.



## 20. Bank borrowings

|  | The Group   |             | The Company |             |
|--|-------------|-------------|-------------|-------------|
|  | 31 Dec 2021 | 31 Dec 2020 | 31 Dec 2021 | 31 Dec 2020 |
|  | \$'000      | \$'000      | \$'000      | \$'000      |
| <b>Current</b>                         |             |             |             |             |
| Secured bank term loan <sup>(a)</sup>  | 784         | 815         | -           | -           |
| Secured bank facilities <sup>(b)</sup> | 13,150      | 4,500       | 4,050       | 4,500       |
|  | 13,934      | 5,315       | 4,050       | 4,500       |
| <b>Non-current</b>                     |             |             |             |             |
| Secured bank term loan <sup>(a)</sup>  | 20,086      | 21,190      | -           | -           |
|  | 34,020      | 26,505      | 4,050       | 4,500       |

- (a) The secured bank term loan is mainly secured by:
- First legal mortgage over an investment property of the Group;
  - Certain bank deposit;
  - Charge over the Group's shares in a subsidiary corporation; and
  - Corporate guarantee of the Company.

The secured bank term loan is denominated in Australian and Singapore dollar. It bears interest at 1.8% per annum above the bank's cost of fund and 1.08% per annum above SORA, respectively.

- (b) The secured bank facilities are mainly secured by:
- First legal mortgage over the freehold properties of the Group; and
  - Corporate guarantee of one of the Group's subsidiary corporations.

The secured bank facilities are denominated in Singapore dollar. It bears interest at 1.2% per annum above the bank's cost of fund and is repayable on demand.

## 21. Share capital and treasury shares

|                                     | Number of ordinary shares |                 | Amount        |                 |
|-------------------------------------|---------------------------|-----------------|---------------|-----------------|
|                                     | Issued share capital      | Treasury shares | Share capital | Treasury shares |
|                                     | '000                      | '000            | \$'000        | \$'000          |
| <b>Group and Company</b>            |                           |                 |               |                 |
| <b>31 Dec 2021</b>                  |                           |                 |               |                 |
| Beginning and end of financial year | 308,431                   | (1,469)         | 36,832        | (235)           |
| <b>31 Dec 2020</b>                  |                           |                 |               |                 |
| Beginning of financial year         | 308,431                   | -               | 36,832        | -               |
| Treasury shares purchases           | -                         | (1,469)         | -             | (235)           |
| End of financial year               | 308,431                   | (1,469)         | 36,832        | (235)           |

The Company's subsidiary corporations do not hold any shares in the Company as at 31 December 2021 and 31 December 2020.



## 22. Other reserves

| The Group   |             |
|-------------|-------------|
| 31 Dec 2021 | 31 Dec 2020 |
| \$'000      | \$'000      |

### (a) Composition:

|                              |              |              |
|------------------------------|--------------|--------------|
| Asset revaluation reserve    | 1,372        | 1,372        |
| Currency translation reserve | (38)         | 166          |
| Capital reserve              | 2,108        | 1,706        |
|                              | <u>3,442</u> | <u>3,244</u> |

### (b) Movements

#### **Asset revaluation reserve**

|                                     |              |              |
|-------------------------------------|--------------|--------------|
| Beginning and end of financial year | <u>1,372</u> | <u>1,372</u> |
|-------------------------------------|--------------|--------------|

#### **Currency translation reserve**

|   |              |            |
|---|--------------|------------|
| Beginning of financial year                                 | 166          | (40)       |
| Currency translation differences arising from consolidation | (400)        | 404        |
| Less: Non-controlling interests                             | 196          | (198)      |
|   | <u>(204)</u> | <u>206</u> |
| End of financial year                                       | <u>(38)</u>  | <u>166</u> |

#### **Capital reserve**

|   |              |              |
|---|--------------|--------------|
| Beginning of financial year                 | 1,706        | 1,656        |
| Fair value adjustment on interest-free loan | 402          | 50           |
| End of financial year                       | <u>2,108</u> | <u>1,706</u> |

Other reserves are non-distributable.



## Other information required by Listing Manual Appendix 7.2

### 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 2021 |         |           | As at 31 Dec 2020 |         |           |
|-------------------|---------|-----------|-------------------|---------|-----------|
|                   | \$'000  | \$'000    |                   | \$'000  | \$'000    |
|                   | Secured | Unsecured |                   | Secured | Unsecured |
| Lease liabilities | 2,087   | -         | Lease liabilities | 1,957   | -         |
| Bank borrowings   | 13,934  | -         | Bank borrowings   | 5,315   | -         |
| Total             | 16,021  | -         | Total             | 7,272   | -         |

(b) Amount repayable after one year

| As at 31 Dec 2021 |         |           | As at 31 Dec 2020 |         |           |
|-------------------|---------|-----------|-------------------|---------|-----------|
|                   | \$'000  | \$'000    |                   | \$'000  | \$'000    |
|                   | Secured | Unsecured |                   | Secured | Unsecured |
| Lease liabilities | 4,316   | -         | Lease liabilities | 3,319   | -         |
| Bank borrowings   | 20,086  | -         | Bank borrowings   | 21,190  | -         |
| Total             | 24,402  | -         | Total             | 24,509  | -         |

I Details of any collateral

The above secured borrowings of the Group relate to:

- (1) lease liabilities of \$6.4 million secured by corporate guarantees of the Company and charges over the property, plant and equipment under the leases; and
- (2) bank borrowings of \$34.0 million secured by first legal mortgage over an investment property and freehold property of the Group, pledge of certain bank deposits, charge over the Group's shares in a subsidiary corporation, and corporate guarantees of the Company and one of the Group's subsidiary corporations.





**1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, subdivision, consolidation, 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 the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings 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. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed 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 in the issued share capital of the Company since 30 June 2021.

No shares were bought back by the Company during the second half ended 31 December 2021 under the Share Buy Back Mandate which was approved by the Shareholders.

There was a total of 1,469,100 treasury shares held by the Company, representing 0.48% of the total number of issued shares of the Company as at 31 December 2021 (31 December 2020: 1,469,100 treasury shares, 0.48%).

There were no outstanding convertibles issued by the Company and no subsidiary holdings as at 31 December 2021 and 31 December 2020.

**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 2021 | 31 Dec 2020 |
|---|-------------|-------------|
| Total number of issued shares (excluding treasury shares) | 306,961,494 | 306,961,494 |

**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**

There was no sale, transfer, disposal, cancellation and/or use of treasury shares during 2H2021.

**1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings 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 2020.

**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**

Below are the new and amended Singapore Financial Reporting Standards (International) ("SFRS(I)") that have been published and relevant for the Group's accounting period beginning on or after 1 January 2022:

Effective for annual periods beginning on or after 1 January 2022

- Amendments to SFRS(I) 3: Reference to the Conceptual Framework
- Amendments to SFRS(I)-16: Property, Plant and Equipment – Proceeds before Intended Use
- Amendments to SFRS(I) 1-37: Onerous Contracts – Cost of Fulfilling a Contract
- Annual improvements to SFRS(I)s 2018-2020

Effective for annual periods beginning on or after 1 January 2023

- SFRS(I) 17 Insurance Contracts
- Amendments to SFRS(I) 1-1: Classification of Liabilities as Current or Non-current
- Amendments to SFRS(I) 17
- Amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2: Disclosure of Accounting Policies
- Amendments to SFRS(I) 1-8: Definition of Accounting Estimates
- Amendments to SFRS(I) 1-12: Deferred Tax related to Assets and Liabilities arising from a Single Transaction

Effective date: to be determined\*

- Amendments to SFRS(I) 10 and SFRS(I) 1-28 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The adoption of the new accounting standards does not have any significant impact on the financial information.

\* The mandatory effective date of this Amendment had been revised from 1 January 2016 to a date to be determined by the Accounting Standards Council Singapore in December 2015 via Amendments to Effective Date of Amendments to FRS 110 and FRS 28.



**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/diluted 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 in issue during the financial period.

|   | The Group                   |             |                              |
|---|-----------------------------|-------------|------------------------------|
|   | Financial Year ended 31 Dec |             | Increase/<br>(Decrease)<br>% |
|   | 2021                        | 2020        |                              |
| Net profit attributable to equity holders of the Company (\$'000) | 1,515                       | 3,293       | (54.0)                       |
| Weighted average number of ordinary shares in issue               | 307,467,992                 | 307,467,992 | -                            |
| Basic earnings per share (cents per share)                        | 0.49                        | 1.07        | (54.2)                       |
| Diluted earnings per share (cents per share)                      | 0.49                        | 1.07        | (54.2)                       |

**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/<br>(Decrease)<br>% |                |
|--|----------------------|----------------------|----------------------|----------------------|------------------------------|----------------|
|  | As at<br>31 Dec 2021 | As at<br>31 Dec 2020 | As at<br>31 Dec 2021 | As at<br>31 Dec 2020 | The<br>Group                 | The<br>Company |
| Net tangible assets<br>(\$'000)                    | 123,547              | 121,433              | 48,299               | 46,911               | 1.7                          | 3.0            |
| Number of shares<br>(excluding treasury<br>shares) | 306,961,494          | 306,961,494          | 306,961,494          | 306,961,494          | -                            | -              |
| NTA per share (cents)                              | 40.25                | 39.56                | 15.73                | 15.28                | 1.7                          | 2.9            |



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 and gas-related infrastructure for petrochemical plants and oil storage terminals as well as the maintenance of roads and roads-related facilities and building construction-related works. We tender for both public and private civil engineering and infrastructure construction projects. We have expanded our core business to include property development and investment.

We have three business segments: Construction, Maintenance and Rental income from investment properties.

### Income Statement Review (Current Financial Year ended 31 December 2021 vs Previous Financial Year ended 31 December 2020)

|                      | The Group                   |              |               |              |                         |             |
|----------------------|-----------------------------|--------------|---------------|--------------|-------------------------|-------------|
|                      | Financial Year ended 31 Dec |              |               |              | Increase/<br>(Decrease) |             |
|                      | 2021                        |              | 2020          |              |                         |             |
|                      | \$'000                      | %            | \$'000        | %            | \$'000                  | %           |
| Construction         | 56,560                      | 62.8         | 46,065        | 66.2         | 10,495                  | 22.8        |
| Maintenance          | 26,405                      | 29.3         | 17,244        | 24.7         | 9,161                   | 53.1        |
| Rental income        | 7,070                       | 7.9          | 6,318         | 9.1          | 752                     | 11.9        |
| <b>Total Revenue</b> | <b>90,035</b>               | <b>100.0</b> | <b>69,627</b> | <b>100.0</b> | <b>20,408</b>           | <b>29.3</b> |

### Revenue

Our Group reported a 29.3% or \$20.4 million increase in revenue to \$90.0 million during the financial year ended 31 December 2021 ("FY2021") as compared to \$69.6 million during the financial year ended 31 December 2020 ("FY2020"). The increase was due mainly to a 22.8% increase in revenue from the construction segment to \$56.5 million, a 53.1% increase in revenue from the maintenance segment to \$26.4 million, and an 11.9% increase in rental income.

The increase in revenue from both the construction and maintenance segments was due mainly to the temporary cessation of construction activities in compliance with the government's COVID-19 measures in FY2020 coupled with the higher percentage of revenue recognised from a number of existing and newly awarded construction and maintenance projects during FY2021.



The increase in rental income generated from investment properties was due mainly to rental income generated from the property at 6-8 Bennett Street, East Perth, Western Australia, as well as rental income from the newly acquired investment properties at 35 Kreta Ayer and 69 and 71 Kampong Bahru during FY2021.

Both the construction and maintenance segments are the major contributors to our Group's revenue. On a segmental basis, construction, maintenance and rental income accounted for 62.8% (FY2020: 66.2%), 29.3% (FY2020: 24.7%) and 7.9% (FY2020: 9.1%) of our Group's revenue respectively for FY2021.

#### Cost of sales

|                            | The Group                   |               |                         |             |
|----------------------------|-----------------------------|---------------|-------------------------|-------------|
|                            | Financial Year ended 31 Dec |               | Increase/<br>(Decrease) |             |
|                            | 2021                        | 2020          |                         |             |
|                            | \$'000                      | \$'000        | \$'000                  | %           |
| Construction               | 80,911                      | 60,270        | 20,641                  | 34.2        |
| Maintenance                |                             |               |                         |             |
| Rental income              | 2,330                       | 1,981         | 349                     | 17.6        |
| <b>Total cost of sales</b> | <b>83,241</b>               | <b>62,251</b> | <b>20,990</b>           | <b>33.7</b> |

Our cost of sales increased by 33.7% or \$21.0 million from \$62.2 million for FY2020 to \$83.2 million for FY2021. The increase in cost of sales was due mainly to:

- (a) an increase in sub-contracting costs which were mainly costs incurred for premix works, signages, asphalt works, mechanical and electrical works, soil-testing, landscaping and metalworks which are usually sub-contracted to external parties;
- (b) an increase in the cost of construction materials due to higher utilisation of materials and increase in prices of construction materials;
- (c) an increase in labour costs due mainly to the increase in number of headcount coupled with the temporary cessation of construction activities in compliance with the government's COVID-19 measures in FY2020; and
- (d) an increase in overheads such as upkeep of machineries, worksite expenses and hiring costs related to the rental of additional heavy equipment and machineries to support existing projects,

during FY2021.



### Gross profit and gross profit margin

|                           | The Group                   |                     |              |                     |                         |              |
|---------------------------|-----------------------------|---------------------|--------------|---------------------|-------------------------|--------------|
|                           | Financial Year ended 31 Dec |                     |              |                     | Increase/<br>(Decrease) |              |
|                           | 2021                        |                     | 2020         |                     |                         |              |
|                           | \$'000                      | Gross Profit Margin | \$'000       | Gross Profit Margin | \$'000                  | %            |
| Construction              | 2,054                       | 2.5%                | 3,039        | 4.8%                | (985)                   | (32.4)       |
| Maintenance               |                             |                     |              |                     |                         |              |
| Rental income             | 4,740                       | 67.0%               | 4,337        | 68.6%               | 403                     | 9.3          |
| <b>Total gross profit</b> | <b>6,794</b>                | <b>7.5%</b>         | <b>7,376</b> | <b>10.6%</b>        | <b>(582)</b>            | <b>(7.9)</b> |

Our gross profit for FY2021 decreased by 7.9% or \$0.6 million from \$7.4 million for FY2020 to \$6.8 million for FY2021.

While the rental income segment demonstrated an increase in contribution to gross profit of \$0.4 million from \$4.3 million for FY2020 to \$4.7 million for FY2021, there is a decrease of \$1.0 million in that of the construction and maintenance segments, from \$3.0 million in FY2020 to \$2.0 million in FY2021.

Our gross profit margin for the construction and maintenance segments decreased from 4.8% for FY2020 to 2.5% for FY2021 due mainly to lower profit margins for new and some current construction and maintenance projects as a result of the increase in overheads, prices of materials and rising manpower costs.

Overall, the negative impact from the COVID-19 situation on the construction and maintenance segments was cushioned by the finalisation of a few existing projects during FY2021. Gross profit margin for rental income segment remained at 67.0% and 68.6% in FY2021 and FY2020 respectively.

### Other gains, net

Other gains decreased by \$3.0 million or 27.7% from \$10.7 million for FY2020 to \$7.7 million for FY2021. The decrease was due mainly to:

- (a) a decrease in receipt of payouts and rebates from the government by \$4.6 million which aimed to provide wage support to employers, as part of the support measures for built environment firms affected by COVID-19;
- (b) the one-off reversal of impairment allowance made of \$1.2 million following the completion of the disposal of a former associated company, CS Amber Development Pte Ltd in FY2020, which did not recur in FY2021;
- (c) a decrease in interest income received of \$0.4 million due to lower interest income earned from bank deposits; and
- (d) a decrease in the gain on foreign exchange of \$1.8 million arising from the revaluation of assets denominated in Australian dollar to Singapore dollar,



which were partially offset by:

- (e) an increase in net fair value gain of \$5.0 million resulting from a fair value loss of \$0.7 million in FY2020 to a fair value gain of \$4.3 million in FY2021, arising from the revaluation of some of the investment properties,

during FY2021.

#### Administrative expenses

Administrative expenses decreased by \$2.8 million or 23.2% from \$12.1 million for FY2020 to \$9.3 million for FY2021. The decrease was largely due to the decrease in legal fees incurred for a court trial which had concluded during FY2021, which was partially offset by an increase in salary costs in FY2021.

#### Finance expenses

Finance expenses decreased by \$25,000 or 2.1%. The decrease was due mainly to:

- (a) a decrease in interest expense of \$56,000 due mainly to the interest saved as a result of repayment of principal of a bank term loan for the purchase of an investment property at 6-8 Bennett Street, East Perth, Western, offset by an increase in interest expense incurred for borrowings to purchase the investment properties at 35 Kreta Ayer and 69 and 71 Kampong Bahru; and
- (b) a decrease of \$85,000 in lease liabilities arising from the repayment of lease liabilities, offset by additions of lease liabilities,

which were partially offset by:

- (c) an increase in notional interest on loan of \$116,000 resulting from fair value adjustment of loan from a non-controlling shareholder,

during FY2021.

#### Share of results of associated companies and joint ventures

| The Group                                      |            |              |
|--|------------|--------------|
| Financial Year ended 31 Dec                    |            |              |
|  | 2021       | 2020         |
|  | \$'000     | \$'000       |
| Share of (loss)/profit of joint ventures       | (3)        | 327          |
| Share of profit/(loss) of associated companies | 355        | (693)        |
|  | <u>352</u> | <u>(366)</u> |

The share of results of associated companies and joint ventures increased by \$0.8 million or 195.9% from a loss of \$0.4 million for FY2020 to a profit of \$0.4 million for FY2021. The increase was due mainly to the share of profit from the Group's 22.5%-held associated company, Chong Kuo Development Pte Ltd, which was partially offset mainly by the share of loss from the Group's 25%-owned joint venture company, USB Holdings Pte Ltd, during FY2021.



### Profit before income tax

Profit before income tax remained comparable at \$4.4 million in FY2021 and FY2020. The slight increase was due mainly to (1) the increase in share of profit of associated companies and joint ventures of \$0.8 million, and (2) the decrease in administrative expenses of \$2.8 million, which were partially offset by (1) the decrease in gross profit of \$0.6 million and (2) the decrease in other gains (net) of \$3.0 million, as explained above.

### Income tax expense

Income tax expense decreased by \$0.2 million or 55.4% from \$0.4 million in FY2020 to \$0.2 million in FY2021 due mainly to recognition of deferred tax assets arising from our Australian subsidiary corporation.

The effective tax rates for FY2021 and FY2020 were 4.8% and 10.8% respectively.

The effective tax rate for FY2021 was lower than the statutory tax rate of 17.0% due mainly to (1) deferred tax assets of \$0.3 million arising from the movements in fair value in the investment property owned by our Australian subsidiary corporation, (2) the profit before income tax of \$4.4 million which comprised share of profit of associated companies and joint ventures of \$0.4 million, which was already taxed at the associated company and joint venture levels, (3) statutory stepped income tax exemption, (4) certain income being not subject to tax, and (5) certain non-deductible items added back for tax purposes.

### Non-controlling interests

Non-controlling interests of \$2.7 million was due to the share of profit of our subsidiary corporation, Raffles Prestige Capital Pte Ltd, in FY2021.

### Net profit

Overall, net profit increased by \$0.2 million or 7.1%, from \$4.0 million for FY2020 to \$4.2 million for FY2021, following the decrease in income tax expense of \$0.2 million, as explained above.

Our net profit margin decreased from 5.7% for FY2020 to 4.7% for FY2021.





## Review of income statements for the Half Year ended 31 December 2021

|                      | The Group              |              |               |              |                         |             |
|----------------------|------------------------|--------------|---------------|--------------|-------------------------|-------------|
|                      | Half Year ended 31 Dec |              |               |              | Increase/<br>(Decrease) |             |
|                      | 2021                   |              | 2020          |              |                         |             |
|                      | \$'000                 | %            | \$'000        | %            | \$'000                  | %           |
| Construction         | 26,605                 | 59.1         | 23,684        | 63.3         | 2,921                   | 12.3        |
| Maintenance          | 14,689                 | 32.7         | 10,353        | 27.6         | 4,336                   | 41.9        |
| Rental income        | 3,676                  | 8.2          | 3,402         | 9.1          | 274                     | 8.1         |
| <b>Total Revenue</b> | <b>44,970</b>          | <b>100.0</b> | <b>37,439</b> | <b>100.0</b> | <b>7,531</b>            | <b>20.1</b> |

### Revenue

Our Group reported a 20.1% or \$7.5 million increase in revenue to \$44.9 million during the second half year ended 31 December 2021 ("2H2021") as compared to \$37.4 million during the second half year ended 31 December 2020 ("2H2020"). The increase was due mainly to a 12.3% increase in revenue from the construction segment to \$26.6 million, a 41.9% increase in revenue from the maintenance segment to \$14.7 million, and an 8.1% increase in rental income.

The increase in revenue from both the construction and maintenance segments was due mainly to the higher percentage of revenue recognised from a number of existing and newly awarded construction projects during 2H2021, as well as the gradual resumption of construction activities in 2H2020 in the aftermath of the temporary cessation of construction activities in compliance with the government's COVID-19 measures during the first half year ended 30 June 2020 ("1H2020"), which contributed to the lower revenue recognised in 2H2020.

The increase in rental income generated from investment properties was due mainly to rental income generated from the property at 6-8 Bennett Street, East Perth, Western Australia, as well as rental income from the newly acquired investment properties at 35 Kreta Ayer and 69 and 71 Kampong Bahru.

Both the construction and maintenance segments are the major contributors to our Group's revenue. On a segmental basis, construction, maintenance and rental income accounted for 59.1% (2H2020: 63.3%), 32.7% (2H2020: 27.6%) and 8.2% (2H2020: 9.1%) of our Group's revenue respectively for 2H2021.



## Cost of sales

|                            | The Group              |               |                         |             |
|----------------------------|------------------------|---------------|-------------------------|-------------|
|                            | Half Year ended 31 Dec |               | Increase/<br>(Decrease) |             |
|                            | 2021                   | 2020          |                         |             |
|                            | \$'000                 | \$'000        | \$'000                  | %           |
| Construction               | 41,436                 | 32,847        | 8,589                   | 26.1        |
| Maintenance                |                        |               |                         |             |
| Rental income              | 1,216                  | 996           | 220                     | 22.1        |
| <b>Total cost of sales</b> | <b>42,652</b>          | <b>33,843</b> | <b>8,809</b>            | <b>26.0</b> |

Our cost of sales increased by 26.0% or \$8.8 million from \$33.8 million for 2H2020 to \$42.6 million for 2H2021. The increase in cost of sales was due mainly to:

- (a) an increase in sub-contracting costs which were mainly costs incurred for premix works, signages, mechanical and electrical works, soil-testing, landscaping and metalworks which are usually sub-contracted to external parties;
- (b) an increase in the cost of construction materials due to higher utilisation of materials and increase in prices of construction materials;
- (c) an increase in labour costs due mainly to the increase in headcount in 2H2021; and
- (d) an increase in overheads such as upkeep of machineries, worksite expenses and hiring costs related to the rental of additional heavy equipment and machineries to support existing projects,

during 2H2021.



### Gross profit and gross profit margin

|                           | The Group              |                     |              |                     |                         |               |
|---------------------------|------------------------|---------------------|--------------|---------------------|-------------------------|---------------|
|                           | Half Year ended 31 Dec |                     |              |                     | Increase/<br>(Decrease) |               |
|                           | 2021                   |                     | 2020         |                     |                         |               |
|                           | \$'000                 | Gross Profit Margin | \$'000       | Gross Profit Margin | \$'000                  | %             |
| Construction              | (142)                  | (0.3%)              | 1,190        | 3.5%                | (1,332)                 | (111.9)       |
| Maintenance               |                        |                     |              |                     |                         |               |
| Rental income             | 2,460                  | 66.9%               | 2,406        | 70.7%               | 54                      | 2.2           |
| <b>Total gross profit</b> | <b>2,318</b>           | <b>5.2%</b>         | <b>3,596</b> | <b>9.6%</b>         | <b>(1,278)</b>          | <b>(35.5)</b> |

Overall, our gross profit for 2H2021 decreased by 35.5% or \$1.3 million from \$3.6 million for 2H2020 to \$2.3 million for 2H2021.

The contribution from the rental income segment to gross profit remained at \$2.4 million for 2H2021 and 2H2020, whereas there is a decrease of \$1.3 million from the construction and maintenance segments, from a gross profit of \$1.2 million in 2H2020 to a gross loss of \$0.1 million in 2H2021.

Our gross profit margin for the construction and maintenance segments decreased from 3.5% for 2H2020 to a gross loss margin of 0.3% for 2H2021. The lower gross profit margin for 2H2021 was largely due to lower profit margins for new and some current construction and maintenance projects as a result of the increase in overheads, prices of materials and rising manpower costs.

### Other gains, net

Other gains decreased by \$0.4 million or 7.6% from \$5.9 million for 2H2020 to \$5.5 million for 2H2021. The decrease was due mainly to:

- (a) the decrease by \$4.0 million in receipt of payouts and rebates from the government which aimed to provide wage support to employers, as part of the support measures for built environment firms affected by COVID-19; and
- (b) a decrease in the gain on foreign exchange of \$1.4 million arising from the revaluation of assets denominated in Australian dollar and United States dollar to Singapore dollar,

which were partially offset by:

- (c) an increase in net fair value gain of \$5.0 million resulting from a fair value loss of \$0.7 million in 2H2020 to a fair value gain of \$4.3 million in 2H2021, arising from the revaluation of some of the investment properties,

during 2H2021.



### Administrative expenses

Administrative expenses decreased by \$1.6 million or 25.1% from \$6.4 million for 2H2020 to \$4.8 million for 2H2021. The decrease was largely due to the decrease in legal fees incurred for a court trial which had concluded during FY2021, partially offset by an increase in salary costs in FY2021.

### Finance expenses

Finance expenses increased by \$0.1 million or 11.3% from \$0.5 million for 2H2020 to \$0.6 million for 2H2021. The increase was due mainly to the increase in notional interest on loan resulting from fair value adjustment of loan from a non-controlling shareholder.

### Share of results of associated companies and joint ventures

| The Group                                      |              |
|--|--------------|
| Half Year ended 31 Dec                         |              |
| 2021   | 2020         |
| \$'000   | \$'000       |
| Share of profit/(loss) of joint ventures       | 7 (23)       |
| Share of profit/(loss) of associated companies | 121 (448)    |
| <b>128</b>                                     | <b>(471)</b> |

The share of results of associated companies and joint ventures increased by \$0.6 million or 127.2% from a loss of \$0.5 million for 2H2020 to a profit of \$0.1 million for 2H2021. The increase was due mainly to the share of profits from the Group's 22.5%-held associated company, Chong Kuo Development Pte Ltd, and the share of profit from the Group's 55%-owned joint venture company, Eng Lam – United E&P JV, during 2H2021.

### Profit before income tax

Profit before income tax increased by \$0.4 million or 19.0% from \$2.1 million for 2H2020 to \$2.5 million for 2H2021. The increase was due mainly to (1) the increase in share of profit of associated companies and joint ventures of \$0.6 million, and (2) the decrease in administrative expenses of \$1.6 million, which were partially offset by (1) the decrease in gross profit of \$1.3 million, (2) the decrease in other gains (net) of \$0.4 million, and (3) the increase in finance expenses of \$0.1 million, as explained above.



### Income tax expense

Income tax expense decreased by \$0.4 million or 254.8% from an income tax expense of \$0.2 million in 2H2020 to an income tax credit of \$0.2 million in 2H2021 due mainly to deferred tax assets arising from our Australian subsidiary corporation.

Tax credit for 2H2021 arose from deductible temporary differences due to the movements in fair value and the carrying value of assets and value of assets for tax purposes in particular that arising from our Australian subsidiary corporation. The tax credit was partially offset by higher provision for current tax made for 2H2021 due mainly to higher profit before income tax, as explained above.

The effective tax rate for 2H2021 was lower than the statutory tax rate of 17.0% due mainly to (1) statutory stepped income tax exemption, (2) a tax rebate of 25% on the corporate tax payable, capped at \$15,000, (3) an overprovision of prior year income tax amounting to \$0.1 million and (4) certain income being not subject to tax.

### Non-controlling interests

Non-controlling interests of \$2.3 million was due to the share of profit of our subsidiary corporation, Raffles Prestige Capital Pte Ltd, in 2H2021.

### Net profit

Overall, net profit increased by \$0.8 million or 42.4%, from \$2.0 million for 2H2020 to \$2.8 million for 2H2021, following the increase in profit before income tax of \$0.4 million, coupled with the decrease in income tax expense of \$0.4 million, as explained above.

Our net profit margin increased from 5.2% for 2H2020 to 6.2% for 2H2021.



## **Review of the financial position for the Financial Year ended 31 December 2021**

### (i) Current assets

Current assets decreased by \$26.7 million, from \$103.0 million as at 31 December 2020 to \$76.3 million as at 31 December 2021. The decrease was due mainly to:

- (a) a decrease in cash and cash equivalents of \$28.0 million. This was due mainly to the cash used in operating activities of \$6.0 million, cash used in investing activities of \$30.6 million and cash provided by financing activities of \$8.6 million; and
- (b) a decrease in trade and other receivables of \$1.7 million due to settlement of billings by a joint venture, receipt of government grant receivable, recovery of advances to suppliers/sub-contractors and utilisation of deposits due to utilisation of deposit paid for acquisition of an investment property, offset by a decrease in trade receivables from non-related parties,

which were partially offset by:

- (c) an increase in contract assets of \$1.3 million, due mainly to an increase in construction contract due from customers arising from higher unbilled amounts expected to be collected from customers following the higher revenue recognised; and
- (d) an increase of \$1.7 million in inventories arising from the purchase of materials for existing construction and maintenance projects,

during FY2021.

### (ii) Non-current assets

Non-current assets increased by \$32.8 million, from \$94.0 million as at 31 December 2020 to \$126.8 million as at 31 December 2021. The increase was due mainly to:

- (a) an increase in investments in associated companies of \$0.5 million arising from the share of profit of an associated company of \$0.3 million and a notional fair value adjustment arising from the extension of loan repayment period of loans extended to an associated company of \$0.2 million;
- (b) an increase in investment properties of \$26.4 million resulting from the acquisition of properties at 35 Kreta Ayer Road and 69 and 71 Kampong Bahru Road, and a net fair value loss of \$4.4 million arising from the revaluation of some investment properties, offset by an exchange realignment relating to the property at 6-8 Bennett Street, East Perth, Western Australia due to the appreciation of Singapore dollar against the Australian dollar;
- (c) an increase in other receivables of \$2.8 million due to an advance extended to an associated company, USB Holdings Pte Ltd of \$3.0 million, offset by a notional fair value adjustment of \$0.2 million;
- (d) an increase in property, plant and equipment of \$0.8 million resulting mainly from the purchase of new property, plant and equipment, which was partially offset by disposal and depreciation of property, plant and equipment;
- (e) an increase in right-of-use assets of \$2.0 million resulting from the addition of new plant and equipment acquired to support the new and existing projects, which was partially offset by disposal and depreciation; and
- (f) an increase in deferred income tax assets arising from the capital gain on an investment property in Australia,

during FY2021.



(iii) Current liabilities

Current liabilities decreased by \$1.2 million, from \$38.5 million as at 31 December 2020 to \$37.3 million as at 31 December 2021. The decrease was due mainly to:

- (a) a decrease in contract liabilities of \$8.9 million due to the recovery of advance payments for ongoing public sector projects arising from the support measures for built environment firms affected by COVID-19;
- (b) a decrease in provisions of \$1.4 million due to the conclusion of a court trial; and
- (c) a decrease in current income tax liabilities of \$0.2 million due to lower tax provision,

which were partially offset by:

- (d) an increase in trade and other payables of \$0.6 million arising from (1) an increase in trade payables of \$1.6 million, and (2) advances from a non-controlling interest of \$0.2 million, which were partially offset by (1) receipt of deferred grant income of \$0.5 million arising from the Job Support Scheme for Tier 1 Built Environment sector, and (2) higher accrued operating expenses related to project costs of \$0.7 million;
- (e) an increase in lease liabilities of \$0.1 million arising from the purchase of plant and machineries and use of state land, offset by the repayment of lease liabilities; and
- (f) an increase in bank borrowings of \$8.6 million arising from the borrowing of \$9.1 million to finance the purchase of investment properties at 69 and 71 Kampong Bahru Road, offset by a repayment of existing borrowing of \$0.5 million,

during FY2021.

(iv) Non-current liabilities

Non-current liabilities increased by \$5.2 million, from \$35.3 million as at 31 December 2020 to \$40.5 million as at 31 December 2021. The increase was due mainly to (1) an increase in other payables of \$5.3 million arising from advances from a non-controlling shareholder, and (2) an increase in lease liabilities of \$1.2 million arising from the purchase of plant and machineries to support the existing projects offset by the repayment of lease liabilities, which were partially offset by (1) repayment of bank borrowings of \$1.1 million and (2) a decrease in deferred income tax liabilities of \$0.2 million, during FY2021.

(v) Shareholders' equity

Shareholders' equity, comprising share capital, treasury shares, other reserves, retained profits and non-controlling interests, increased by \$2.1 million, from \$123.2 million as at 31 December 2020 to \$125.3 million as at 31 December 2021. The increase was due mainly to:

- (a) the profits generated from operations of \$1.5 million attributable to equity holders of the Company and non-controlling interests of \$2.7 million arising from the share of profit of Raffles Prestige Capital Pte Ltd,

which was partially offset by:

- (b) the dividend payment to shareholders of \$2.1 million during FY2021.



## **Review of cash flows for the Financial Year ended 31 December 2021**

### Net cash (used in)/provided by operating activities

Our Group reported net cash used in operating activities of \$6.0 million in FY2021, a decrease of \$24.7 million from net cash provided by operating activities of \$18.7 million in FY2020. The decrease was due mainly to:

- (a) a decrease in cash generated from operating activities before working capital changes of \$2.7 million;
- (b) a decrease in net working capital inflow of \$21.2 million;
- (c) a decrease in interest received of \$0.4 million; and
- (d) an increase in income tax paid of \$0.4 million,

during FY2021.

### Net cash used in investing activities

Net cash used in investing activities increased by \$30.3 million from \$0.3 million in FY2020 to \$30.6 million in FY2021. The increase was due mainly to:

- (a) an increase in additions in right-of-use assets of \$0.4 million;
- (b) an increase in cash used in the purchase of investment properties of \$24.4 million;
- (c) an increase in advances extended to an associated company of \$0.8 million; and
- (d) a decrease in proceeds from cash provided by investing activities in FY2020 which did not recur in FY2021, including (1) the disposal of assets classified as held for sale of \$11.0 million, (2) dividend received in joint ventures of \$0.4 million, and (3) capital reduction in a joint venture of \$0.1 million,

which were partially offset by:

- (e) an increase in proceeds from disposal of property, plant and equipment and right-of-use assets of \$0.1 million; and
- (f) a decrease in cash used in the purchase of property, plant and equipment of \$6.7 million,

during FY2021.

### Net cash provided by/(used in) financing activities

Net cash provided by financing activities increased by \$12.8 million, from net cash used in financing activities of \$4.2 million in FY2020 to net cash provided by financing activities of \$8.6 million in FY2021. The increase was due mainly to (1) an increase in advance from a non-controlling shareholder of \$5.0 million, (2) proceeds from bank borrowings of \$7.2 million, (3) a decrease in repayment of lease liabilities of \$0.5 million, (4) a decrease in interest paid of \$0.1 million, and (5) purchase of treasury shares of \$0.2 million in FY2020, which did not recur in FY2021, which was partially offset by an increase in repayment of borrowings of \$0.2 million, during FY2021.

Overall, free cash and cash equivalents stood at \$45.8 million as at 31 December 2021, a decrease of \$28.2 million from \$74.0 million as at 31 December 2020. This works out to cash of 14.9 cents per share as at 31 December 2021 as compared to 24.1 cents per share as at 31 December 2020 (based on 306,961,494 issued shares).





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

There is no material deviation in the actual results for the second half ended 31 December 2021 from what was previously discussed under paragraph 10 of the Company's results announcement for the first half ended 30 June 2021.

**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**

**Economic Outlook**

According to advance estimates released by the Ministry of Trade and Industry ("MTI") on 3 January 2022, the Singapore economy grew 5.9% on a year-on-year basis in 4Q2021. Despite moderating from the 7.1% growth in the previous quarter, the economy in 4Q2021 outpaced the 1.2% growth in the preceding quarter on a quarter-on-quarter seasonally adjusted basis, expanding by 2.6%. This brought the economy's full-year growth to 7.2% in 2021, rebounding from the 5.4% contraction in 2020.

**Forging Ahead with Recovery from COVID-19**

While the COVID-19 situation remains volatile, especially in the wake of the Omicron variant, Singapore is forging ahead with its economic reopening and gradual transition to living with COVID-19, bolstered by the nation's high vaccination rates, steady uptake of booster doses, and Safe Management Measures ("SMM"). Singapore's gross domestic product ("GDP") growth forecast for 2022 is expected to remain at 3% to 5%, barring fresh disruptions.

However, the construction sector in Singapore is expected to remain challenging with projects expected to face further delays due to the manpower crunch and global supply chain disruptions. Although 88% of eligible migrant workers in dormitories, as well as those in the construction, marine shipyard and process sector ("CMP"), have received booster shots which will minimise local manpower disruptions, the issue of manpower shortage remains following the announcement of tightened border restriction in December 2021 that CMP workers on Work Permit or S Pass will be not allowed to apply for entry into Singapore under the Vaccinated Travel Lanes ("VTLs"). Additional costs incurred for bringing in workers through ongoing industry initiatives (e.g. programmes with upstream testing and isolation in the source country) or the Work Pass Holder General Lane have also added on to the sector's increasing business costs.

Notwithstanding the challenges, the Group remains committed to ensuring that SMMs implemented by the Ministry of Manpower (MOM) and Building and Construction Authority (BCA) are strictly adhered to at the Group's project sites so that projects can be completed in a timely and socially responsible manner.

The Group will also continue to leverage on assistance and support provided by the government for the construction sector during this period to cushion the impact of the pandemic and ensure the sustainability of the business.



## **Industry Outlook**

In 4Q2021, the construction sector grew by 2.0% on a year-on-year basis which was slower than the 66.3% growth in the preceding quarter. Overall, on a quarter-on-quarter seasonally-adjusted basis, the sector contracted by 4.4% in 4Q2021, a reversal from the 4.9% growth in the previous quarter. However, the strong growth in 3Q2021 was mainly supported by a lower base due to the slow resumption of construction activities after the Circuit Breaker in 2020.

The value-add of the sector in absolute terms remained 26% below its pre-COVID (i.e., 4Q2019) level, although the BCA remains optimistic on the recovery of construction activities in the medium term.

According to a projection by BCA on 26 January 2022, the total construction demand in 2022 is expected to be between S\$27 billion and S\$32 billion, while total construction demand in the medium term from 2023 to 2026 is expected to reach between S\$25 billion and S\$32 billion per year.

The public sector is also expected to lead in the demand, contributing S\$14 billion to S\$18 billion per year from 2023 to 2026, supported by public housing developments, and various major healthcare and infrastructure developments in the pipeline, such as MRT projects including the Cross Island Line, the Downtown Line Extension, and the redevelopment of Alexandra Hospital.

Meanwhile, private sector construction demand is expected to remain steady in 2022 and in the medium term, reach between S\$11 billion and S\$13 billion in 2022 and S\$11 billion to S\$14 billion per year from 2023 to 2026. Residential building demand is anticipated to moderate year-on-year amid more cautious market sentiments due to the latest property cooling measures.

The Group will continue to leverage its strong track record and expertise to capture new opportunities in both the public and private construction sector to maintain a strong order book and growth, despite the increasingly competitive and challenging business landscape due to the labour shortage, supply chain disruption and increasing business costs.

With regards to the private residential property segment, real estate statistics released by the Urban Redevelopment Authority (URA) showed a 5.0% increase in the private residential property index in 4Q2021, compared with the 1.1% increase in 3Q2021. For the whole of 2021, prices of private residential properties increased by 10.6%, compared with the 2.2% increase in 2020. In 4Q2021, developers launched 2,275 uncompleted private residential units for sale (excluding ECs), compared with 2,149 units in 3Q2021, while sales figures in 4Q2021 showed that developers had sold 3,018 private residential units compared to 3,550 units sold in 3Q2021.

With the latest round of property cooling measures including ABSD rates, lower TDSR and LTV rules on 16 December 2021, the Group expects the private residential market to remain challenging and will remain cautious and selective in replenishing its land bank.



## **Company Outlook and Order Book Update**

Going forward, the Group expects that uncertainties will continue to prevail in the construction industry in the wake of the COVID-19 variants. In addition to the impact of the manpower shortage and labour costs brought about by the existing border control measures, the rising prices of construction materials will also affect the pace of recovery of the industry.

The Group remains optimistic as it continues to be supported by a healthy pipeline of construction projects. During the year, the Group clinched four projects from PUB totalling \$154.6 million, for Deep Tunnel Sewerage System Phase 2 (DTSS2) and other drainage improvement projects. Nonetheless, OKP will remain vigilant and continue to exercise discipline and prudence in its finances and cashflow management. To stay nimble, the Group will continue to embrace technology and innovation, enhance and upscale its workforce, as well as boost the implementation of equipment and tools to scale down on the reliance on manpower, to raise its productivity and the Group's competitive edge.

As of 31 December 2021, the Group's order book stood at \$329.2 million, with projects extending till 2025. Forging ahead, the Group will focus on strengthening its capabilities in the core civil engineering business so as to retain its status as a leading civil engineering contractor. The Group strives to uphold its performance to ensure consistent execution and delivery of its projects.

On the property development front, the Group's joint venture residential project, The Essence, which was launched in March 2019 and achieved favourable sales, is now fully sold.

The Group's 74-unit residential project in Bukit Panjang, Phoenix Residences, which was launched in November 2020 and re-launched in July 2021, is expected to TOP in November 2023. As at the date of this announcement, with the stepping up of marketing efforts, approximately 38% of the 74 units have been sold.

As for property investment, the Group's investment property at 6-8 Bennett Street in Perth, Australia continues to generate good recurring rental income.

As part of the Group's effort to grow its recurring income through a portfolio of investment properties, the Group had completed the acquisition of a freehold, three-storey shophouse at 35 Kreta Ayer Road in January 2021. The Group had also completed the purchase of freehold, two-storey conservation shophouses at 69 and 71 Kampong Bahru Road in August 2021, through its 51%-owned subsidiary, Raffles Prestige Capital Pte. Ltd. Both acquisitions have contributed positively towards the Group's performance.

In accordance with the Group's long-term strategy to diversify its earnings and to build on its portfolio of recurring income stream, OKP will continue to explore global business opportunities to broaden its foothold in property development and investment through strategic partnerships with esteemed partners.



## 11. Dividend

### **(a) Current Financial Period Reported On**

Any dividend declared for the current financial period reported on? Yes

|                           |                     |
|---------------------------|---------------------|
| Name of Dividends         | Final               |
| Dividend Type             | Cash                |
| Dividend amount per share | \$0.007             |
|                           | 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         | Final               |
| Dividend Type             | Cash                |
| Dividend amount per share | \$0.007             |
|                           | One-tier tax exempt |

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

Payment of the said dividend, if approved by shareholders at the forthcoming Twentieth Annual General Meeting of the Company to be held on 25 April 2022 (Monday), will be made on 17 May 2022.

### **(d) Record date**

Notice is hereby given that the Share Transfer Book and Register of Members of the Company will be closed from 5.00 p.m. on 6 May 2021 for the preparation of dividend payment. Duly completed registrable transfers received by the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. of 1 Harbourfront Avenue #14-03/07 Keppel Bay Tower, Singapore 098623 up to 5.00 p.m. on 6 May 2021 will be registered to determine shareholders' entitlement to the proposed final dividend.

Shareholders whose securities accounts with The Central Depository (Pte) Limited are credited with shares at 5.00 p.m. on 6 May 2021 will be entitled to the proposed final dividend.

## 12. **If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision**

Not applicable.

## 13. **Interested person transactions disclosure**

There was no interested person transaction, as defined in Chapter 9 of the Listing Manual of the Singapore Exchanged Securities Trading Limited, entered into by the Group or by the Company during the financial year ended 31 December 2021.

The Company does not have a general mandate from shareholders for interested person transactions pursuant to Rule 920.



#### 14. Use of proceeds as at 31 December 2021

Exercise of 61,139,186 warrants at \$0.20 for each share as at 4 January 2013 raising net proceeds of \$12.2 million

| Use of proceeds                                       | Amount allocated (\$'million) | Amount utilised (\$'million) | Balance amount (\$'million) |
|---|-------------------------------|------------------------------|-----------------------------|
| To be used as general working capital for the Company | 12.22                         | 10.72                        | 1.50                        |

The amount of \$10.72 million had been utilised to fund the investment in and the loan to CS Amber Development Pte Ltd, a former associated company of the Group. The loan has been fully repaid.

The unutilised proceeds are deposited with a bank pending deployment.

#### 15. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer

| Name        | Age | Family relationship with any director and/or substantial shareholder  | Current position and duties, and the year the position was first held   | Details of changes in duties and position held, if any, during the year |
|-------------|-----|---|---|---|
| Or Kim Peow | 87  | Mdm Ang Beng Tin (Executive Director) is the wife of Mr Or Kim Peow; Mr Or Toh Wat (Group Managing Director), Mr Or Kiam Meng (Executive Director) and Mr Or Lay Huat, Daniel (Executive Director) are the sons of Mr Or Kim Peow; Mr Oh Enc Nam (Executive Director) is the nephew of Mr Or Kim Peow | Group Chairman of the Company, overseeing the overall management and strategic development of the Group.<br>Position held since 2002.   | NA  |
| Or Toh Wat  | 54  | Son of Mr Or Kim Peow (Group Chairman); Mdm Ang Beng Tin (Executive Director) is the wife of Mr Or Kim Peow; Mr Or Kiam Meng (Executive Director) and Mr Or Lay Huat, Daniel (Executive Director) are the sons of Mr Or Kim Peow; Mr Oh Enc Nam (Executive Director) is the nephew of Mr Or Kim Peow  | Group Managing Director of the Company, responsible for setting the Group's corporate directions and strategies, and overseeing the day-to-day management and business development of the Group.<br>Position held since 2002. | NA  |



| Name         | Age | Family relationship with any director and/or substantial shareholder  | Current position and duties, and the year the position was first held  | Details of changes in duties and position held, if any, during the year |
|--------------|-----|---|--|---|
| Ang Beng Tin | 66  | Wife of Mr Or Kim Peow (Group Chairman); Mr Or Toh Wat (Group Managing Director), Mr Or Kiam Meng (Executive Director) and Mr Or Lay Huat, Daniel (Executive Director) are the sons of Mr Or Kim Peow; Mr Oh Enc Nam (Executive Director) is the nephew of Mr Or Kim Peow                               | Executive Director of the Company, responsible for managing employee relations, benefit programmes and insurance claims at Or Kim Peow Contractors (Pte) Ltd.<br>Position held since 2002. | NA  |
| Or Kiam Meng | 57  | Son of Mr Or Kim Peow (Group Chairman); Mdm Ang Beng Tin (Executive Director) is the wife of Mr Or Kim Peow; Mr Or Toh Wat (Group Managing Director) and Mr Or Lay Huat, Daniel (Executive Director) are the sons of Mr Or Kim Peow; Mr Oh Enc Nam (Executive Director) is the nephew of Mr Or Kim Peow | Executive Director of the Company, responsible for overseeing the daily site management and operations of Or Kim Peow Contractors (Pte) Ltd.<br>Position held since 2002.                  | NA  |
| Oh Enc Nam   | 66  | Nephew of Mr Or Kim Peow (Group Chairman); Mdm Ang Beng Tin (Executive Director) is the wife of Mr Or Kim Peow; Mr Or Toh Wat (Group Managing Director), Mr Or Kiam Meng (Executive Director) and Mr Or Lay Huat, Daniel (Executive Director) are the sons of Mr Or Kim Peow                            | Executive Director of the Company, responsible for the day-to-day management and the overall operations of Eng Lam Contractors Co. (Pte) Ltd.<br>Position held since 2002.                 | NA  |



| Name               | Age | Family relationship with any director and/or substantial shareholder  | Current position and duties, and the year the position was first held  | Details of changes in duties and position held, if any, during the year |
|--------------------|-----|---|--|---|
| Or Lay Huat Daniel | 44  | Son of Mr Or Kim Peow (Group Chairman); Mdm Ang Beng Tin (Executive Director) is the wife of Mr Or Kim Peow; Mr Or Toh Wat (Group Managing Director) and Mr Or Kiam Meng (Executive Director) are the sons of Mr Or Kim Peow; Mr Oh Enc Nam (Executive Director) is the nephew of Mr Or Kim Peow  | Executive Director of the Company, responsible for business development, investor relations and corporate communications of the Group.<br>Position held since 2006.                                  | NA  |
| Or Yew Whatt       | 64  | Nephew of Mr Or Kim Peow (Group Chairman); Mdm Ang Beng Tin (Executive Director) is the wife of Mr Or Kim Peow; Mr Or Toh Wat (Group Managing Director), Mr Or Kiam Meng (Executive Director) and Mr Or Lay Huat, Daniel (Executive Director) are the sons of Mr Or Kim Peow; Mr Oh Enc Nam (Executive Director) is the nephew of Mr Or Kim Peow  | Executive Director of Eng Lam Contractors Co. (Pte) Ltd, responsible for the supervision of projects, resolving site issues and involved in the project tender process.<br>Position held since 1992. | NA  |
| Oh Kim Poy         | 82  | Brother of Mr Or Kim Peow (Group Chairman); Mdm Ang Beng Tin (Executive Director) is the wife of Mr Or Kim Peow; Mr Or Toh Wat (Group Managing Director), Mr Or Kiam Meng (Executive Director) and Mr Or Lay Huat, Daniel (Executive Director) are the sons of Mr Or Kim Peow; Mr Oh Enc Nam (Executive Director) is the nephew of Mr Or Kim Peow | Executive Director of Eng Lam Contractors Co. (Pte) Ltd, responsible for supervising and monitoring of projects.<br>Position held since 1992.  | NA  |



**16. Confirmation that the issuer has procured undertakings from all its directors and executive officers**

The Company confirms that it has procured undertakings from all its directors and executive officers in the format set out in Appendix 7.7 pursuant to Rule 720(1) of the Listing Manual.

**BY ORDER OF THE BOARD**

Or Toh Wat  
Group Managing Director  
21 February 2022