



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 2023



26 February 2024

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Full Year Financial Statements and Dividend Announcement for the Year Ended 31 December 2023
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

Consolidated statement of comprehensive income for the half year ended 31 December 2023 and financial year ended 31 December 2023

	Note	The Group			The Group		
		Half Year ended 31 Dec		Increase/ (Decrease)	Financial Year ended 31 Dec		Increase/ (Decrease)
		2023	2022		2023	2022	
		\$'000	\$'000	%	\$'000	\$'000	%
Revenue	4	90,387	64,052	41.1	160,392	117,646	36.3
Cost of sales		(67,730)	(58,221)	16.3	(135,671)	(106,828)	27.0
Gross profit		22,657	5,831	288.6	24,721	10,818	128.5
Other gains, net		1,849	1,966	(6.0)	46,935	2,969	1480.8
Expenses							
- Administrative		(11,287)	(8,523)	32.4	(18,674)	(12,394)	50.7
- Finance		(1,024)	(925)	10.7	(2,065)	(1,569)	31.6
Share of (loss)/profit of associated companies and joint ventures, net		(10)	419	(102.4)	205	715	(71.3)
Profit/(Loss) before income tax	6	12,185	(1,232)	1089.0	51,122	539	9384.6
Income tax (expense)/credit	7	(560)	142	494.4	(3,673)	(375)	879.5
Net profit/ (loss)		11,625	(1,090)	1166.5	47,449	164	28832.3
Gross profit margin		25.1%	9.1%		15.4%	9.2%	
Net profit/(loss) margin		12.9%	(1.7%)		29.6%	0.1%	
Effective tax rate		4.6%	n.m.		7.2%	69.6%	
Net profit/(loss) attributable to:							
Equity holders of the Company		8,983	(2,207)	507.0	44,619	(1,019)	4478.7
Non-controlling interests		2,642	1,117	136.5	2,830	1,183	139.2
		11,625	(1,090)	1166.5	47,449	164	28832.3



Consolidated statement of comprehensive income for the half year ended 31 December 2023 and financial year ended 31 December 2023 (Cont'd)

	The Group			The Group		
	Half Year ended 31 Dec		Increase/ (Decrease)	Financial Year ended 31 Dec		Increase/ (Decrease)
	2023	2022		2023	2022	
	\$'000	\$'000	%	\$'000	\$'000	%
Net profit/(loss)	11,625	(1,090)	1166.5	47,449	164	28832.3
Other comprehensive income:						
Currency translation differences arising from consolidation	(18)	665	(102.7)	(76)	425	(117.9)
Total comprehensive income/(loss), net of tax	11,607	(425)	2831.1	47,373	589	7943.0
Total comprehensive income/(loss) attributable to:						
Equity holders of the Company	8,974	(1,867)	580.7	44,580	(802)	5658.6
Non-controlling interests	2,633	1,442	82.6	2,793	1,391	100.8
	11,607	(425)	2831.1	47,373	589	7943.0

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

		The Group		The Company	
Note		31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022
		\$'000	\$'000	\$'000	\$'000
ASSETS					
Current assets					
		87,639	25,970	2,118	1,461
	9	7,189	17,936	26,433	17,789
	10	27,303	23,979	-	-
		994	1,592	-	-
		<u>123,125</u>	<u>69,477</u>	<u>28,551</u>	<u>19,250</u>
Non-current assets					
	11	-	-	19,534	19,534
	12	78	45	-	-
	13	2,003	1,520	-	-
	14	83,232	78,505	-	-
	15	6,604	13,490	1,247	1,189
		2,006	2,005	-	-
	16	23,317	23,952	12,896	12,977
	17	16,299	13,537	-	-
	18	1,690	1,706	2	7
		1,122	664	-	-
		<u>136,351</u>	<u>135,424</u>	<u>33,679</u>	<u>33,707</u>
		<u>259,476</u>	<u>204,901</u>	<u>62,230</u>	<u>52,957</u>
LIABILITIES					
Current liabilities					
	19	39,749	28,077	13,935	2,855
	17	3,277	2,951	2	-
	20	9,018	12,880	-	3,450
		3,095	266	205	73
		<u>55,139</u>	<u>44,174</u>	<u>14,142</u>	<u>6,378</u>
Non-current liabilities					
	19	13,304	15,068	-	-
	17	4,655	4,723	7	-
	20	15,041	16,157	-	-
		1,875	1,065	10	7
		<u>34,875</u>	<u>37,013</u>	<u>17</u>	<u>7</u>
		<u>90,014</u>	<u>81,187</u>	<u>14,159</u>	<u>6,385</u>
		<u>169,462</u>	<u>123,714</u>	<u>48,071</u>	<u>46,572</u>
EQUITY					
Capital and reserves attributable to equity holders of the Company					
	21	36,832	36,832	36,832	36,832
	21	(235)	(235)	(235)	(235)
	22	5,680	3,660	-	-
		119,437	78,502	11,474	9,975
		<u>161,714</u>	<u>118,759</u>	<u>48,071</u>	<u>46,572</u>
		<u>7,748</u>	<u>4,955</u>	<u>-</u>	<u>-</u>
		<u>169,462</u>	<u>123,714</u>	<u>48,071</u>	<u>46,572</u>
		<u>167,772</u>	<u>122,008</u>	<u>48,069</u>	<u>46,565</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

Consolidated statement of changes in equity

	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

As at 1 Jan 2023	36,832	(235)	2,108	1,372	180	78,502	118,759	4,955	123,714
Profit for the period	-	-	-	-	-	35,636	35,636	188	35,824
Other comprehensive loss for the period	-	-	-	-	(30)	-	(30)	(28)	(58)
	-	-	-	-	(30)	35,636	35,606	160	35,766
Fair value adjustment on interest-free loan	-	-	2,059	-	-	-	2,059	-	2,059
Dividend in respect of FY2022	8	-	-	-	-	(2,149)	(2,149)	-	(2,149)
As at 30 Jun 2023	36,832	(235)	4,167	1,372	150	111,989	154,275	5,115	159,390
Profit for the period	-	-	-	-	-	8,983	8,983	2,642	11,625
Other comprehensive loss for the period	-	-	-	-	(9)	-	(9)	(9)	(18)
	-	-	-	-	(9)	8,983	8,974	2,633	11,607
Dividend in respect of FY2023	8	-	-	-	-	(1,535)	(1,535)	-	(1,535)
As at 31 Dec 2023	36,832	(235)	4,167	1,372	141	119,437	161,714	7,748	169,462



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

As at 1 Jan 2022		36,832	(235)	2,108	1,372	(38)	81,670	121,709	3,563	125,272
Profit for the period		-	-	-	-	-	1,188	1,188	66	1,254
Other comprehensive loss for the period		-	-	-	-	(123)	-	(123)	(117)	(240)
		-	-	-	-	(123)	1,188	1,065	(51)	1,014
Dividend in respect of FY2021	8	-	-	-	-	-	(2,149)	(2,149)	-	(2,149)
As at 30 Jun 2022		36,832	(235)	2,108	1,372	(161)	80,709	120,625	3,512	124,137
(Loss)/profit for the period		-	-	-	-	-	(2,207)	(2,207)	1,117	(1,090)
Other comprehensive income for the period		-	-	-	-	341	-	341	326	667
		-	-	-	-	341	(2,207)	(1,866)	1,443	(423)
As at 31 Dec 2022		36,832	(235)	2,108	1,372	180	78,502	118,759	4,955	123,714



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 2023 36,832 (235) 9,975 46,572

Total comprehensive income for the period - - 2,584 2,584

Dividend in respect of FY2022 8 - - (2,149) (2,149)

As at 30 Jun 2023 36,832 (235) 10,410 47,007

Total comprehensive income for the period - - 2,599 2,599

Dividend in respect of FY2023 8 - - (1,535) (1,535)

As at 31 Dec 2023 36,832 (235) 11,474 48,071

As at 1 Jan 2022 36,832 (235) 11,714 48,311

Total comprehensive income for the period - - 180 180

Dividend in respect of FY2021 8 - - (2,149) (2,149)

As at 30 Jun 2022 36,832 (235) 9,745 46,342

Total comprehensive income for the period - - 230 230

As at 31 Dec 2022 36,832 (235) 9,975 46,572



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	
		2023	2022
		\$'000	\$'000
Note			
Cash flows from operating activities			
	Net profit	47,449	164
	Adjustments for:		
	- Income tax expense	3,673	375
	- Depreciation of property, plant and equipment	6 2,240	1,915
	- Depreciation of right-of-use assets	6 2,858	2,714
	- Amortisation of intangible assets	6 16	18
	- Gain on disposal of right-of-use assets	6 -	(2)
	- Gain on disposal of property, plant and equipment, net	6 (114)	(44)
	- Gain on lease modification	6 (3)	(3)
	- Impairment loss on other receivables	6 4,200	500
	- Share of results of associated companies and joint ventures, net	(205)	(715)
	- Fair value gain on investment properties, net	6 (4,903)	(2,249)
	- Interest income	6 (1,433)	(238)
	- Interest expense	2,065	1,569
	- Foreign exchange differences	(286)	957
	Operating cash flow before working capital changes	55,557	4,961
	Change in working capital		
	- Trade and other receivables	10,747	(9,912)
	- Contract assets	(3,324)	(8,395)
	- Inventories	597	96
	- Trade and other payables	10,766	7,347
	Cash provided by/(used in) operations	74,343	(5,903)
	- Interest received	1,398	216
	- Income tax paid	(492)	(868)
	Net cash provided by/(used in) operating activities	75,249	(6,555)
Cash flows from investing activities			
	- Additions to property, plant and equipment	(3,337)	(4,254)
	- Additions to right-of-use assets	(1,579)	(1,487)
	- Purchases of other investments at amortised cost	-	(2,000)
	- Advance to an associated company	(1,000)	(2,125)
	- Repayment of loan by associated company	3,375	-
	- Proceeds from disposal of property, plant and equipment	197	89
	- Proceeds from disposal of right-of-use assets	-	61
	- Proceeds received from joint ventures	-	7
	- Interest received from other investments at amortised cost	35	17
	Net cash used in investing activities	(2,309)	(9,692)



Consolidated statement of cash flows (Cont'd)

The Group	
Financial Year ended 31 Dec	
2023	2022
\$'000	\$'000

Cash flows from financing activities

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

Note 8

(2,132)	(1,625)
907	98
(1,615)	(1,129)
(4,731)	(3,861)
(3,684)	(2,149)
(718)	20

Net cash used in financing activities

(11,973) (8,646)

Net increase/(decrease) in cash and cash equivalents

60,967 (24,893)

Cash and cash equivalents at the beginning of the financial year

20,795 45,834

Effects of currency translation on cash and cash equivalents

(17) (146)

Cash and cash equivalents at the end of the financial year

81,745 20,795

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 2023	31 Dec 2022
\$'000	\$'000
Cash at bank and on hand	35,979 9,235
Short-term bank deposits	51,410 16,596
Trust account – Cash at bank	250 139
	87,639 25,970
Short-term bank deposits pledged to banks	(5,894) (5,175)
Cash and cash equivalents per consolidated statement of cash flows	81,745 20,795

Short-term bank deposits of \$5,893,848 (2022: \$5,175,382) are pledged to banks for banking facilities of certain subsidiary corporations.



Notes to the condensed 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 condensed interim consolidated financial statements as at and for the half year ended 31 December 2023 and consolidated financial statements as at and for the full year ended 31 December 2023 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 half year and full year ended 31 December 2023 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore (the “Standards”). 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 for an understanding of the changes in the Group's financial position and performance since the last unaudited financial statements for the period ended 30 June 2023.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim financial statements are presented in Singapore dollar which is the Company's functional currency. All financial information is presented in \$ and has been rounded to the nearest thousand, unless otherwise stated.

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 condensed interim 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.

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:

- Fair value of investment properties
- Impairment of property, plant and equipment
- Recognition of revenue from construction and maintenance contracts
- Impairment of other receivables – loan to associated companies

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 31 Dec 2023				Half Year ended 31 Dec 2022			
	Construction	Maintenance	Rental income	Total	Construction	Maintenance	Rental income	Total
The Group								
Revenue	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Total segment revenue	89,986	25,323	3,205	118,514	72,883	16,430	3,018	92,331
Inter-segment revenue	(28,127)	-	-	(28,127)	(28,279)	-	-	(28,279)
Revenue from external parties	61,859	25,323	3,205	90,387	44,604	16,430	3,018	64,052
Gross profit	16,829	3,796	2,032	22,657	1,777	2,146	1,908	5,831
Other income								
- Allocated			4,947	4,947			1,609	1,609
- Unallocated				(2,981)				1,257
Other losses								
- Allocated			-	-			-	-
- Unallocated				(117)				(900)
Administrative costs								
- Allocated			(365)	(365)			(204)	(204)
- Unallocated				(10,922)				(8,319)
Share of profit of joint venture companies				11				16
Share of (loss)/profit of associated companies				(21)				403
Finance expenses				13,209				(307)
- Allocated			(915)	(915)			(752)	(752)
- Unallocated				(109)				(173)
Profit/(loss) before income tax				12,185				(1,232)
Income tax (expense)/credit								
- Allocated			378	378			(176)	(176)
- Unallocated				(938)				318
Net profit/(loss) for the interim period				11,625				(1,090)
Depreciation of property, plant and equipment	1,009	93	-	1,102	454	90	-	544
Depreciation of right-of-use assets	1,183	107	-	1,290	1,299	202	-	1,501
Amortisation	3	-	-	3	9	-	-	9
Segment assets								
- Allocated	26,373	8,060	88,234	122,667	33,676	7,662	83,365	124,703
- Unallocated				136,809			80,198	80,198
Total assets				259,476				204,901
Additions to								
- Right-of-use assets	475	74	1,388	1,937	531	-	707	1,238
- Investment properties			-	-			-	-
				1,937				1,238
Segment liabilities								
- Allocated	15,544	10,624	37,921	64,089	14,959	7,552	44,687	67,198
- Unallocated			25,925	25,925			13,989	13,989
Total liabilities				90,014				81,187



	Primary Reporting - Business Segment							
	Financial Year ended 31 Dec 2023				Financial Year ended 31 Dec 2022			
The Group	Construction	Maintenance	Rental income	Total	Construction	Maintenance	Rental income	Total
Revenue	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Total segment revenue	155,808	51,604	6,379	213,791	138,231	29,456	6,270	173,957
Inter-segment revenue	(53,399)	-	-	(53,399)	(56,311)	-	-	(56,311)
Revenue from external parties	102,409	51,604	6,379	160,392	81,920	29,456	6,270	117,646
Gross profit	14,219	6,475	4,027	24,721	2,849	4,041	3,928	10,818
Other income								
- Allocated			4,903	4,903			1,609	1,609
- Unallocated				42,322				2,974
Other losses								
- Allocated			-	-			-	-
- Unallocated				(290)				(1,614)
Administrative costs								
- Allocated			(679)	(679)			(356)	(356)
- Unallocated				(17,995)				(12,038)
Share of profit of joint venture companies				33				20
Share of profit of associated companies				172				695
Finance expenses				53,187				2,108
- Allocated			(1,779)	(1,779)			(1,272)	(1,272)
- Unallocated				(286)				(297)
Profit before income tax				51,122				539
Income tax (expense)/credit								
- Allocated			374	374			(498)	(498)
- Unallocated				(4,047)				123
Net profit for the financial year				47,449				164
Depreciation of property, plant and equipment	1,656	197	-	1,853	1,272	214	-	1,486
Depreciation of right-of-use assets	2,215	569	-	2,784	2,322	381	-	2,703
Amortisation	7	-	-	7	19	-	-	19
Segment assets								
- Allocated	26,373	8,060	88,234	122,667	33,676	7,662	83,365	124,703
- Unallocated				136,809				80,198
Total assets				259,476				204,901
Additions to								
- Right-of-use assets	886	74	3,008	3,968	1,086	38	1,773	2,897
- Investment properties				-				-
				3,968				2,897
Segment liabilities								
- Allocated	15,544	10,624	37,921	64,089	14,959	7,552	44,687	67,198
- Unallocated			25,925	25,925			13,989	13,989
Total liabilities				90,014				81,187



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 business segments 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	
2023	2022	2023	2022
\$'000	\$'000	\$'000	\$'000

Over time

Construction and maintenance

- Singapore	87,182	61,034	154,013	111,376
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Rental income

- Singapore	370	538	712	695
- Australia	2,835	2,480	5,667	5,575
	3,205	3,018	6,379	6,270
	<u>90,387</u>	<u>64,052</u>	<u>160,392</u>	<u>117,646</u>

A breakdown of sales:

	The Group			
	Financial Year ended 31 Dec		Increase/ (Decrease)	
	2023	2022		
	\$'000	\$'000	\$'000	%
(a) Sales reported for first half year	70,005	53,594	16,411	30.6
(b) Operating profit after taxation before deducting non-controlling interests reported for the first half year	35,824	1,254	34,570	2,756.8
(c) Sales reported for second half year	90,387	64,052	26,335	41.1
(d) Operating profit/(loss) after taxation before deducting non-controlling interests reported for the second half year	11,625	(1,090)	12,715	1,166.5



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 2023 and 31 December 2022:

	The Group		The Company	
	31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022
	\$'000	\$'000	\$'000	\$'000
Financial assets				
Cash and cash equivalents	87,639	25,970	2,118	1,461
Trade and other receivables	12,471	29,983	27,637	18,913
Other investments at amortised cost	2,006	2,005	-	-
	<u>102,116</u>	<u>57,958</u>	<u>29,755</u>	<u>20,374</u>
Financial liabilities				
Trade and other payables	53,053	43,145	13,935	2,855
Lease liabilities	7,932	7,674	9	-
Borrowings	24,059	29,037	-	3,450
	<u>85,044</u>	<u>79,856</u>	<u>13,944</u>	<u>6,305</u>

6. Profit before taxation

6.1 Significant items

Notes	The Group			The Group		
	Half Year ended 31 Dec		Increase/ (Decrease)	Financial Year ended 31 Dec		Increase/ (Decrease)
	2023	2022		2023	2022	
	\$'000	\$'000	%	\$'000	\$'000	%
Income						
Interest income - bank deposits	980	156	528.2	1,398	216	547.2
Interest income – other investments at amortised cost	19	22	(13.6)	35	22	59.1
Gain on disposal of property, plant and equipment (net)	24	25	(4.0)	114	44	159.1
Gain on disposal of right-of-use assets	-	-	-	-	2	n.m.
Gain on lease modification	3	3	n.m.	3	3	n.m.
Government grants	84	274	(69.3)	947	1,830	(48.3)
Fair value gain on investment properties, net	4,903	2,249	118.0	4,903	2,249	118.0
Arbitral award	-	-	-	43,793	-	100.0



Notes	The Group			The Group		
	Half Year ended 31 Dec		Increase/ (Decrease)	Financial Year ended 31 Dec		Increase/ (Decrease)
	2023	2022		2023	2022	
	\$'000	\$'000	%	\$'000	\$'000	%
<u>Expenses</u>						
Non-audit fee paid to the auditors of the Company	24	15	60.0	39	28	39.3
Amortisation of intangible assets	4	5	(20.0)	9	10	(10.0)
Depreciation of property, plant and equipment	189	215	(12.1)	387	429	(9.8)
Depreciation of right-of-use assets	44	5	780.0	74	11	572.7
Directors' remuneration						
- Directors of the Company	7,106	1,179	502.7	10,704	2,374	350.9
- Other directors	194	183	6.0	379	368	3.0
Directors' fees	90	90	-	180	180	-
Interest paid and payable						
- Bank borrowings	687	604	13.7	1,397	937	49.1
- Lease liabilities	108	104	3.8	218	192	13.5
- Notional interest on loan	229	217	5.5	450	440	2.3
Employee compensation	2,252	1,737	29.6	4,294	3,305	29.9
Loss on foreign exchange	a 117	400	(70.8)	290	1,114	(74.0)
Impairment loss on other receivables	b 4,200	500	740.0	4,200	500	740.0
<u>Included in the cost of sales are the following: -</u>						
Depreciation of property, plant and equipment	1,102	758	45.4	1,853	1,486	24.7
Depreciation of right-of-use assets	1,290	1,507	(14.4)	2,784	2,703	3.0
Amortisation of intangible assets	3	4	(25.0)	7	8	(12.5)
Employee compensation	17,127	15,721	8.9	32,725	31,347	4.4

n.m. - not meaningful

Note:

- (a) Loss on foreign exchange mainly arose from the revaluation of assets denominated in Australian dollar to Singapore dollar.
(b) Impairment loss on other receivables mainly arose from the loan extended to an associated company. For further information, please refer to Note 15.

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 condensed interim consolidated statement of profit or loss are:

The Group		The Group	
Half Year ended 31 Dec		Financial Year ended 31 Dec	
2023	2022	2023	2022
\$'000	\$'000	\$'000	\$'000

Tax expense attributable to profit is made up of:

- Profit from current financial year:

Current income tax

- Singapore

- Foreign

(52)	(13)	2,929	21
281	244	396	543
229	231	3,325	564

Deferred income tax

- Singapore

- Foreign

1,009	(104)	1,155	70
(678)	(55)	(807)	(45)
331	(159)	348	25

- Over provision in prior financial years:

Deferred income tax

- Singapore

-	(214)	-	(214)
560	(142)	3,673	375

8. Dividends

Group and Company	
Financial Year ended 31 Dec	
2023	2022
\$'000	\$'000

Ordinary dividends paid

Final one-tier tax exempt dividend paid in respect of the previous financial year of \$0.007 (2022: \$0.007) per share

2,149 2,149

Special interim one-tier tax exempt dividend paid in respect of the current financial year of \$0.005 (2022: \$Nil) per share

1,535 -

3,684 2,149



9. Trade and other receivables

	The Group		The Company	
	31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022
	\$'000	\$'000	\$'000	\$'000
Trade receivables				
- Non-related parties	4,089	12,827	-	-
- Subsidiary corporations	-	-	15,108	6,433
- Joint venture	-	-	-	-
	4,089	12,827	15,108	6,433
Retentions	46	154	-	-
Other receivables				
- Subsidiary corporations	-	-	11,751	11,967
- Associated companies	9	9	-	-
- Joint ventures	36	36	-	-
- Non-related parties	294	901	-	-
	339	946	11,751	11,967
Less: Impairment loss on receivables	-	-	(510)	(688)
Other receivables – net	339	946	11,241	11,279
Advance to suppliers/sub-contractors	6	6	-	-
Deposits	1,393	2,566	41	12
Prepayments	1,316	1,437	43	65
	7,189	17,936	26,433	17,789

The other 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.



10. Contract assets and liabilities

The Group	
31 Dec 2023	31 Dec 2022
\$'000	\$'000

Contract assets

Construction contracts due from customers

27,303	23,979
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Contract assets balance increased due to higher unbilled amounts expected to be collected from customers following the increase in revenue.

11. Investments in subsidiary corporations

The Company	
31 Dec 2023	31 Dec 2022
\$'000	\$'000

Equity investments at cost

Beginning and end of financial year

19,219	19,219
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Impairment loss

Beginning and end of financial year

-	-
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Loan to a subsidiary corporation

Beginning and end of financial year

315	315
-----	-----

19,534	19,534
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Name of subsidiary corporations	Principal activities	Country of incorporation/ registration	Equity holding held by the Group	
			31 Dec 2023	31 Dec 2022

Held by the Company

Or Kim Peow Contractors (Private) Limited ^(@)	Business of road and building construction and maintenance	Singapore	100%	100%
Eng Lam Contractors Co (Pte) Ltd ^(@)	Business of road construction and maintenance	Singapore	100%	100%
OKP Technical Management Pte Ltd ^{(@)(*)}	Provision of technical management and consultancy services	Singapore	100%	100%
OKP Investments (Singapore) Pte Ltd ^{(@)(*)}	Investment holding	Singapore	100%	100%
OKP (Oil & Gas) Infrastructure Pte Ltd ^{(@)(*)}	Business of carrying out civil engineering projects in respect of oil, petrochemical and gas related businesses in Singapore	Singapore	100%	100%
United Pavement Specialists Pte Ltd ^{(@)(&)}	Provision of rental services and investment holding	Singapore	-	100%
OKP Land Pte Ltd ^(@)	Investment holding and property development	Singapore	100%	100%
OKP Transport & Trading Pte Ltd ^{(@)(*)}	Provision of transport and logistics services	Singapore	100%	100%

Held by Or Kim Peow Contractors (Private) Limited and Eng Lam Contractors Co (Pte) Ltd

Unincorporated joint venture

EL-OKP JV ^(^)	Business of general construction	Singapore	100%	100%
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Held by OKP Land Pte Ltd

Raffles Prestige Capital Pte Ltd ^(@)	Investment holding	Singapore	51%	51%
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Held by Raffles Prestige Capital Pte Ltd

Bennett WA Investment Pty Ltd ^(#)	Property investment	Australia	51%	51%
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(@) Audited by CLA Global TS Public Accounting Corporation.

(#) Audited by Nexia Perth Audit Services Pty Ltd.

(*) Dormant company.

(^) Registered on 23 August 2021 and not required to be audited under the laws of relevant jurisdiction.

(&) Struck off during the financial year ended 31 December 2023.



12. Investments in joint ventures

The Group	
31 Dec 2023	31 Dec 2022
\$'000	\$'000

Interests in joint ventures

Beginning of financial year	45	32
Share of profit of joint ventures	33	20
Capital reduction in a joint venture	-	(7)
End of financial year	78	45

Details of the joint ventures are as follows:

Name of joint ventures	Principal activities	Country of incorporation	Percentage of ownership interest	
			31 Dec 2023	31 Dec 2022

Held by subsidiary corporations

Incorporated joint ventures

Lakehomes Pte Ltd ^(*) (1)	Property development	Singapore	-	10%
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Unincorporated joint ventures

Chye Joo – Or Kim Peow JV ^(*) (2)	Business of general construction	Singapore	-	50%
Eng Lam – United E&P JV ^(&) (3)	Business of general construction	Singapore	55%	55%

(*) Dissolved/deregistered during the financial year ended 31 December 2023

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

(1) 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.

LH has been dissolved by way of members' voluntary liquidation on 2 November 2023.

(2) On 4 May 2015, a joint venture partnership, Chye Joo - Or Kim Peow JV (CJ-OKP 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.

CJ-OKP JV has been deregistered on 3 February 2023.

(3) 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 respective 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 2023	31 Dec 2022
	\$'000	\$'000
Assets		
- Current assets	1,427	4,607
Liabilities		
- Current liabilities	(1,286)	(4,525)
Net assets	141	82
Revenue	29,758	18,160
Expenses	(29,699)	(18,128)
Profit before income tax	59	32
Income tax expense	-	-
Net profit	59	32

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 2023	31 Dec 2022
\$'000	\$'000

Interests in associated companies

Beginning of financial year	1,520	915
Notional fair value of loan (net)	311	(90)
Share of profit of associated companies	172	695
End of financial year	2,003	1,520

Name of associated companies	Principal activities	Country of incorporation	Equity holding	
			31 Dec 2023	31 Dec 2022

Held by subsidiary corporations

Chong Kuo Development Pte Ltd ^{(&)(1)}	Property development	Singapore	22.5%	22.5%
USB Holdings Pte Ltd ^{(#)(2)}	Investment holding and property development	Singapore	25%	25%

Held by USB Holdings Pte Ltd

United Singapore Builders Pte Ltd ^{(#)(3)}	General contractors	Singapore	100%	100%
USB (Phoenix) Pte Ltd ^{(#)(4)}	Property development	Singapore	100%	100%

(&) Audited by Ernst & Young LLP

(#) Audited by CLA Global 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 2023	31 Dec 2022
	\$'000	\$'000
Assets		
- Current assets	79,946	113,019
- Non-current assets	572	750
Liabilities		
- Current liabilities	(12,674)	(11,735)
- Non-current liabilities	(78,622)	(109,856)
Net liabilities	(10,778)	(7,822)
Revenue	82,485	78,959
Expenses	(87,518)	(87,201)
Loss before income tax	(5,033)	(8,242)
Income tax credit	(282)	-
Net loss	(5,315)	(8,242)

The Group has not recognised its share of loss of its associated company, USB Holdings Pte Ltd, amounting to \$1.1 million (2022: \$2.8 million) 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 \$5.7 million (2022: \$4.6 million) as at 31 December 2023.

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 2023	31 Dec 2022
	\$'000	\$'000
Beginning of financial year	78,505	78,487
Currency translation differences	(176)	(2,231)
Net fair value gain recognised in profit and loss	4,903	2,249
End of financial year	83,232	78,505



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		The Company	
	31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022
	\$'000	\$'000	\$'000	\$'000
Loans to associated companies				
- Chong Kuo Development Pte Ltd	1,035	4,410	-	-
- USB Holdings Pte Ltd	11,162	10,162	-	-
Less: Notional fair value of loan (net)	(893)	(582)	-	-
	11,304	13,990	-	-
Loan to a subsidiary corporation	-	-	1,500	1,500
Less: Notional fair value of loan (net)	-	-	(253)	(311)
	-	-	1,247	1,189
	11,304	13,990	1,247	1,189
Less: Impairment loss on other receivables	(4,700)	(500)	-	-
	6,604	13,490	1,247	1,189

The loans to associated companies and a subsidiary corporation 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.

The Group monitors the credit risk of the associated companies based on the financial capacity to meet the contractual obligation. The Group determined that there is an under-performing associated company with significant increase in credit risk since initial recognition. Impairment of the loan to the associated company has been measured on lifetime ECL basis. Accordingly, an impairment of \$4,200,000 (2022: \$500,000) had been recognised during the current financial year.

16. Property, plant and equipment

During the financial year ended 31 December 2023, the Group acquired property, plant and equipment amounting to \$3.3 million (2022: \$4.3 million) and disposed of property, plant and equipment amounting to \$83,000 (2022: \$45,000).



17. Leases

(a) Amounts recognised in the statements of financial position

	The Group		The Company	
	31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022
	\$'000	\$'000	\$'000	\$'000
<u>Right-of-use assets</u>				
Office unit	576	94	-	-
Office equipment	9	-	9	-
Plant and machineries	12,755	10,635	-	-
Motor vehicles	2,055	1,208	-	-
Use of state land for worksites	904	1,600	-	-
	<u>16,299</u>	<u>13,537</u>	<u>9</u>	<u>-</u>
<u>Lease liabilities</u>				
Current	3,277	2,951	2	-
Non-current	4,655	4,723	7	-
	<u>7,932</u>	<u>7,674</u>	<u>9</u>	<u>-</u>

(b) Amounts recognised in the statement of comprehensive income

	The Group		The Group	
	Half Year ended 31 Dec		Financial Year ended 31 Dec	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
<u>Depreciation of right-of-use assets</u>				
Office unit	83	48	125	88
Office equipment	1	-	1	-
Plant and machineries	686	769	1,488	1,490
Motor vehicles	168	148	301	292
Use of state land for worksites	396	547	943	844
	<u>1,334</u>	<u>1,512</u>	<u>2,858</u>	<u>2,714</u>
Interest expense (included in finance expenses)	108	104	218	192



18. Intangible assets

The Group		The Company	
31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022
\$'000	\$'000	\$'000	\$'000

Composition:

Goodwill	1,688	1,688	-	-
Computer software licences	2	18	2	7
	<u>1,690</u>	<u>1,706</u>	<u>2</u>	<u>7</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>
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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 and as at 31 December	520	520	78	78
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Accumulated Amortisation

As at 30 June	510	493	73	69
Amortisation charge	<u>8</u>	<u>9</u>	<u>3</u>	<u>2</u>
As at 31 December	<u>518</u>	<u>502</u>	<u>76</u>	<u>71</u>

Net book value	<u>2</u>	<u>18</u>	<u>2</u>	<u>7</u>
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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 31 December 2023 was determined in a similar manner to the 31 December 2022 goodwill impairment test, and was based on the following key assumptions:

- Gross margin of 3% - 9% (2022: 3% - 9%)
- Growth rate of 3% - 8% (2022: 3% - 8%)
- Discount rate of 7.2% (2022: 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 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022
	\$'000	\$'000	\$'000	\$'000
<u>Current</u>				
Trade payables				
- Non-related parties	23,053	19,333	539	82
Other payables				
- Subsidiary corporations	-	-	4,550	1,955
- Non-controlling interests	1,633	674	-	-
- Non-related parties	485	429	5	-
	2,118	1,103	4,555	1,955
Accrued operating expenses	14,578	7,641	8,841	818
	<u>39,749</u>	<u>28,077</u>	<u>13,935</u>	<u>2,855</u>
<u>Non-current</u>				
Other payables				
- Loan from non-controlling interests	15,278	15,427	-	-
Less: Notional fair value of loan	(1,974)	(359)	-	-
	<u>13,304</u>	<u>15,068</u>	<u>-</u>	<u>-</u>

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

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



20. Bank borrowings

	The Group		The Company	
	31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022
	\$'000	\$'000	\$'000	\$'000
Current				
Secured bank term loan ^(a)	718	730	-	-
Secured bank facilities ^(b)	8,300	12,150	-	3,450
	9,018	12,880	-	3,450
Non-current				
Secured bank term loan ^(a)	15,041	16,157	-	-
	24,059	29,037	-	3,450

- (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 dollars. It bears interest at 1.75% 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
Group and Company				
31 Dec 2023				
Beginning and end of financial year	308,431	(1,469)	36,832	(235)
31 Dec 2022				
Beginning and 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 2023 and 31 December 2022.



22. Other reserves

The Group	
31 Dec 2023	31 Dec 2022
\$'000	\$'000

(a) **Composition:**

Asset revaluation reserve	1,372	1,372
Currency translation reserve	141	180
Capital reserve	4,167	2,108
	<u>5,680</u>	<u>3,660</u>

(b) **Movements**

Asset revaluation reserve

Beginning and end of financial year	<u>1,372</u>	<u>1,372</u>
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Currency translation reserve

Beginning of financial year	180	(38)
Currency translation differences arising from consolidation	(76)	427
Less: Non-controlling interests	37	(209)
	<u>(39)</u>	<u>218</u>
End of financial year	<u>141</u>	<u>180</u>

Capital reserve

Beginning of financial year	2,108	2,108
Fair value adjustment on interest-free loan	2,059	-
End of financial year	<u>4,167</u>	<u>2,108</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 2023			As at 31 Dec 2022		
	\$'000	\$'000		\$'000	\$'000
	Secured	Unsecured		Secured	Unsecured
Lease liabilities	3,277	-	Lease liabilities	2,951	-
Bank borrowings	9,018	-	Bank borrowings	12,880	-
Total	12,295	-	Total	15,831	-

(b) Amount repayable after one year

As at 31 Dec 2023			As at 31 Dec 2022		
	\$'000	\$'000		\$'000	\$'000
	Secured	Unsecured		Secured	Unsecured
Lease liabilities	4,655	-	Lease liabilities	4,723	-
Bank borrowings	15,041	-	Bank borrowings	16,157	-
Total	19,696	-	Total	20,880	-

(c) Details of any collateral

The above secured borrowings of the Group relate to:

- (1) lease liabilities of \$7.9 million secured by corporate guarantees of the Company and charges over the property, plant and equipment under the leases; and
- (2) bank borrowings of \$24.0 million secured by first legal mortgage over investment properties of the Group, pledge of certain bank deposits, 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 2023.

No shares were bought back by the Company during the second half year ended 31 December 2023 under the Share Buy Back Mandate which was approved by the Shareholders.

There were 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 2023 (31 December 2022: 1,469,100 treasury shares, 0.48%).

There were no outstanding convertibles issued by the Company and no subsidiary holdings as at 31 December 2023 and 31 December 2022.

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 2023	31 Dec 2022
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 the second half year ended 31 December 2023.

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 modifications or emphasis of matter)

Not applicable.

3A Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:-

- (a) Updates on the efforts taken to resolve each outstanding audit issue.
- (b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

This is not required for any audit issue that is a material uncertainty relating to going concern.

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 2022.

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

The Group has adopted the new and revised SFRS(I)s and SFRS(I) INTs which are relevant to the Group's operations and become effective for annual periods beginning on or after 1 January 2023. The adoption of these new and revised SFRS(I)s and SFRS(I) INTs does not result in changes to the accounting policies of the Group and the Company and has no material effect on the amounts reported for the current and/or prior financial year.

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 2024:

Effective for annual periods beginning on or after 1 January 2024

- Amendments to SFRS(I) 1-1: Classification of Liabilities as Current or Non-current
- Amendments to SFRS(I) 16: Lease liability in a Sale and Leaseback
- Amendments to SFRS(I) 1-1: Non-current Liabilities with Covenants
- Amendments to SFRS(I) 1-7 and SFRS(I) 7: Supplier Finance Arrangements

Effective for annual periods beginning on or after 1 January 2025

- Amendments to SFRS(I) 1-21: Lack of Exchangeability

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



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/ (Decrease) %
	2023	2022	
Net profit/(loss) attributable to equity holders of the Company (\$'000)	44,619	(1,019)	4478.7
Weighted average number of ordinary shares in issue	307,467,992	307,467,992	-
Basic earnings/(loss) per share (cents per share)	14.51	(0.33)	4497.0
Diluted earnings/(loss) per share (cents per share)	14.51	(0.33)	4497.0

**7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares, excluding treasury shares, of the issuer at the end of the
(a) current period reported on and
(b) immediately preceding financial year**

	The Group		The Company		Increase/ (Decrease) %	
	As at 31 Dec 2023	As at 31 Dec 2022	As at 31 Dec 2023	As at 31 Dec 2022	The Group	The Company
Net tangible assets (\$'000)	167,772	122,008	48,069	46,565	37.5	3.2
Number of shares (excluding treasury shares)	306,961,494	306,961,494	306,961,494	306,961,494	-	-
NTA per share (cents)	54.66	39.75	15.66	15.17	37.5	3.2



8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following: -
- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
 - (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on

Our Business

OKP Holdings Limited is a home-grown infrastructure and civil engineering company in the region. It specialises in the construction of urban and arterial roads, expressways, vehicular bridges, flyovers, airport infrastructure and oil 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 2023 vs Previous Financial Year ended 31 December 2022)

	The Group					
	Financial Year ended 31 Dec				Increase/ (Decrease)	
	2023		2022			
	\$'000	%	\$'000	%	\$'000	%
Construction	102,409	63.8	81,920	69.7	20,489	25.0
Maintenance	51,604	32.2	29,456	25.0	22,148	75.2
Rental income	6,379	4.0	6,270	5.3	109	1.7
Total Revenue	160,392	100.0	117,646	100.0	42,746	36.3

Revenue

Our Group reported a substantial 36.3% or \$42.7 million increase in revenue to \$160.4 million during the financial year ended 31 December 2023 ("FY2023"), compared to \$117.6 million recorded in the preceding financial year ended 31 December 2022 ("FY2022"). The surge was primarily due to a 25.0% increase in revenue from the construction segment, reaching \$102.4 million, alongside a remarkable 75.2% rise in revenue from the maintenance segment, totalling \$51.6 million. Additionally, there was a marginal 1.7% increase in rental income.

Both the construction and maintenance segments exhibited positive revenue growth in FY2023 as compared to FY2022. It was mainly attributable to a higher percentage of revenue recognised from various ongoing and newly awarded construction and maintenance projects as they progressed to a more active phase in FY2023.



The slight increase in rental income was mainly from the rental income generated by the property located at 6-8 Bennett Street, East Perth, Western Australia.

The construction and maintenance segments remain the major revenue drivers for our Group. On a segmental basis, construction, maintenance and rental income contributed 63.8% (FY2022: 69.7%), 32.2% (FY2022: 25.0%) and 4.0% (FY2022: 5.3%) respectively to our Group's revenue for FY2023.

Cost of sales

	The Group			
	Financial Year ended 31 Dec		Increase/ (Decrease)	
	2023	2022		
	\$'000	\$'000	\$'000	%
Construction	133,319	104,486	28,833	27.6
Maintenance				
Rental income	2,352	2,342	10	0.4
Total cost of sales	135,671	106,828	28,843	27.0

Our cost of sales saw a significant increase of 27.0%, translating to a \$28.9 million increase from \$106.8 million in FY2022 to \$135.7 million in FY2023. The increase in cost of sales was attributed mainly to:

- (a) an increase in sub-contracting costs, predominantly comprising costs related to premix works, signages, asphalt works, mechanical and electrical works, soil testing, landscaping and metalworks, typically outsourced to external parties;
- (b) an increase in labour cost due to increased headcount and a higher provision for bonus;
- (c) an increase in the cost of construction materials, driven by higher utilisation of materials and price hikes in construction materials; and
- (d) an increase in overheads, particularly hiring costs associated with the rental of additional heavy equipment and machineries to support ongoing and newly awarded projects,

during FY2023.



Gross profit and gross profit margin

	The Group					
	Financial Year ended 31 Dec				Increase/ (Decrease)	
	2023		2022			
	\$'000	Gross Profit Margin	\$'000	Gross Profit Margin	\$'000	%
Construction	20,694	13.4%	6,890	6.2%	13,804	200.3
Maintenance						
Rental income	4,027	63.1%	3,928	62.6%	99	2.5
Total gross profit	24,721	15.4%	10,818	9.2%	13,903	128.5

Our gross profit increased by 128.5%, amounting to a \$13.9 million increase from \$10.8 million in FY2022 to \$24.7 million in FY2023.

While the rental income segment demonstrated a marginal increase in gross profit contribution by \$0.1 million, rising from \$3.9 million in FY2022 to \$4.0 million in FY2023, the construction and maintenance segments exhibited a substantial \$13.8 million increase, soaring from \$6.9 million in FY2022 to \$20.7 million in FY2023.

The gross profit margin for the construction and maintenance segments notably improved from 6.2% in FY2022 to 13.4% in FY2023. The improvement in the gross profit margin was mainly attributed to the Group's ongoing initiatives to enhance cost management, notwithstanding the challenges posed by higher material costs and rising manpower costs.

Other gains, net

Other gains demonstrated a notable increase of \$43.9 million or 1,480.8%, rising from \$3.0 million in FY2022 to \$46.9 million in FY2023. The substantial increase was mainly due to:

- (a) an increase in interest income by \$1.2 million resulting from higher fixed deposit placement and higher interest rate from bank deposits;
- (b) the receipt of an arbitral award of \$43.8 million in relation to the Contract 449A worksite incident;
- (c) an increase of \$2.7 million in fair value gain on investment properties; and
- (d) a decrease of \$0.8 million in the loss on foreign exchange arising from the revaluation of assets and liabilities denominated in Australian dollar to Singapore dollar,

which were partially offset by:

- (e) a decrease of \$0.9 million in government grants; and
- (f) an increase of \$3.7 million in loss allowance provided for amount due from an associated company,

during FY2023.



Administrative expenses

Administrative expenses increased by \$6.3 million or 50.7% from \$12.4 million for FY2022 to \$18.7 million for FY2023. The increase was largely due to:

- (a) an increase of \$1.0 million in employee compensation due to salary adjustment and higher provision for bonus;
- (b) an increase of \$8.4 million in directors' remuneration (including profit sharing) accrued, reflecting the higher profit generated by the Group; and
- (c) a \$0.3 million increase in donation, \$0.1 million increase in repair and maintenance of office equipment, and \$0.1 million increase in withholding tax,

which were partially offset by the decrease of \$3.6 million in professional fees in FY2023.

Finance expenses

Finance expenses increased by \$0.5 million or 31.6%, from \$1.6 million in FY2022 to \$2.1 million in FY2023. The increase was due mainly to higher borrowing costs arising from the increase in interest rates during FY2023.

Share of results of associated companies and joint ventures

The Group		
Financial Year ended 31 Dec		
2023	2022	
\$'000	\$'000	
Share of profit of joint ventures	33	20
Share of profit of associated companies	172	695
	<u>205</u>	<u>715</u>

The share of results of associated companies and joint ventures decreased by \$0.5 million or 71.3% from \$0.7 million in FY2022 to \$0.2 million in FY2023. The decrease was due mainly to the decrease in share of profit from the 22.5%-held associated company, Chong Kuo Development Pte Ltd, during FY2023.

Profit before income tax

Profit before income tax increased by \$50.6 million from \$0.5 million in FY2022 to \$51.1 million in FY2023. The increase was due mainly to (1) the increase in gross profit of \$13.9 million and (2) the increase in other gains of \$43.9 million, which were partially offset by, (3) the increase of \$6.2 million in administrative expenses, (4) the increase in finance expenses of \$0.5 million, and (5) the decrease in share of profit of \$0.5 million, as explained above.



Income tax expense

Income tax expense increased by \$3.3 million or 879.5% from \$0.4 million in FY2022 to \$3.7 million in FY2023, primarily driven by the Group's higher taxable profit, attributed to the arbitral award received in relation to the 2017 worksite accident and operational profit derived from both ongoing and newly awarded projects.

The effective tax rates for FY2023 and FY2022 stood at 7.2% and 69.6%, respectively.

The effective tax rate for FY2023 was 7.2%, which was lower than the statutory tax rate of 17%, due to the utilisation of tax credits. Conversely, the effective tax rate for FY2022 was higher than the statutory tax rate of 17.0% due mainly to (1) the relatively higher corporate tax rate of our Australian subsidiary corporation, (2) certain non-deductible items added back for tax purposes and (3) recognition of deferred tax liabilities in one of the subsidiary corporations.

Non-controlling interests

Non-controlling interests of \$2.8 million was due to the share of profit of our subsidiary corporation, Raffles Prestige Capital Pte Ltd, in FY2023.

Net profit

Overall, net profit increased by \$47.2 million or 28,832.3%, from \$0.2 million for FY2022 to \$47.4 million for FY2023, following the increase in profit before income tax, which was partially offset by the increase in income tax expense, as explained above.

Our net profit margin increased from 0.1% for FY2022 to 29.6% for FY2023.



Review of income statements for the Half Year ended 31 December 2023

	The Group					
	Half Year ended 31 Dec				Increase/ (Decrease)	
	2023		2022			
	\$'000	%	\$'000	%	\$'000	%
Construction	61,859	68.5	44,604	69.6	17,255	38.7
Maintenance	25,323	28.0	16,430	25.7	8,893	54.1
Rental income	3,205	3.5	3,018	4.7	187	6.2
Total Revenue	90,387	100.0	64,052	100.0	26,335	41.1

Revenue

Our Group reported a 41.1% or \$26.3 million increase in revenue to \$90.4 million during the second half year ended 31 December 2023 ("2H2023") as compared to \$64.1 million during the second half year ended 31 December 2022 ("2H2022"). The increase was due mainly to a 38.7% increase in revenue from the construction segment to \$61.9 million and a 54.1% increase in revenue from the maintenance segment to \$25.3 million, along with a 6.2% increase in rental income.

The increase in revenue from both the construction and maintenance segments was mainly attributable to a higher percentage of revenue recognised from various ongoing and newly awarded construction and maintenance projects as they progressed to a more active phase in FY2023.

The marginal increase in rental income was mainly from the rental income generated by the property located at 6-8 Bennett Street, East Perth, Western Australia.

The construction and maintenance segments remain the major revenue drivers for our Group. On a segmental basis, construction, maintenance and rental income accounted for 68.5% (2H2022: 69.6%), 28.0% (2H2022: 25.7%) and 3.5% (2H2022: 4.7%) respectively of our Group's revenue for 2H2023.



Cost of sales

	The Group			
	Half Year ended 31 Dec		Increase/ (Decrease)	
	2023	2022		
	\$'000	\$'000	\$'000	%
Construction	66,557	57,111	9,446	16.5
Maintenance				
Rental income	1,173	1,110	63	5.7
Total cost of sales	67,730	58,221	9,509	16.3

Our cost of sales increased by 16.3% or \$9.5 million from \$58.2 million for 2H2022 to \$67.7 million for 2H2023. The increase in cost of sales was due mainly to:

- (a) an increase in sub-contracting costs, predominantly comprising costs related to premix works, signages, asphalt works, mechanical and electrical works, soil testing, landscaping and metalworks, typically outsourced to external parties;
- (b) an increase in labour cost due to a higher provision for bonus;
- (c) an increase in the cost of construction materials, driven by higher utilisation of materials and price hikes in construction materials; and
- (d) an increase in overheads, particularly hiring costs associated with the rental of additional heavy equipment and machineries to support ongoing and newly awarded projects,

during 2H2023.



Gross profit and gross profit margin

	The Group					
	Half Year ended 31 Dec				Increase/ (Decrease)	
	2023		2022			
	\$'000	Gross Profit Margin	\$'000	Gross Profit Margin	\$'000	%
Construction	20,624	23.7%	3,923	6.4%	16,701	425.7
Maintenance						
Rental income	2,033	63.4%	1,908	63.2%	125	6.6
Total gross profit	22,657	25.1%	5,831	9.1%	16,826	288.6

Overall, our gross profit for 2H2023 increased by 288.6% or \$16.9 million from \$5.8 million for 2H2022 to \$22.7 million for 2H2023.

The contribution from the rental income segment to gross profit increased from \$1.9 million in 2H2022 to \$2.0 million in 2H2023. Additionally, there was an increase in gross profit of \$16.7 million from the construction and maintenance segments, soaring from \$3.9 million in 2H2022 to \$20.6 million in 2H2023.

Our gross profit margin for the construction and maintenance segments demonstrated a notable increase from 6.4% in 2H2022 to 23.7% in 2H2023. The improvement in the gross profit margin was mainly attributed to the Group's ongoing initiatives to improve cost management, notwithstanding the challenges posed by higher material costs and rising manpower costs.

Other gains, net

Other gains decreased by \$0.2 million or 6.0% from \$2.0 million in 2H2022 to \$1.8 million in 2H2023. The decrease was due mainly to:

- (a) an increase in interest income by \$0.8 million resulting from higher fixed deposit placement and higher interest rate from bank deposits; and
- (b) an increase of \$2.7 million in fair value gain on investment properties,

which were partially offset by:

- (c) an increase of \$3.7 million in loss allowance provided for amount due from an associated company,

during 2H2023.



Administrative expenses

Administrative expenses increased by \$2.8 million or 32.4% from \$8.5 million in 2H2022 to \$11.3 million in 2H2023. The increase was largely due to:

- (a) an increase of \$0.5 million in employee compensation due to salary adjustment and higher provision for bonus; and
- (b) an increase of \$5.9 million in directors' remuneration (including profit sharing) accrued, reflecting the higher profit generated by the Group,

which were partially offset by the decrease of \$3.6 million in professional fees in FY2023.

Finance expenses

Finance expenses increased by \$0.1 million or 10.7% from \$0.9 million in 2H2022 to \$1.0 million in 2H2023. The increase was due mainly to higher borrowing costs arising from the increase in interest rate during 2H2023.

Share of results of associated companies and joint ventures

The Group		
Half Year ended 31 Dec		
	2023	2022
	\$'000	\$'000
Share of profit/(loss) of joint ventures	11	(4)
Share of (loss)/profit of associated companies	(21)	423
	(10)	419

The share of results of associated companies and joint ventures decreased by \$0.4 million or 102.4% from \$0.4 million in 2H2022 to \$0.01 million in 2H2023. The decrease was due mainly to the decrease in share of profit from the 22.5%-held associated company, Chong Kuo Development Pte Ltd, during 2H2023.

Profit before income tax

Profit before income tax increased by \$13.4 million or 1,089.0% from a loss of \$1.2 million in 2H2022 to a profit of \$12.2 million in 2H2023. The increase was due mainly to (1) the increase in gross profit of \$16.9 million, which was partially offset by (2) the increase in administrative expenses of \$2.8 million, (3) the increase in finance expenses of \$0.1 million, (4) the decrease in other gains of \$0.2 million, and (5) the decrease in share of results of associated companies and joint ventures of \$0.4 million, as explained above.



Income tax expense

Income tax credit of \$0.1 million and income tax expense of \$0.6 million were reported in 2H2022 and 2H2023 respectively.

Tax expense for 2H2023 arose from provision for tax made for the profitable entities within the Group and deductible temporary differences due to the movements in fair value and the carrying value of assets, in particular, that arising from one of the Singapore subsidiary corporations.

Tax credit for 2H2022 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 one of the Singapore subsidiary corporations, which was partially offset by a provision for current tax made for 2H2022 for our Australian subsidiary corporation.

Non-controlling interests

Non-controlling interests of \$2.6 million was due to the share of profit of our subsidiary corporation, Raffles Prestige Capital Pte Ltd, in 2H2023.

Net profit/(loss)

Overall, net profit increased by \$12.7 million or 1,166.5%, from net loss of \$1.1 million in 2H2022 to net profit of \$11.6 million in 2H2023, following the increase in profit before income tax of \$13.4 million, partially offset by the increase in income tax expense of \$0.7 million, as explained above.

Our net profit margin improved from a net loss margin of 1.7% in 2H2022 to a net profit margin of 12.9% in 2H2023.



Review of the financial position for the Financial Year ended 31 December 2023

(i) Current assets

Current assets increased by \$53.6 million, from \$69.5 million as at 31 December 2022 to \$123.1 million as at 31 December 2023. The substantial increase was primarily driven by:

- (a) a \$61.6 million boost in cash and cash equivalents, mainly due to \$75.2 million generated from operating activities, an increase of \$0.7 million in pledged deposits, alongside \$2.3 million in cash used in investing activities and \$12.0 million in cash used in financing activities; and
- (b) an increase in contract assets of \$3.3 million, due to an increase in construction contract receivable from customers, arising from higher unbilled amounts expected to be collected from customers following the higher revenue,

which were partially offset by:

- (c) a decrease of \$0.6 million in inventories, attributed to the utilisation of materials for ongoing construction and maintenance projects; and
- (d) a decrease of \$10.7 million in trade and other receivables, as a result of timely collection of debts throughout the financial period and the reversal of previously paid deposits for arbitration,

during FY2023.

(ii) Non-current assets

Non-current assets increased by \$1.0 million, from \$135.4 million as at 31 December 2022 to \$136.4 million as at 31 December 2023. The increase was due mainly to:

- (a) an increase of \$0.5 million in investments in associated companies, driven by share of profit and recognition of notional fair value of a loan from an associated company;
- (b) an increase in investment properties due to fair value gain of \$4.7 million;
- (c) an increase of \$2.8 million in right-of-use assets, resulting from the purchase of plant and equipment to support new and ongoing projects through hire purchase, along with the reclassification of certain plant and machinery from property, plant and equipment; and
- (d) an increase in deferred income tax assets of \$0.5 million arising from the recognition of deferred income tax assets in one of the subsidiary corporations,

which were partially offset by:

- (e) a decrease in property, plant and equipment of \$0.6 million, mainly attributable to the disposal and depreciation of property, plant and equipment, coupled with reclassification of certain plant and machinery to right-of-use assets; and
- (f) a decrease of \$6.9 million in other receivables, due to \$3.4 million loan repayment from an associated company, Chong Kuo Development Pte Ltd, additional impairment losses of \$4.2 million and a notional fair value adjustment of \$0.3 million. The decrease was partially offset by a \$1.0 million advance extended to USB Holdings Pte Ltd,

during FY2023.



(iii) Current liabilities

Current liabilities increased by \$11.0 million, from \$44.1 million as at 31 December 2022 to \$55.1 million as at 31 December 2023. The increase was due mainly to:

- (a) an increase of \$11.7 million in trade and other payables, attributable to \$3.7 million increase in trade payables, advances amounting to \$1.0 million extended by non-controlling interest, and an increase of \$7.0 million in accruals due to the provision of bonus and profit sharing for directors;
- (b) an increase of \$0.3 million in lease liabilities, resulting from the purchase of plant and machineries for newly awarded projects, mitigated by repayment of lease liabilities; and
- (c) an increase in current income tax liabilities by \$2.8 million due to higher tax provision allocated for profitable entities within the Group,

which were partially offset by:

- (d) a reduction of \$3.8 million in bank borrowings, as a result of the repayment of existing borrowings,

during FY2023.

(iv) Non-current liabilities

Non-current liabilities decreased by \$2.1 million, from \$37.0 million as at 31 December 2022 to \$34.9 million as at 31 December 2023. The decrease was due mainly to:

- (a) a decrease in other payables of \$1.8 million, attributed to a notional fair value adjustment related to amount due to a non-controlling shareholder; and
- (b) principal repayment of bank borrowings totalling \$1.1 million,

which were partially offset by:

- (c) an increase of \$0.8 million in deferred income tax liabilities,

during FY2023.

(v) Shareholders' equity

Shareholders' equity, comprising share capital, treasury shares, other reserves, retained profits and non-controlling interests, increased by \$45.8 million, from \$123.7 million as at 31 December 2022 to \$169.5 million as at 31 December 2023. The increase was primarily driven by:

- (a) an increase of \$2.0 million in capital reserve; and
- (b) profits generated from operations amounting to \$44.6 million attributable to equity holders of the Company, along with \$2.8 million in profits attributable to non-controlling interests from the share of profit of Raffles Prestige Capital Pte Ltd,

which were partially offset by:

- (c) dividend payment to shareholders of \$3.6 million,

during FY2023.



Review of cash flows for the Financial Year ended 31 December 2023

Net cash provided by/(used in) operating activities

Our Group reported net cash generation of \$75.2 million from operating activities in FY2023, marking a significant increase of \$81.8 million compared to net cash usage of \$6.6 million in FY2022. The increase was largely attributable to:

- (a) an increase in cash generated from operating activities before working capital changes, amounting to \$50.5 million;
- (b) an increase in net working capital inflow of \$29.7 million;
- (c) an increase in interest received totalling \$1.2 million; and
- (d) a decrease in income tax payments of \$0.4 million,

during FY2023.

Net cash used in investing activities

Net cash used in investing activities decreased by \$7.4 million from \$9.7 million in FY2022 to \$2.3 million in FY2023. The decrease was due mainly to:

- (a) a loan repayment of \$3.4 million received from an associated company;
- (b) a decrease of \$1.1 million in advances extended to an associated company;
- (c) a decrease of \$1.0 million in cash used for the purchase of property, plant and equipment; and
- (d) a decrease of \$2.0 million in cash used for other investment at amortised cost,

which were partially offset by:

- (e) an increase of \$0.1 million in cash used for the purchase of right-of-use assets,

during FY2023.



Net cash used in financing activities

Net cash used in financing activities increased by \$3.4 million, from \$8.6 million in FY2022 to \$12.0 million in FY2023. The increase was due mainly to:

- (a) an increase of \$0.5 million in repayment of lease liabilities;
- (b) an increase of \$0.5 million in interest payments;
- (c) an increase of \$0.9 million in repayment of borrowings;
- (d) an increase of \$1.6 million in dividend disbursements; and
- (e) a reduction of \$0.7 million in pledged bank deposits,

which were partially offset by:

- (f) an increase of \$0.8 million in advance from a non-controlling shareholder, during FY2023.

Overall, free cash and cash equivalents stood at \$81.7 million as at 31 December 2023, demonstrating a notable increase of \$60.9 million from \$20.8 million as at 31 December 2022. This signifies cash reserves of 26.6 cents per share as at 31 December 2023, a marked increase from the 6.7 cents per share recorded as at 31 December 2022 (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 2023 from what was previously discussed under paragraph 10 of the Company's results announcement for the first half ended 30 June 2023.



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

Based on advance estimates released by the Ministry of Trade and Industry (“MTI”) on 2 January 2024, the Singapore economy expanded by 2.8% on a year-on-year basis in the fourth quarter of 2023, compared with the 1.0% growth in the preceding quarter. On a quarter-on-quarter seasonally adjusted basis, the economy expanded by 1.7%, extending the 1.3% expansion in the third quarter. For the whole of 2023, the economy grew by 1.2%, moderating from the 3.6% growth in 2022.

In addition, it was announced by MTI on 22 November 2023 that the Singapore’s economy is expected to grow between 1% and 3% in 2024 as the growth prospects of the manufacturing and trade-related sectors in Singapore are expected to improve in tandem with the turnaround in global electronics demand.

Industry Outlook

According to MTI, the construction sector expanded by 9.1% year-on-year in the fourth quarter, surpassing the 6.2% growth in the previous quarter attributed to the increased construction output from both public and private sector construction. On a quarter-on-quarter seasonally-adjusted basis, the pace of growth in the construction sector increased to 4.3% in the fourth quarter, from 0.8% in the third quarter.

Based on projections from the Building and Construction Authority (“BCA”) released on 15 January 2024, total construction demand in 2024 is projected to be between \$32 billion and \$38 billion.

The public sector demand is expected to contribute about 55% of total construction demand, or between \$18 billion and \$21 billion, mainly from public housing and infrastructure projects such as new Build-To-Order flats, contracts for phase two of the Cross Island MRT Line, infrastructure works for Changi Airport Terminal 5, Tuas Port developments, and major road and drainage improvement works.

On the other hand, the private sector demand is expected to account for between \$14 billion and \$17 billion, mainly from residential developments under the Government Land Sales programme, expansion of the two integrated resorts and redevelopment of commercial premises, as well as the development of mixed-used properties and industrial facilities.

Regarding the private residential property segment, statistics released by the Urban Redevelopment Authority (“URA”) on 2 January 2024 indicated that the private residential price index continued to moderate for a second straight year, growing at a slower pace of 6.7%, compared to 8.6% in 2022.

For the year of 2023, total sale transaction volume declined by 15%, from 21,890 units in 2022 to 18,510 units in 2023, marking the lowest annual sale transaction volume since 2016.

Due to the numerous work-related injuries in the first half of 2023, the Ministry of Manpower (“MOM”) announced that it will step up inspections of the metalworking industry and raise safety standards for smaller-scale construction works such as Addition & Alteration, Renovation and Facility Management. Furthermore, MOM has introduced enhanced measures to reduce heat stress for outdoor workers, focusing on the four aspects of acclimatise, drink, rest, and shade.

Amidst signs of a moderating property market following the implementation of cooling measures and against a backdrop of sustained high interest rates environment, the Group expects the private residential market to remain challenging. In its commitment to preventing workplace incidents and building safer workplaces, the Group will take collective



responsibility by implementing safety measures to safeguard all employees and cultivate a safe working environment.

Company Outlook and Order Book Update

Looking ahead, the Group is cautiously optimistic on the construction sector outlook for 2024 and will exercise caution and prudence in pursuing new opportunities. Additionally, the Group will prioritise risk management and regulatory compliance as well as leveraging on its strong track record and industry experience to navigate the challenges and capitalise on opportunities to ensure long-term sustainable growth.

The Group continues to be supported by a healthy pipeline of construction projects and has secured five projects in 2023 amounting to a total of approximately \$322.5 million. Among these, two projects were awarded by the Public Utilities Board for drainage improvement works, while three projects were awarded by the Land Transport Authority for improvement of road related facilities, construction of cycling path network and maintenance of roads, road-related and commuter-related facilities. Nonetheless, the Group remains committed to upholding discipline and prudence in its finances and cashflow management and embracing technology to enhance productivity.

As at 31 December 2023, the Group's order book stood at \$518.6 million, with projects extending till 2027. In pursuit of the mission to become the first and preferred civil engineering contractor, the Group will continue to prioritise the smooth execution and delivery of its projects, while also fostering strategic collaborations to drive growth and fortify its capabilities.

On the property development front, following the sale of all 74 units of the Group's residential project in Bukit Panjang, Phoenix Residences, the project is expected to attain its TOP in July 2024. In addition, the Group's joint venture residential project, The Essence, has achieved full sales and obtained TOP.

For its property investment business, the Group's investment property situated at 6-8 Bennett Street in Perth, Australia, continues to generate a steady stream of recurring rental income.

To drive recurring income, the Group owns a portfolio of investment properties, encompassing a freehold, three-storey shophouse situated at 35 Kreta Ayer Road, as well as freehold, two-storey conservation shophouses located at 69 and 71 Kampong Bahru Road, through its 51%-owned subsidiary, Raffles Prestige Capital Pte. Ltd., which have contributed positively towards the Group's performance.

To remain steadfast in its strategy to diversify earnings and drive recurring income streams, OKP will continue to pursue strategic partnership to strengthen its foothold in property development and investment ventures to deliver long term value to its stakeholders.



11. Dividend

(a) Current Financial Period Reported On

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

Name of Dividends	Final	Special
Dividend Type	Cash	Cash
Dividend amount per share	\$0.007	\$0.008
	One-tier tax exempt	One-tier tax exempt

(b) Corresponding Period of the Immediately Preceding Financial Year

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

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

(c) Date payable

Payment of the said final and special dividends, if approved by shareholders at the forthcoming 22nd Annual General Meeting of the Company to be held on 29 April 2024 (Monday), will be made on 27 May 2024.

(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 10 May 2024 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 10 May 2024 will be registered to determine shareholders' entitlement to the proposed final and special dividends.

Shareholders whose securities accounts with The Central Depository (Pte) Limited are credited with shares at 5.00 p.m. on 10 May 2024 will be entitled to the proposed final and special dividends.

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

Not applicable.



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

Total Annual Dividend

	FY2023 (\$'000)	FY2022 (\$'000)
Ordinary	6,139	2,149
Preference	-	-
Total	6,139	2,149

FY2023

Based on (a) the special interim dividend of \$0.005 per share for 306,961,494 shares (excluding treasury shares) paid on 27 September 2023 and (b) the proposed final and special dividends of \$0.007 and \$0.008, respectively, per share for 306,961,494 shares (excluding treasury shares), which are subject to the approval of the shareholders at the forthcoming Annual General Meeting of the Company

FY2022

Based on the final dividend of \$0.007 per share for 306,961,494 shares (excluding treasury shares).

14. 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 2023.

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

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	89	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. 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 Toh Wat	56	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. Position held since 2002.	NA
Ang Beng Tin	68	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. Position held since 2002.	NA
Or Kiam Meng	59	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. 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
Oh Enc Nam	68	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. Position held since 2002.	NA
Or Lay Huat Daniel	46	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. Position held since 2006.	NA
Or Yew Whatt	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; 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. Position held since 1992.	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
Oh Kim Poy	84	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. 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
26 February 2024