



KSH Holdings Limited

(Company Registration Number: 200603337G)
(Incorporated in the Republic of Singapore on 9 March 2006)

**UNAUDITED THIRD QUARTER FINANCIAL
STATEMENTS & DIVIDEND ANNOUNCEMENT
FOR THE PERIOD ENDED
31ST DECEMBER 2010**

1 (a) A statement of comprehensive income (for the Group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

INCOME STATEMENT	THE GROUP			THE GROUP		
	Third Quarter Ended		increase/ (decrease) %	Nine Months Ended		increase/ (decrease) %
	31.12.2010	31.12.2009		31.12.2010	31.12.2009	
	S\$'000	S\$'000		S\$'000	S\$'000	
REVENUE						
Project revenue	61,298	81,131	(24)	202,573	203,434	(0)
Rental income from investment properties	1,377	1,194	15	4,112	3,402	21
Rental income from development property	-	170	nm	106	529	(80)
	62,675	82,495	(24)	206,791	207,365	(0)
Other income	514	421	22	1,381	937	47
Cost of construction	(48,531)	(72,513)	(33)	(174,144)	(175,777)	(1)
Personnel expenses	(3,556)	(2,456)	45	(7,822)	(7,274)	8
Depreciation of property, plant and equipment	(459)	(442)	4	(1,375)	(1,278)	8
Finance costs	(454)	(581)	(22)	(1,629)	(2,513)	(35)
Other operating expenses	(1,021)	(608)	68	(3,676)	(2,502)	47
	(54,021)	(76,600)	(29)	(188,646)	(189,344)	(0)
Profit from operations before share of results of associates	9,168	6,316	45	19,526	18,958	3
Share of results of associates	(241)	2	nm	(375)	106	(454)
Profit before taxation	8,927	6,318	41	19,151	19,064	0
Tax expense	(726)	(1,093)	(34)	(2,442)	(3,764)	(35)
Net profit for the financial period	8,201	5,225	57	16,709	15,300	9
Net profit attributable to:						
- Owners of the Company	8,089	5,090	59	16,490	15,127	9
- Non-controlling interests	112	135	(17)	219	173	27
	8,201	5,225	57	16,709	15,300	9

(i) **Notes to the Income Statement**

The Group's profit before taxation is arrived at after crediting/(charging) the following:

	Third Quarter Ended			Nine Months Ended		
	31.12.2010	31.12.2009	increase/ (decrease) %	31.12.2010	31.12.2009	increase/ (decrease) %
	S\$'000	S\$'000		S\$'000	S\$'000	
Interest income	238	23	935	684	64	969
Write back of allowance for doubtful debts	-	221	nm	-	362	nm
Allowance for doubtful debts	(209)	-	nm	(757)	-	nm
Write back of provision for anticipated losses	319	-	nm	122	-	nm
Amortisation of club membership	-	(1)	nm	(1)	(2)	(50)
Amortisation of issuance costs on Convertible Notes	-	-	nm	-	(182)	nm
Loss on redemption of Convertible Notes	-	-	nm	-	(487)	nm
Write back of provision for diminution on structured deposits	55	-	nm	82	-	nm
(Loss)/gain on sale of property, plant and equipment	(5)	(12)	(58)	19	(15)	(227)
Gain/(loss) on sale of investment properties	54	138	(61)	(55)	138	(140)
Foreign exchange loss, net	(3)	(116)	(97)	(37)	(394)	(91)
Interest expense	(424)	(552)	(23)	(1,538)	(2,398)	(36)
Profit after taxation but before non-controlling interests as a percentage of turnover	13.08%	6.33%	107	8.08%	7.38%	10
Profit after taxation attributable to Owners of the Company as a percentage of the Group's Issued Capital and Reserves before non-controlling interests at 31 December 2010 and 31 December 2009	6.73%	4.80%	40	13.72%	14.27%	(4)

nm : not meaningful

(II) STATEMENT OF COMPREHENSIVE INCOME FOR THE THIRD QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2010 AND 31 DECEMBER 2009

	THE GROUP			THE GROUP		
	Third Quarter Ended		increase/ (decrease) %	Nine Months Ended		increase/ (decrease) %
	31.12.2010 S\$'000	31.12.2009 S\$'000		31.12.2010 S\$'000	31.12.2009 S\$'000	
Net profit for the financial period	8,201	5,225	57	16,709	15,300	9
Other comprehensive income:						
- Foreign currency translation	(528)	(662)	(20)	(3,676)	(6,011)	(39)
Total comprehensive income for the financial period	7,673	4,563	68	13,033	9,289	40
Total comprehensive income attributable to:						
- Owners of the Company	7,681	4,605	67	13,685	10,652	28
- Non-controlling interests	(8)	(42)	(81)	(652)	(1,363)	(52)
	7,673	4,563	68	13,033	9,289	40

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	
	31.12.2010 S\$'000	31.03.2010 S\$'000	31.12.2010 S\$'000	31.03.2010 S\$'000
ASSETS				
Non-current assets				
Property, plant and equipment	12,827	12,849	-	-
Investment in subsidiaries	-	-	57,516	57,516
Investment in associates	11,830	12,263	-	-
Investment properties	90,024	94,886	-	-
Loan due from associates	35,241	33,116	-	-
Amount due from a minority shareholder of a subsidiary (non-trade)	2,157	2,261	-	-
Amount due from subsidiaries (non-trade)	-	-	50,351	45,711
Trade receivables	5,983	7,014	-	-
Club membership	52	53	-	-
Other investment - quoted equity shares	1	1	-	-
	158,115	162,443	107,867	103,227
Current assets				
Development property	58,065	58,759	-	-
Trade receivables	33,746	27,026	-	-
Other receivables and deposits	1,884	1,766	-	1
Prepayments	690	936	45	82
Amount due from associates	20	-	2	-
Construction work-in-progress in excess of progress billings	7,412	9,757	-	-
Structured deposits	-	1,918	-	-
Fixed deposits	29,584	25,184	-	-
Cash and cash equivalents	60,341	68,990	333	902
	191,742	194,336	380	985
LIABILITIES				
Current liabilities				
Trade payables	24,703	19,525	-	-
Other payables and accruals	61,456	68,341	1,306	1,757
Amount due to a Director of a subsidiary	294	319	-	-
Amount due to subsidiaries (non-trade)	-	-	20,000	22,001
Finance lease obligations	1,716	2,265	-	-
Provision for income tax	3,731	4,690	-	-
Progress billings in excess of construction work-in-progress	15,380	13,417	-	-
Bank term loans, secured	1,678	1,638	-	-
Bills payable to banks, secured	29,656	39,787	-	-
	138,614	149,982	21,306	23,758
Net current assets/(liabilities)	53,128	44,354	(20,926)	(22,773)
Non-current liabilities				
Trade payables	3,511	6,498	-	-
Other payables and accruals	142	142	-	-
Amount due to subsidiaries (non-trade)	-	-	46,189	37,704
Finance lease obligations	825	1,947	-	-
Bank term loans, secured	55,778	57,353	-	-
Deferred tax liabilities	12,466	13,217	-	-
	72,722	79,157	46,189	37,704
NET ASSETS	138,521	127,640	40,752	42,750
EQUITY				
Equity attributable to Owners of the Company				
Share capital	38,539	33,732	38,539	33,732
Translation reserve	(1,175)	1,630	-	-
Accumulated profits	81,095	71,430	699	7,504
Other reserves	1,765	1,636	1,514	1,514
	120,224	108,428	40,752	42,750
Non-controlling interests	18,297	19,212	-	-
TOTAL EQUITY	138,521	127,640	40,752	42,750

GROUP'S BORROWINGS AND DEBT SECURITIES

1(b)(ii) Aggregate amount of Group's borrowings and debt securities.

Amount repayable in one year or less, or on demand			
As at 31.12.2010		As at 31.03.2010	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
33,050	-	43,690	-

Amount repayable after one year			
As at 31.12.2010		As at 31.03.2010	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
56,603	-	59,300	-

Details of any collateral:

The Group's borrowings are secured by way of:

- 1) Assignment of progress payments from the developer for certain on-going construction projects;
- 2) Letters of assignment of certain progress payments and retention monies due to the Group;
- 3) Corporate guarantees issued by the Company;
- 4) First legal mortgage on the Group's investment properties and leasehold factory building;
- 5) Charge on fixed deposits and structured deposit;
- 6) First charge over the contract proceeds/project account arising from the construction project financed;
- 7) A first legal mortgage over the development property of a joint venture;
- 8) Legal assignment of sales proceeds from the development property of a joint venture;
- 9) Legal assignment of tenancy, rental, lease and licence agreements from development property of a joint venture;
- 10) Legal assignment of the construction contract(s) and performance bonds from development property of a joint venture;
- 11) Legal assignment of fire insurance policy from development property of a joint venture;
- 12) Corporate guarantees from all the shareholders of a joint venture in equal share ratio; and
- 13) Debenture over all present and future assets of a joint venture.

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		THE GROUP	
	Third Quarter Ended		Nine Months Ended	
	31.12.2010 S\$'000	31.12.2009 S\$'000	31.12.2010 S\$'000	31.12.2009 S\$'000
Operating activities				
Profit before taxation	8,927	6,318	19,151	19,064
Adjustments :				
Depreciation of property, plant and equipment	459	442	1,375	1,278
Amortisation of club membership	-	1	1	2
Amortisation of issuance costs on Convertible Notes	-	-	-	182
Loss on redemption of Convertible Notes	-	-	-	487
Loss/(gain) on sale of property, plant and equipment	5	12	(19)	15
(Gain)/loss on sale of investment properties	(54)	(138)	55	(138)
Write back of provision for diminution on structured deposits	(55)	-	(82)	-
Write back of provision for anticipated losses	(319)	-	(122)	-
Allowance for doubtful debts	209	-	757	-
Write back allowance for doubtful debts	-	(221)	-	(362)
Interest expense	424	552	1,538	2,398
Interest income	(238)	(23)	(684)	(64)
Share of results of associates	241	(2)	375	(106)
Operating cash flows before changes in working capital	<u>9,599</u>	<u>6,941</u>	<u>22,345</u>	<u>22,756</u>
Decrease/(increase) in:				
Development property	214	3,962	694	3,578
Trade and other receivables, deposits and prepayments	(6,293)	(22,679)	(6,348)	(23,504)
Work-in-progress, net	3,658	16,861	4,309	10,501
(Decrease)/increase in:				
Trade and other payables	(520)	13,978	(4,572)	19,624
Cash flows generated from operations	<u>6,658</u>	<u>19,063</u>	<u>16,428</u>	<u>32,955</u>
Income taxes paid	(1,208)	(1,628)	(3,569)	(3,502)
Interest income received	238	23	684	64
Exchange differences	11	34	171	357
Net cash flows generated from operating activities	<u>5,699</u>	<u>17,492</u>	<u>13,714</u>	<u>29,874</u>
Investing activities				
Purchase of property, plant and equipment	(261)	(93)	(1,366)	(1,216)
Proceeds from sale of property, plant and equipment	1	1	25	3
Proceeds from sale of investment properties	404	1,252	667	1,252
Investment in an associate	-	(350)	(450)	(350)
Net cash flows generated from/(used in) investing activities	<u>144</u>	<u>810</u>	<u>(1,124)</u>	<u>(311)</u>
Financing activities				
Dividends paid	(3,420)	(2,932)	(6,959)	(8,661)
Issuance of warrants	-	-	-	1,762
Issuance of new shares	1,439	655	4,807	11,705
Increase in loan due from associates	(865)	(5,288)	(2,125)	(6,356)
Repayment of bank term loans	(360)	(857)	(1,069)	(1,662)
Payment for redemption of Convertible Notes	-	-	-	(20,010)
Proceeds from bills payable to banks	4,174	2,486	-	7,241
Repayment of bills payable to banks	-	-	(10,131)	-
Interest paid	(424)	(552)	(1,538)	(1,669)
Proceeds from lease obligations	37	-	37	-
Repayment of lease obligations	(568)	(551)	(1,708)	(1,476)
Decrease in structured deposits	1,000	-	2,000	-
(Increase)/decrease in pledged fixed deposits	(1,002)	(3)	(4,023)	708
Net cash flows generated from/(used in) financing activities	<u>11</u>	<u>(7,042)</u>	<u>(20,709)</u>	<u>(18,418)</u>
Net increase/(decrease) in cash and cash equivalents	5,854	11,260	(8,119)	11,145
Effect of exchange rate changes on cash and cash equivalents	(40)	(7)	(153)	(96)
Cash and cash equivalents at beginning of financial year	69,198	48,603	83,284	48,807
Cash and cash equivalents at end of financial period (Note A)	<u>75,012</u>	<u>59,856</u>	<u>75,012</u>	<u>59,856</u>

Note A : Cash and cash equivalents at end of financial period comprise:

	31.12.2010	31.12.2009	31.12.2010	31.12.2009
	S\$'000	S\$'000	S\$'000	S\$'000
Cash and bank balances	60,341	44,318	60,341	44,318
Fixed deposits	29,584	26,423	29,584	26,423
	<u>89,925</u>	<u>70,741</u>	<u>89,925</u>	<u>70,741</u>
Less: Pledged fixed deposits	(14,913)	(10,885)	(14,913)	(10,885)
Cash and cash equivalents	<u>75,012</u>	<u>59,856</u>	<u>75,012</u>	<u>59,856</u>

STATEMENTS OF CHANGES IN EQUITY

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.

THE GROUP	Attributable to Owners of the Company				Non-controlling interests S\$'000	Total equity S\$'000
	Share capital S\$'000	Translation reserve S\$'000	Accumulated profits S\$'000	Other reserves S\$'000		
At 1 April 2009	21,956	6,370	62,190	45	20,519	111,080
Net profit for the financial period	-	-	2,739	-	1	2,740
Other comprehensive income for the financial period	-	(2,617)	-	(3)	(892)	(3,512)
Total comprehensive income for the financial period	-	(2,617)	2,739	(3)	(891)	(772)
Proceeds from the issue of warrants	-	-	-	1,762	-	1,762
Conversion to shares by warrant holders	2,404	-	-	-	-	2,404
At 30 June 2009	24,360	3,753	64,929	1,804	19,628	114,474
Net profit for the financial period	-	-	7,299	-	36	7,335
Other comprehensive income for the financial period	-	(1,370)	(10)	9	(466)	(1,837)
Total comprehensive income for the financial period	-	(1,370)	7,289	9	(430)	5,498
Conversion to shares by warrant holders	8,646	-	-	-	-	8,646
Dividend relating to FY2009 (final and special) paid	-	-	(5,729)	-	-	(5,729)
At 30 September 2009	33,006	2,383	66,489	1,813	19,198	122,889
Net profit for the financial period	-	-	5,090	-	135	5,225
Other comprehensive income for the financial period	-	(485)	(47)	47	(177)	(662)
Total comprehensive income for the financial period	-	(485)	5,043	47	(42)	4,563
Conversion to shares by warrant holders	655	-	-	-	-	655
Dividend relating to FY2010 (interim) paid	-	-	(2,932)	-	-	(2,932)
At 31 December 2009	33,661	1,898	68,600	1,860	19,156	125,175
At 1 April 2010	33,732	1,630	71,430	1,636	19,212	127,640
Net profit for the financial period	-	-	4,225	-	51	4,276
Other comprehensive income for the financial period	-	221	(22)	22	74	295
Total comprehensive income for the financial period	-	221	4,203	22	125	4,571
Conversion to shares by warrant holders	56	-	-	-	-	56
At 30 June 2010	33,788	1,851	75,633	1,658	19,337	132,267
Net profit for the financial period	-	-	4,176	-	56	4,232
Other comprehensive income for the financial period	-	(2,618)	(49)	49	(825)	(3,443)
Total comprehensive income for the financial period	-	(2,618)	4,127	49	(769)	789
Conversion to shares by warrant holders	3,312	-	-	-	-	3,312
Dividend relating to FY2010 (final) paid	-	-	(3,276)	-	-	(3,276)
Dividend paid to non-controlling interests	-	-	-	-	(263)	(263)
At 30 September 2010	37,100	(767)	76,484	1,707	18,305	132,829
Net profit for the financial period	-	-	8,089	-	112	8,201
Other comprehensive income for the financial period	-	(408)	(58)	58	(120)	(528)
Total comprehensive income for the financial period	-	(408)	8,031	58	(8)	7,673
Conversion to shares by warrant holders	1,439	-	-	-	-	1,439
Dividend relating to FY2011 (interim) paid	-	-	(3,420)	-	-	(3,420)
At 31 December 2010	38,539	(1,175)	81,095	1,765	18,297	138,521

STATEMENTS OF CHANGES IN EQUITY

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.

	Share capital S\$'000	Accumulated profits S\$'000	Other reserves S\$'000	Total equity S\$'000
THE COMPANY				
At 1 April 2009	21,956	5,854	-	27,810
Net loss for the financial period	-	(1,022)	-	(1,022)
Other comprehensive income for the financial period	-	-	-	-
Total comprehensive income for the financial period	-	(1,022)	-	(1,022)
Proceeds from the issue of warrants	-	-	1,762	1,762
Conversion to shares by warrant holders	2,404	-	-	2,404
At 30 June 2009	24,360	4,832	1,762	30,954
Net loss for the financial period	-	(758)	-	(758)
Other comprehensive income for the financial period	-	-	-	-
Total comprehensive income for the financial period	-	(758)	-	(758)
Conversion to shares by warrant holders	8,646	-	-	8,646
Dividend relating to FY2009 (final and special) paid	-	(5,729)	-	(5,729)
At 30 September 2009	33,006	(1,655)	1,762	33,113
Net profit for the financial period	-	6,525	-	6,525
Other comprehensive income for the financial period	-	-	-	-
Total comprehensive income for the financial period	-	6,525	-	6,525
Conversion to shares by warrant holders	655	-	-	655
Dividend relating to FY2010 (interim) paid	-	(2,932)	-	(2,932)
At 31 December 2009	33,661	1,938	1,762	37,361
At 1 April 2010	33,732	7,504	1,514	42,750
Net profit for the financial period	-	684	-	684
Other comprehensive income for the financial period	-	-	-	-
Total comprehensive income for the financial period	-	684	-	684
Conversion to shares by warrant holders	56	-	-	56
At 30 June 2010	33,788	8,188	1,514	43,490
Net loss for the financial period	-	(219)	-	(219)
Other comprehensive income for the financial period	-	-	-	-
Total comprehensive income for the financial period	-	(219)	-	(219)
Conversion to shares by warrant holders	3,312	-	-	3,312
Dividend relating to FY2010 (final) paid	-	(3,276)	-	(3,276)
At 30 September 2010	37,100	4,693	1,514	43,307
Net loss for the financial period	-	(574)	-	(574)
Other comprehensive income for the financial period	-	-	-	-
Total comprehensive income for the financial period	-	(574)	-	(574)
Conversion to shares by warrant holders	1,439	-	-	1,439
Dividend relating to FY2011 (interim) paid	-	(3,420)	-	(3,420)
At 31 December 2010	38,539	699	1,514	40,752

SHARE CAPITAL

1(d)(ii) Details of any changes in the Company's share capital arising from rights issue, bonus issues, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

During the financial year FY2008, the Company issued S\$25,000,000 of 1% coupon Unconditional Unsubordinated Unsecured Convertible Notes due 2011 (the "Notes"). The Notes are convertible into ordinary shares of the Company and the conversion price was originally set at \$1.50 and subsequently adjusted to \$0.75 (the "Adjusted Conversion Price"), following the sub-division of ordinary shares.

The Adjusted Conversion Price was reset with effect 18 October 2008 to S\$0.595 from S\$0.75 as the average of the closing price of the ordinary shares of the Company for the 20 consecutive market days ending 12 months after the issue of the Notes is less than the Adjusted Conversion Price, subject to the reset Adjusted Conversion Price not being less than \$0.595.

On 17 November 2008, the Company has made a partial redemption of S\$5 million in principal amount of the Convertible Notes which were then duly cancelled. The remaining aggregate principal amount of the Convertible Notes as at 31 March 2009 was S\$20 million.

On 15 April 2009, the Company has made a partial redemption of S\$10 million in principal amount of the Convertible Notes for a cash consideration of S\$9.7 million and these Convertible Notes were then duly cancelled.

On 22 June 2009, the Company has made a full redemption of the remaining S\$10 million in principal amount of the Convertible Notes for a cash consideration of S\$10.21 million and were then duly cancelled.

None of the Convertible Notes have been converted into ordinary shares of the Company and all the Convertible Notes have been redeemed and cancelled as at 31 December 2009.

On 3 April 2009, the Company issued 176,245,000 warrants at an issue price of S\$0.01 for each warrant. Each warrant carries the right to subscribe for one new ordinary share in the capital of the Group at an exercise price of S\$0.10 for each new share on the basis of one warrant for every one existing ordinary share in the capital of the Company. The exercise price and the number of warrants held by each warrant holder may be adjusted under certain terms and conditions being met. The warrants expire on 2 April 2012. As at 31 December 2010, 165,829,168 warrants were converted to 165,829,168 new shares of the Company bringing total issued capital to 342,074,168 shares. Upon full conversion, the number of issued shares will increase to 352,490,000.

The Company does not hold any treasury shares up to the date of this announcement.

1(d)(iii) To show the 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.

	<u>Number of shares</u>
Balance as at 1 April 2009	
- Ordinary Shares	176,245,000
- Warrants (Total number of warrants been subscribed & allotted on 3 April 2009)	176,245,000
Issue of new shares upon exercising of warrants during the financial year ended 31 March 2010 (FY 2010)	
- Ordinary Shares	117,764,700
- Warrants	(117,764,700)
Balance as at 31 March 2010 and 1 April 2010	
- Ordinary Shares	294,009,700
- Warrants	58,480,300
Issue of new shares upon exercising of warrants during the 1st quarter FY2011	
- Ordinary Shares	553,500
- Warrants	(553,500)
Balance as at 30 June 2010	
- Ordinary Shares	294,563,200
- Warrants	57,926,800
Issue of new shares upon exercising of warrants during the 2nd quarter FY2011	
- Ordinary Shares	33,119,812
- Warrants	(33,119,812)
Balance as at 30 September 2010	
- Ordinary Shares	327,683,012
- Warrants	24,806,988
Issue of new shares upon exercising of warrants during the 3rd quarter 2011	
- Ordinary Shares	14,391,156
- Warrants	(14,391,156)
Balance as at 31 December 2010	
- Ordinary Shares	342,074,168
- Warrants	10,415,832

Total number of issued ordinary shares as at 31 December 2009 was 294,009,700 shares.

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial reported period on.

Not applicable.

AUDIT

- 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 by the Company's auditors.

- 3 Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter)

Not applicable.

ACCOUNTING POLICIES

- 4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The financial statements have been prepared in accordance with the same accounting policies and methods of computation adopted in the most recently audited financial year ended 31 March 2010.

- 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 adoption of the new/revised FRS and INT FRS is currently assessed to have no significant impact on the financial position and the results of the current period and prior period of the Group.

EARNINGS PER SHARE

- 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 dividend.

	THE GROUP Third Quarter Ended		THE GROUP Nine Months Ended	
	31.12.2010 (cents)	31.12.2009 (cents)	31.12.2010 (cents)	31.12.2009 (cents)
a) On a basic basis	2.42	1.76	5.25	6.24
b) On a fully diluted basis	2.37	1.56	5.14	5.44
	S\$'000	S\$'000	S\$'000	S\$'000
Group's profit for the financial period attributable to Owners of the Company used in the computation of basic EPS	8,089	5,090	16,490	15,127
Group's adjusted profit for the financial period attributable to Owners of the Company used in the computation of diluted EPS	8,089	5,090	16,490	15,127
Weighted average number of ordinary shares for computing basic EPS	334,921,430	289,701,301	314,140,173	242,422,126
Effect of dilution from warrants	6,425,331	36,743,877	6,450,862	35,568,109
Weighted average number of ordinary shares for computing diluted EPS	341,346,761	326,445,178	320,591,035	277,990,235

Basic earnings per share ("EPS") amounts are calculated by dividing the Group's profit after taxation attributable to Owners of the Company by the weighted average number of ordinary shares outstanding during the financial period.

Diluted EPS amounts are calculated by dividing the Group's profit after taxation attributable to Owners of the Company by the weighted average number of ordinary shares outstanding during the financial period plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

NET ASSET VALUE PER SHARE

- 7 Net asset value (for the issuer and Group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:

- (a) current financial period reported on; and
(b) immediately preceding financial year.

	THE GROUP		THE COMPANY	
	as at 31.12.2010	as at 31.03.2010	as at 31.12.2010	as at 31.03.2010
Net asset value per ordinary share (cents)	35.15	36.88	11.91	14.54
Issue share capital at the end of the period/year	342,074,168	294,009,700	342,074,168	294,009,700

REVIEW OF THE PERFORMANCE OF THE GROUP

- 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 period reported on.

INCOME STATEMENT

3QFY2011 vs 3QFY2010

Revenue

The Group has total revenue of S\$62.7 million for the third quarter ended 31 December 2010 ("3QFY2011"), a decrease of 24.0% compared to S\$82.5 million in the corresponding period ended 31 December 2009 ("3QFY2010"). The decrease was mainly due to the decrease in revenue from construction business.

Revenue from the construction business decreased by S\$19.8 million or approximately 24.4% from S\$81.1 million in 3QFY2010 to S\$61.3 million in 3QFY2011. The decrease was mainly due to the reduction in revenue from completed projects of approximately S\$46.4 million and approximately S\$4.5 million from a completing project with lesser work done. The reduction was offset by the increase in revenue of approximately S\$16.1 million from on-going projects which have progressed into more advance stage of construction and approximately S\$15.0 million contributed from new projects.

Rental income from investment properties has increased approximately S\$0.2 million in 3QFY2011 as compared to 3QFY2010, offset by the decrease in rental income from development property of approximately S\$0.2 million in 3QFY2011 as compared to 3QFY2010.

Other income

The increase in other income was mainly from interest income from an associate.

Operating expenses

Cost of construction decreased by approximately S\$24.0 million or 33.1% from S\$72.5 million in 3QFY2010 to S\$48.5 million in 3QFY2011 as in line with the decrease of construction revenue in 3QFY2011. The decrease was mainly due to the recognition of variation order and cost saving of a completed project, partly offset by rising cost and lower pricing from the later projects awarded as the competition in the industry become more intense.

Personnel expenses increased by approximately S\$1.1 million or 44.8% from S\$2.5 million in 3QFY2010 to S\$3.6 million in 3QFY2011 mainly due to increase in provision for bonuses in line with the increase in profit as well as increase in expenses for statutory contributions, training and workers' accommodations.

Other operating expenses increased by approximately S\$0.4 million or 67.9% from S\$0.6 million in 3QFY2010 to S\$1.0 million in 3QFY2011. The increase was mainly due to additional provision for doubtful debts of S\$0.2 million in 3QFY2011, the write back of allowance for doubtful debts in 3QFY2010 of S\$0.2 million but none in 3QFY2011, increase of approximately S\$0.3 million in marketing and selling expenses for a property development project and an increase in building maintenance expenses of S\$0.2 million. These increases were offset by the reversal of provision for anticipated losses of approximately S\$0.3 million for an on-going construction project as provision for anticipated loss has been realised as cost of construction during 3QFY2011.

There were no significant differences in depreciation and finance costs between 3QFY2010 and 3QFY2011.

Profit before taxation

Share of results of associates decreased by approximately S\$0.2 million in 3QFY2011 compared to 3QFY2010 due to an associate ceased to collect rental income from a development property since June 2010 as redevelopment was about to commence.

The Group's profit before taxation increased by approximately S\$2.6 million from S\$6.3 million in 3QFY2010 to S\$8.9 million in 3QFY2011 as explained above.

Tax expense

Tax expense decreased in 3QFY2011 as compared to 3QFY2010 despite of a higher profit before taxation as a provision for taxation of S\$0.5 million was reversed as it was no longer required as per the finalised tax assessment from The Comptroller of Income Tax.

Net profit attributable to Owners of the Company

As a result of the above, the Group made a net profit attributable to Owners of the Company of approximately S\$8.1 million in 3QFY2011 as compared to S\$5.1 million in 3QFY2010.

REVIEW OF THE PERFORMANCE OF THE GROUP

9MFY2011 vs 9MFY2010

Revenue

The Group has total revenue of S\$206.8 million for the nine months ended 31 December 2010 ("9MFY2011"), a slight decrease of 0.3% compared to S\$207.4 million in the corresponding period ended 31 December 2009 ("9MFY2010"). The decrease was mainly due to the decrease in revenue from construction business.

Revenue from the construction business decreased by S\$0.8 million or approximately 0.4% from S\$203.4 million in 9MFY2010 to S\$202.6 million in 9MFY2011. The decrease was mainly due to the reduction in revenue from completed projects of approximately S\$83.1 million offset by the increase in revenue of approximately S\$52.2 million from on-going projects which have progressed into more advance stage of construction and approximately S\$30.0 million contributed from new projects.

Rental income from investment properties has increased approximately S\$0.7 million in 9MFY2011 as compared to 9MFY2010, offset by the decrease in rental income from development property of approximately S\$0.4 million in 9MFY2011 as compared to 9MFY2010.

Other income

The increase in other income was mainly from interest income from an associate.

Operating expenses

Cost of construction decreased by approximately S\$1.7 million or 1.0% from S\$175.8 million in 9MFY2010 to S\$174.1 million in 9MFY2011. The decrease was mainly due to the recognition of variation order and cost saving of a completed project, partly offset by rising cost and lower pricing from the later projects awarded as the competition in the industry become more intense.

Personnel expenses increased by approximately S\$0.5 million or 7.5% from S\$7.3 million in 9MFY2010 to S\$7.8 million in 9MFY2011. The increase was mainly due to increase in provision for bonuses in line with the increase in profit as well as increase in expenses for training, insurance for staffs and workers and workers' accommodations.

Finance costs decreased as all outstanding Convertible Notes were redeemed for cancellation by 22 June 2009 and no further interest on Convertible Notes were incurred in 9MFY2011 as compared to S\$0.8 million in 9MFY2010.

Other operating expenses increased by approximately S\$1.2 million or 46.9% from S\$2.5 million in 9MFY2010 to S\$3.7 million in 9MFY2011. The increase was mainly due to additional provision for doubtful debts of S\$0.8 million, the write back of allowance for doubtful debts in 9MFY2010 of S\$0.4 million but none in 9MFY2011, an increase of approximately S\$0.6 million in marketing and selling expenses for a property development project, and an increase of approximately S\$0.2 million in building maintenance. The increase was offset by the decrease of expenses related to Convertible Notes of S\$0.7 million in 9MFY2010 but none in 9MFY2011 and the reversal of provision for anticipated losses of approximately S\$0.1 million for a on-going construction project as provision for anticipated loss has been realised as cost of construction during 9MFY2011.

There were no significant difference in depreciation between 9MFY2010 and 9MFY2011.

Profit before taxation

Share of results of associates decreased by approximately S\$0.5 million from a profit of S\$0.1 million in 9MFY2010 to a loss of S\$0.4 million in 9MFY2011 due to an associate ceased to collect rental income from a development property since June 2010 as redevelopment was about to commence.

The Group's profit before taxation increased from S\$19.1 million in 9MFY2010 to S\$19.2 million in 9MFY2011 as explained above.

Tax expense

Tax expense decreased in 9MFY2011 as compared to 9MFY2010 despite of a higher profit before taxation as a provision for taxation of S\$0.5 million was reversed as it was no longer required as per the finalised tax assessment from The Comptroller of Income Tax.

Net profit attributable to Owners of the Company

As a result of the above, the Group made a net profit attributable to Owners of the Company of approximately S\$16.5 million in 9MFY2011 as compared to S\$15.1 million in 9MFY2010.

STATEMENTS OF FINANCIAL POSITION

Non-current assets

The decrease of approximately S\$4.9 million in investment properties from S\$94.9 million as at 31 March 2010 ("FY2010") to S\$90.0 million as at 31 December 2010 ("9MFY2011") was mainly due to sale and translation difference in RMB exchange rate used on the investment property in Tianjin, the People's Republic of China. Investment in associates decreased by S\$0.4 million due to share of results of associates. Loan due from associates increased by approximately S\$2.1 million mainly due to additional loans to finance property development projects. Trade receivables decreased by approximately S\$1.0 million from S\$7.0 million in FY2010 to S\$6.0 million in 9MFY2011, mainly due to the reduction in retention sum receivables from completed construction projects.

REVIEW OF THE PERFORMANCE OF THE GROUP

STATEMENTS OF FINANCIAL POSITION

Trade receivables

Trade receivables increased by approximately S\$6.7 million from S\$27.0 million in FY2010 to S\$33.7 million in 9MFY2011. S\$2.6 million of the increase was due to higher amount of work done certified and invoiced but not paid, S\$3.3 million of the increase was from unbilled receivables from projects completed but work done not certified for invoicing as several projects were completed after 31 March 2010. S\$0.8 million of the increase was from additional retention sums withheld by customers for on-going projects.

Structured deposits

Structured deposits of S\$1.9 million had matured during 9MFY2011.

Trade payables

Trade payables under current liabilities increased by S\$5.2 million from S\$19.5 million in FY2010 to S\$24.7 million in 9MFY2011. The increase was mainly from the increase in retention sum withheld from suppliers and subcontractors for construction projects which will be due for release of payments in the next 12 months.

Trade payables under non-current liabilities decreased by S\$3.0 million from S\$6.5 million in FY2010 to S\$3.5 million in 9MFY2011 as some of the retention sum withheld from suppliers and subcontractors for construction projects will be due for release of payments in the next 12 months were reclassified under current liabilities.

Other payables and accruals

Other payables and accruals decreased by S\$6.8 million from S\$68.3 million in FY2010 to S\$61.5 million in 9MFY2010. The decrease was mainly due to accruals made previously were paid after suppliers and subcontractors had invoiced. Furthermore, lesser accruals were required for work done by subcontractors not yet certified in 9MFY2011 as compared to FY2010.

Total borrowings

Total borrowings decreased by S\$13.3 million from S\$103.0 million in FY2010 to S\$89.7 million in 9MFY2011 mainly due to the decrease in use of bills payable to banks of S\$10.1 million; the repayment of finance lease obligations of S\$1.7 million and bank term loans of S\$1.1 million.

STATEMENT OF CASH FLOWS

3QFY2011 vs 3QFY2010

Net cash flows generated from operating activities in 3QFY2011 decreased by S\$11.8 million to S\$5.7 million from S\$17.5 million in 3QFY2010 although profit before taxation in 3QFY2011 was higher by approximately S\$2.6 million as compared to 3QFY2010. This was mainly due to the S\$2.9 million increase in working capital in 3QFY2011 as compared to the S\$12.1 million decrease in working capital in 3QFY2010, partly offset by S\$0.4 million lower in income taxes paid and S\$0.2 million higher in interest income received in 3QFY2011 as compared to 3QFY2010.

Net cash flows generated from investing activities decreased by S\$0.7 million during 3QFY2011 as compared to 3QFY2010, mainly due to lesser proceeds collected from sale of investment properties.

The net cash flows generated from financing activities in 3QFY2011 decreased by S\$7.0 million as compared to 3QFY2010 mainly due to lesser increase in loan to associates; higher proceeds from bills payable to bank and lesser payments made to reduce the bank borrowings.

9MFY2011 vs 9MFY2010

Net cash flows generated from operating activities in 9MFY2011 decreased by S\$16.2 million to S\$13.7 million from S\$29.9 million in 9MFY2010. This was mainly due to the S\$5.9 million increase in working capital in 9MFY2011 as compared to the S\$10.2 million decrease in working capital in 9MFY2010.

Net cash flows used in investing activities increased by S\$0.8 million during 9MFY2011 as compared to 9MFY2010 mainly due to lesser proceeds collected from sale of investment properties and purchase of property, plant and equipment.

The net cash flows used in financing activities increased by approximately S\$2.3 million in 9MFY2011 as compared to 9MFY2010 although there were lesser payment made on borrowings in 9MFY2011 as compared to 9MFY2010, mainly due to lesser proceeds collected from issuance of warrants; issuance of new shares; and new borrowings in 9MFY2011.

REVIEW OF THE PERFORMANCE OF THE GROUP

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

There was no forecast or any prospect statement previously disclosed to shareholders.

10 A commentary at the date of the announcement of the significant trends and 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.

As per Singapore Construction Prospects 2011 published by BCA in January 2011, Singapore's construction demand in 2011 is projected to reach between S\$22 billion and S\$28 billion, reflecting a continued and sustained workload from 2010's steady growth in total construction demand on the back of strong economic fundamentals. The industry's outlook remains positive over the medium-term in view of expected continual demand from the private sector as the economy continues to strengthen and also the anticipated strong expansion in public sector construction demand. There would be many tendering opportunities for government projects as the public sector is anticipated to remain a key driver to the industry demand with major infrastructure developments such as new MRT lines lined up for implementation over the next decade.

Nevertheless, the Group remains cautious on the possible impacts that the uncertainties in the global and domestic economic conditions; government's policies and measures on the construction and properties related industries; and the inflationary pressure on business operation costs that may have on the performance of the Group.

In view of the above, the Group is cautiously optimistic on the outlook of its construction business in Singapore.

DIVIDENDS

11 (a) Current financial period reported on

Any dividend declared for the current financial period reported on? **No**

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? **No**

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

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

Not applicable.

SEGMENT INFORMATION

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

Not applicable.

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

Not applicable.

SEGMENT INFORMATION

15 A breakdown of sales as follows:

Not applicable.

16 A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous year as follows:

Not applicable.

NEGATIVE ASSURANCE

17 Negative assurance confirmation on the third quarter financial results pursuant to Rule 705(5) of the Listing Manual of SGX-ST.

On behalf of the Board of Directors of the Company, we, the undersigned, do hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the unaudited financial statements of the Group and the Company for the third quarter and nine months ended 31 December 2010 to be false or misleading in any material aspect.

**For and on behalf of the Board of Directors,
By Order of the Board**

Choo Chee Onn
Executive Chairman and Managing Director

Lim Kee Seng
Executive Director and Chief Operating Officer

10 February 2011