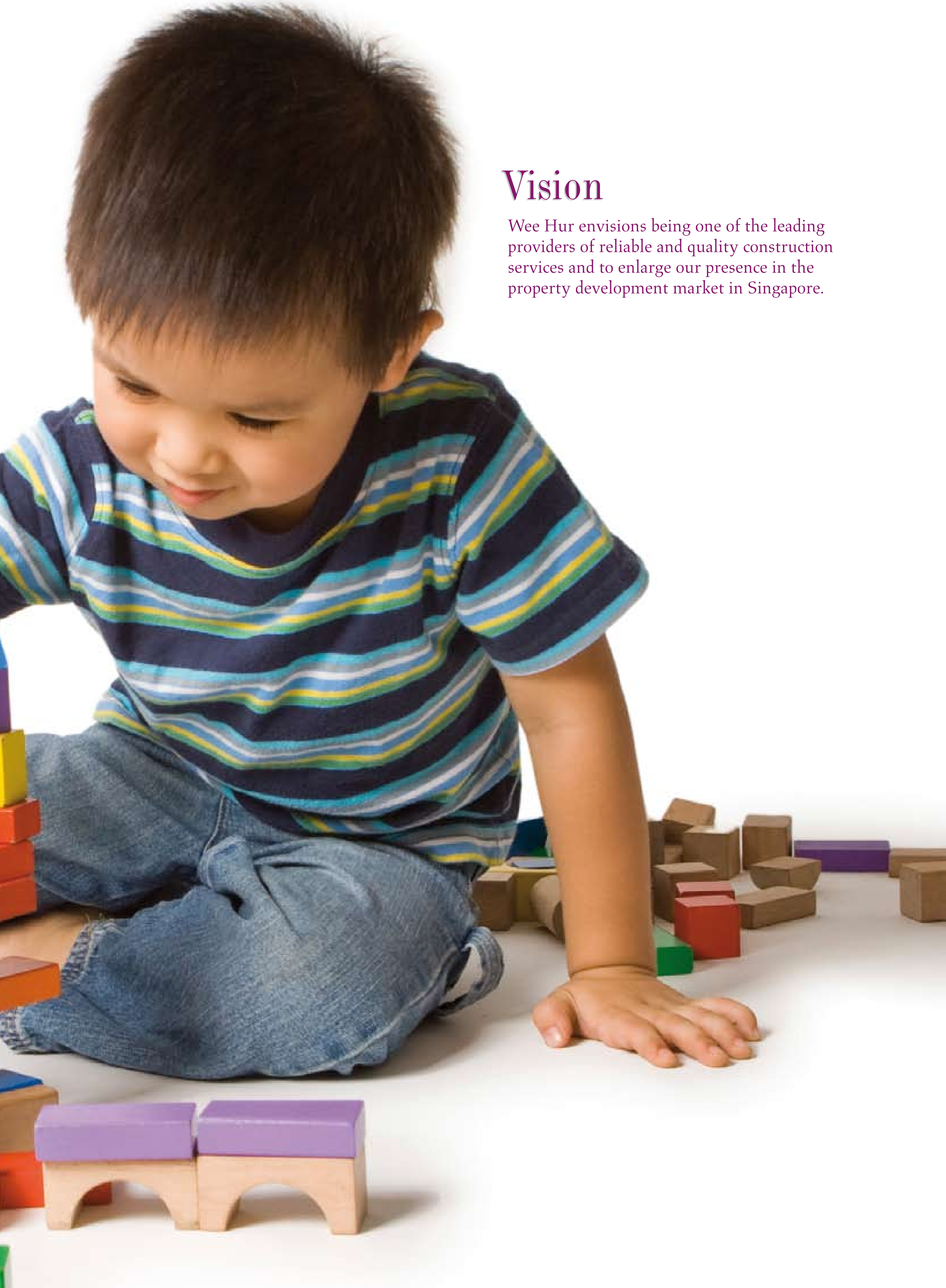
偉合控股有限公司

WEE HUR HOLDINGS LTD.

Shaping our Future

ANNUAL REPORT 2010

Contents



Vision

Wee Hur envisions being one of the leading providers of reliable and quality construction services and to enlarge our presence in the property development market in Singapore.

Corporate Profile

Current Corporate Structure of Wee Hur Holdings Ltd

偉合控股有限公司
WEE HUR HOLDINGS LTD.

- **CONSTRUCTION**
  - Wee Hur Construction Pte Ltd
- **PROPERTY DEVELOPMENT**
  - Wee Hur Development Pte Ltd
    - Wee Hur (Kim Keat) Pte Ltd
    - Wee Hur (Kaki Bukit) Pte Ltd
    - Wee Hur (Paya Lebar) Pte Ltd
    - Wee Hur (Woodlands) Pte Ltd
    - Villas@Gilstead Pte Ltd
  - Wee Hur China (Huai'an) Pte Ltd

Wee Hur Construction Pte Ltd, the construction arm of the holding company, is an award winning BCA Grade A1 builder, providing services such as new construction, additions and alternations, refurbishment and upgrading, and restoration and conservation of heritage buildings. It handles projects of various types ranging from residential, commercial, industrial, institutional to religious and heritage buildings.

Wee Hur Development Pte Ltd is the property arm of the holding company in Singapore. Through its various subsidiaries, it engages in property related businesses such as acquisition of land parcels/existing properties for redevelopment and holding of properties for investment.

Wee Hur China (Huai'an) Pte Ltd is the property arm of the holding company in China.

Our scope of construction services includes:

- New Construction;
- Additions and Alterations (A&A) of existing buildings;
- Refurbishment and upgrading of existing buildings; and
- Restoration and conservation of heritage buildings

Our wide spectrum of projects includes:

- Residential projects such as condominiums, apartment buildings, landed housing and public housing;
- Commercial projects such as office buildings, hotels and shopping complex;
- Institutional projects such as schools, tertiary institutions, community clubs and hospitals;
- Industrial projects such as factories and warehouses;
- Religious buildings such as churches and temples; and
- Heritage and conservation buildings

Forms of Contracts:
We undertake construction projects in the following forms of contracts:
- Conventional Contract
- Design and Build Contract
- Management Contract

Major customers include:
- Ascendas Group
- Aquila Development Pte Ltd (part of Sime Darby Group)
- CapitaLand Group
- Ho Bee Group
- Housing & Development Board
- Republic Iconic Hotel Pte Ltd (part of Millennium and Copthorne Group)
- Stream Ahead Pte Ltd

Awards & Accolades
Wee Hur has garnered several prestigious awards and accolades from local government agencies in recognition of its quality standards in construction and management. We have received four awards for 'Construction Excellence' and one Certificate of Merit from Building and Construction Authority (BCA) in years 2007, 2003, 2002, 2000 and 1997 respectively. These awards are testimony to Wee Hur's high standard of workmanship, project management and technical input in completed projects.

Building and Construction Authority (BCA) Construction Excellence Award

Urban Redevelopment Authority (URA) Architectural Heritage Award

Enterprise 50 Awards

Current Development

Harvest@Woodlands

10-storey, multiple-user industrial strata-titled development @ junction of Woodlands Avenue 4 and Admiralty Road West

Expected TOP: 2012

Villas@Gilstead

Strata housing development - 10 semi detached houses, 6 terrace houses and 2 bungalows @ Gilstead Road

Expected TOP: 2011

Current Development

Urban Residences

A 5-storey, 47-unit apartment complete with attic, basement car park and communal facilities.

Expected TOP: 2014

Kaki Bukit

Two blocks of 8/9 storey multiple-user industrial development @ Kaki Bukit Avenue 4.

Expected TOP: 2014

Construction

Current Projects

Trilight

Two blocks of 30-storey, 205-unit condominium @ Newton Road

Client: Ho Bee Group

Year of completion: 2012

JCube

Redevelopment of Jurong Entertainment Centre @ 2 Jurong East Street 13

Client: CapitaLand Group
Year of completion: 2011

Current Projects

Compassvale Pearl

420 units of public housing in Sengkang Neighbourhood 2 Contract 4

Client: Housing and Development Board
Year of completion: 2011

Boon Lay Grove

450 units of public housing in Jurong West Neighbourhood 2 Contract 16

Client: Housing and Development Board

Year of completion: 2013

Current Projects

Villas@Gilstead

18-unit strata housing development @ Gilstead Road

Client: Villas@Gilstead Pte Ltd

Year of completion: 2011

HDB Lift Upgrading

Lift upgrading projects for G5B (Stage 2)

Client: Housing and Development Board

Year of completion: 2013

Harvest@Woodlands

10-storey, multiple-user industrial strata-titled development @ junction of Woodlands Avenue 4 and Admiralty Road West

Client: Wee Hur (Woodlands) Pte Ltd

Year of completion: 2012

Completed Projects
RESIDENTIAL

Orion

27-storey, 46-unit condominium @ Orange Grove Road

Client: Aquila Development Pte Ltd

Year of completion: 2008

Parkview Eclat

21-storey, 35-unit condominium @ Grange Road

Client: Stream Ahead Pte Ltd

Year of completion: 2009

Completed Projects
COMMERCIAL

Studio M Hotel

9-storey hotel development @ Mohammed Sultan Road

Client: Republic Iconic Hotel Pte Ltd

Year of completion: 2010

HansaPoint @ CBP

7-storey, multiple-user commercial building @ Changi Business Park

Client: Ascendas Group

Year of completion: 2008

Courts Megastore @ Tampines

4-storey Courts retail warehouse facility @ Tampines

Client: Ascendas Group

Year of completion: 2006

Standard Chartered @ Changi

6-storey commercial building @ Changi Business Park

Client: Ascendas Group

Year of completion: 2009

DBS Asia Hub

9-storey commercial building @ Changi Business Park

Client: Ascendas Group

Year of completion: 2009

Completed Projects
INDUSTRIAL

The Frontier

5-storey, multiple-user industrial development @ Ubi Ave 3

Client: Ascendas Group
Year of completion: 2007

Hamilton Sundstrand

Single-storey industrial development @ Changi North Rise

Client: Ascendas Group

Year of completion: 2006

CGG Veritas Hub

4-storey industrial development @ Serangoon North Avenue 5

Client: Ascendas Group

Year of completion: 2007

Thales

3-storey industrial development @ Changi North Rise

Client: Ascendas Group

Year of completion: 2005

Completed Projects
INSTITUTIONAL

Sengkang Community Hub

5-storey community building @ Sengkang

Client: People's Association et al

Year of completion: 2004

The Capricorn

5-storey, multiple-user institutional building @ Science Park II

Client: Ascendas Group

Year of completion: 2001

Completed Projects
HERITAGE AND CONSERVATION

The Scarlet Hotel

Restoration and conversion of old shophouses into a 84-room boutique hotel @ Erskine Road

Client: The Scarlet Hotel Pte Ltd

Year of completion: 2004

The Arts House
(formerly known as the Old Parliament House)

Conversion of the Old Parliament House to the Arts House

Client: National Arts Council

Year of completion: 2003

Completed Projects
RELIGIOUS

Poh Ern Shih Temple

An eco-friendly and elderly friendly religious building @ Chwee Chian Road

Client: Poh Ern Shih Temple

Year of completion: 2009

Church of Jesus Christ of Latter-Day Saints

Religious building @ 253 Bukit Timah Road

Client: The Church of Jesus Christ of Latter-Day Saints Singapore Limited

Year of completion: 2006

Chairman's Message

"2010 is the year we made good progress in our property development business since it was incepted as our core business the year before. Revenue from our property development business became sizeable and grew through the quarters in FY2010"

Dear Shareholders,

We shall remember 2010 as the year we made good progress in our property development business since it was incepted as our core business the year before. Revenue from our property development business became sizeable and grew through the quarters in FY2010 as we launched a new project and sold more units. We also managed to acquire more land parcels locally for redevelopment. Our construction business remained sturdy with building projects not just from our own development projects but also from our valued clients.

Sturdy Financial Performance

Our FY2010 net profit attributable to equity holders improved 28% to S$20.8 million, supported by the profit contribution from our property development business.

Our new property development business contributed its maiden annual revenue of S$50.5 million to the Group's total revenue, which has dipped 28% to S$148.2 million, mainly because of the lower revenue from our construction business which decreased to S$107.5 million in FY2010.

We maintained a strong and sound financial position, closing our financial year with a cash and bank balances of S$63.0 million.

Progress in our Core Businesses

In FY2010, we also enriched our land bank with a few acquisitions. In June 2010, we purchased the property located at 422 Upper Paya Lebar Road. On 21 July 2010, we purchased the property at 459 Macpherson Road with the intention to redevelop this property for investment purpose. In September 2010, we secured a land parcel at Kaki Bukit Ave 4. In December 2010, we received the options to purchase the freehold property at 39 Kim Keat Road and the freehold property at 1/A/B Lorong Ampas with the intention to re-develop these properties. The options were exercised just recently.

I am pleased to inform shareholders that our property development business has fared well in FY2010. By September 2010, we sold all remaining units of Villas@ Gilstead, our first residential property development project since we incepted property development as core business. In the first half of FY2010, we launched the sale of Harvest@ Woodlands. Currently, more than 90% of the units have been sold. Sales of this project is expected to generate revenue for FY2011 and FY2012.

Our new 47-unit residential development at 422 Upper Paya Lebar Road, named Urban Residences, was also launched recently. Within the coming few months, we are also expected to launch the sales of the units of our new industrial development at Kaki Bukit, which is expected to be larger than Harvest@Woodlands.

The Group recognizes that the rapid urbanization and increasing affluence in China augurs well for the long term prospect of property development there, and has started to explore opportunities. In May 2010, we entered into a non-binding Memorandum of Understanding (MOU) with Hui Feng Real Estate Co., Ltd. (江苏汇丰房产有限公司) (Hui Feng) to set up a China-based joint venture (JV) to engage in property development and related businesses in China. This JV was to acquire the entire interest in Hui Feng Real Estate Enterprise Co., Ltd. (江苏汇丰房产实业有限公司) along with its land use rights to four plots of land in

Huai'an City, Jiangsu Province. We have recently decided not to proceed with this venture after ten months of due diligence and thorough consideration. Nonetheless, we are still open to exploring opportunities in China property development market.

We continue to secure new projects in our construction business. In January 2010, we signed a supplementary agreement with Ho Bee Group to the Trilight project at Newton Road, increasing the contract value from S$99.9 million to S$128.7 million. In March 2010, we secured a S$103.6 million maiden project from CapitaMall Trust, Singapore's largest real estate investment trust by asset size and market capitalization. Our construction arm also received the building order for our own development, Harvest@Woodlands, at an approximate contract sum of $65 million. Just as we stepped into FY2011, we were awarded a S$64.9 million building works project from HDB for the building works at Jurong West Neighbourhood 2 in a precinct named Boon Lay Grove. Our order book stood at S$295.4 million as we closed FY2010.

Bonus Issue

I want to thank our shareholders for your support in passing the resolution on the proposed bonus share issue of one bonus share with one bonus warrant for every two existing shares during the Extraordinary General Meeting (EGM) on 6 January 2011.

With the bonus issue, we will be able to increase our issued share capital base to reflect the growth and expansion of our business, and also increase the accessibility for investors in investing in us, thereby encouraging trading liquidity and greater participation by investors and broadening our shareholder base.

The bonus warrants, if fully exercised, would provide a gross proceed of about S$60 million. We intend to use the proceeds as general working capital, for the acquisition of land or property and for property development.

Funds Raised

I would also like to take this opportunity to express my appreciation to all our shareholders for your keen support in exercising the warrants issued in October 2009. We raised about S$22.9 million from the exercise of warrants thus far. The funds have been deployed to our property development projects in Woodlands, Paya Lebar and Kaki Bukit.

Rewarding our Shareholders

Our good performance in FY2010 enabled us to share fruits of our success with our shareholders. The Board of Directors has proposed a final dividend of 1 cent per share[1], subject to the approval of shareholders to be obtained during the Annual General Meeting. Together with the interim dividend paid, the total dividend for FY2010 will total about 1.67 cents per share[2].

Our Future

Riding on the strong economic growth in Singapore, the Building and Construction Authority (BCA) has projected the construction demand for 2011 to be between S$22 billion to S$28 billion, which is higher than 2010's estimate of S$21 billion to S$27 billion (source: BCA press release dated 12 January 2011). Such buoyant forecast for the construction and building services augurs well for our construction business.

Notwithstanding measures taken to cool the local property market, we maintain upbeat on our property development business as our current exposure to residential property is limited. We look ahead positively to the launch of our industrial property project in Kaki Bukit in FY2011.

We will continue to strengthen our order book for our construction business, and explore opportunities to expand our property development business further. With the amount of construction projects on hand and the encouraging sale of Harvest@Woodlands, we are optimistic about FY2011.

In Appreciation

Let me express my appreciation to our clients and business associates who have played a significant role in our continual success. I thank the Board of Directors, the managers and the staff for their leadership and diligence in contributing to our business expansion. I also thank our shareholders for your confidence and trust in us.

As always, we will continue to strive together as a team for a more successful year, guided by our motto—Prudence in our ways, Excellence is our aim (步步為營，精益求精).

Mr Goh Yeow Lian
Executive Chairman

1 based on the enlarged total number of issued shares after the bonus issue (as at 25 February 2011, the number of issued shares is 647,658,518)
2 based on the enlarged total number of issued shares after the bonus issue

New Subsidiaries

The Group set up the following subsidiaries to manage the new property development projects it undertakes:
- Wee Hur China (Huai'an) Pte Ltd
- Wee Hur (Kim Keat) Pte Ltd*
- Wee Hur (Kaki Bukit) Pte Ltd
- Wee Hur (Paya Lebar) Pte Ltd

** Wee Hur (Kim Keat) Pte Ltd was set up on 7 February 2011*

Property Development and Investment

Acquisitions

The Group made the following acquisitions in FY2010:

- On 1 January 2010, the Group completed its acquisition of 70% stake in Villas@Gilstead formally for S$9.0 million.

- On 1 June 2010, the Group's wholly-owned subsidiary, Wee Hur (Paya Lebar) Pte Ltd purchased the property located at 422 Upper Paya Lebar Road for S$15.2 million.

- On 21 July 2010, the Group purchased the property at 459 Macpherson Road for S$3.85 million.

- In September 2010, the Group's wholly-owned subsidiary Wee Hur Development Pte Ltd secured a land parcel at Kaki Bukit Ave 4 for S$76.8 million.

- On 14 December 2010, the Group received the options to purchase the freehold property at 39 Kim Keat Road and the freehold property at 1/A/B Lorong Ampas for S$8.3 million and S$6.7 million respectively.

Launches

- Villas@Gilstead – The Group sold all remaining units of this acquired development by September 2010. Villas@Gilstead is the Group's first residential property development project since property development was incepted as its core business. This development at Gilstead Road comprises 10 units of 3-storey semi-detached houses, 6 units of 3-storey terrace houses and 2 units of 3-storey bungalows with attic and basement and provision for a swimming pool.

- Harvest@Woodlands – In the first half of FY2010, the sale of the industrial strata-titled units of the project was launched. Harvest@Woodlands is a 469-unit, 10-storey, multiple-user development located within Woodlands Industrial Park E5, at the junction of Woodlands Avenue 4 and Admiralty Road West. The ceilings are high and the driveways are wide. The ramp-up units come with private and exclusive parking and direct loading at the doorstep. Presently, more than 90% of the units have been sold.

- Urban Residences – The Group has recently launched this 47-unit residential property which it has started to redevelop after acquiring this property at 422 Upper Paya Lebar Road in June 2010. This new five-storey boutique residential property will comprise one-room, two-room, three-room and four-room units, and will be equipped with amenities such as swimming pool, Jacuzzi pool, playground, gym and BBQ pits. The top level units will come with unique attics. This development is within walking distance from nex, the new shopping mall just above the Serangoon MRT station, and is a stone throw from well-known schools like Saint Gabriel's Secondary School and Paya Lebar Methodist Girls' School.

- New industrial development at Kaki Bukit – The sale of this new development is expected to be launched in the first half of FY2011. This new industrial development, to be built on the land parcel the Group secured at Kaki Bukit Ave 4, will comprise strata titled units like Harvest@Woodlands.The development will comprise two blocks, one of which will be an 8-storey ramp-up factory while the other a 9-story flatted factory, housing a total of 482 units.

Construction Business

Projects Completed in FY2010

Our order book of S$295.4 million worth of contracts as at 31 December 2010 are still on going and their expected completion dates range between FY2011 to FY2013.

New Projects Secured

- JCube – March 2010. This S$103.6 million project is a five-storey shopping and entertainment complex at Jurong East Street 13. It is the Group's first project from the Capitaland Group. With a Gross Floor Area (GFA) of 29,433 square metres, this new shopping mall will house a supermarket, a multi-screen cinema and Singapore's first Olympic-size ice skating rink among numerous restaurants and retail shops,. The construction is expected to be completed by end-2011.

- Harvest@Woodlands – Group's own development. With an approximate contract sum of S$65 million, this industrial development project at Woodlands Industrial Park E5, comprises two 10-storey buildings with a total of 469 units of ramp-up and flatted factory. This project is slated for completion in 2012.

- Boon Lay Grove – January 2011. This S$64.88 million project from HDB is for the building works at Jurong West Neighbourhood 2 comprising 450 residential units, and covers the construction of four residential blocks, a multi-storey car park with green roof, an electrical sub-station block, minor sewer services and services roads, driveways and drains. The project commenced on 15 February 2011 and is expected to complete in mid-2013.

Other ongoing projects

- Trilight – A two-block, 30-storey condominium development at Newton Road. With 205 units in total, this project was awarded by Ho Bee Group at a total contract value of S$128.7 million. The project is expected to complete by the third quarter of 2012.

- Compassvale Pearl – An S$83.2 million public housing project in Sengkang Neighbourhood 2 Contract 4, for a total of 420 premium flats – 336 units of 4-room and 84 units of 5-room and is expected to complete by mid-2011.

- HDB LUP project – A S$47.9 million project under the Housing and Development Board (HDB) Lift Upgrading Projects (LUP) for G5B (Stage 2) is for the construction of new lift shafts and upgrade of existing lift shafts and lift lobbies to existing HDB blocks in estates such as Tampines, Telok Blangah, Marine Parade, Ubi Avenue and Everton Park. The project is expected to be completed in 2013.

- Villas@Gilstead – A residential development project at Gilstead Road with an approximate value of S$15.0 million, comprises of 10 units of 3-storey semi-detached houses, 6 units of 3-storey terrace houses and 2 units of 3-storey bungalows with attic and basement and provision for a swimming pool. This project is expected to be completed by mid-2011.

Financial Review

"Our FY2010 net profit attributable to equity holders improved 28% to S$20.8 million, supported by maiden revenue from our property development business of S$50.5 million."

Financial Performance

Revenue

The Group's FY2010 (Financial Year 2010 ended 31 December 2010) revenue decreased by about S$58.7 million or 28.4% to S$148.2 million from S$206.9 million (FY2009). The decrease is due mainly to new major construction projects still being in their early stage of work in progress and hence lower recognition of revenue. However, the shortfall has been mitigated by a contribution of about S$50.5 million from the Group's new property development business.

Gross Profit & Gross Profit Margin

FY2010 gross profit improved 18.7% to S$34.3 million compared with S$28.9 million in FY2009. The improvement is attributable to the higher profit margin from the property development business.

Net Profit to Shareholders

The Group improved its net profit to shareholders by S$4.5 million or 28% to $20.8 million from S$16.3 million from the higher gross profit as well as a one-time gain from recognition of negative goodwill of S$4.8 million arising from the acquisition of a 70% stake in Villas@Gilstead Pte Ltd on 1st January 2010.

Non-current Assets

The net increase of S$5.5 million as at 31st December 2010 over FY2009's figures is due to the consideration of S$4.0 million disbursed on the acquisition of a property at MacPherson Road for investment purpose as well as the purchase of equipment costing about S$2.5 million.

Current Assets

The higher figure as at 31st December 2010 as compared to FY2009 is attributed mainly to the expansion of the Group's property development business as well as its strong Cash and Bank Balances.

Current Liabilities

The higher Current Liabilities figure over the FY2009 is due to the reclassification of new bank loans raised amounting to S$88.1 million in compliance with International Accounting Standard (IAS) 1 presentation of financial statements.

Non-current Liabilities

The new bank loan figure of S$10.6 million is incurred for the balance purchase cost of the property at 422 Upper Paya Lebar Road.

Cash and Bank Balances

Cash and bank balances ended higher in FY2010 at S$63.0 million compared to S$31.4 million as at 31 December 2009, demonstrating the Group's sound financial position.

Funds Raised

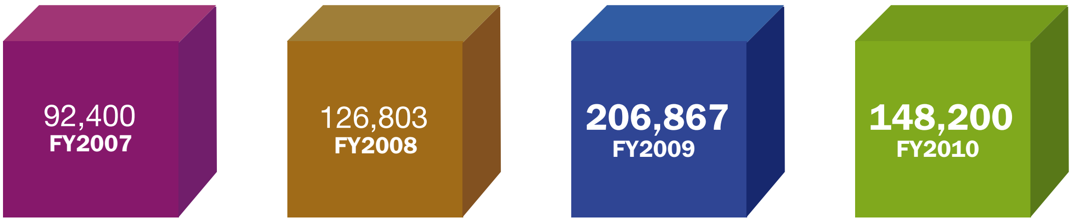
In FY2010, the Group issued 71,012,350 ordinary shares pursuant to the exercise of warrants, proceeds of which totaled about S$21 million. The Group has utilized this FY2009 Warrants Proceeds as follows:

	Raised Amount	Amount Utilized
Net Proceeds	S$	S$
Warrants Issue	1,605,195.00	1,600,000
Exercise of Warrants	21,304,155.00	21,000,000
Total	22,909,350.00	22,600,000*

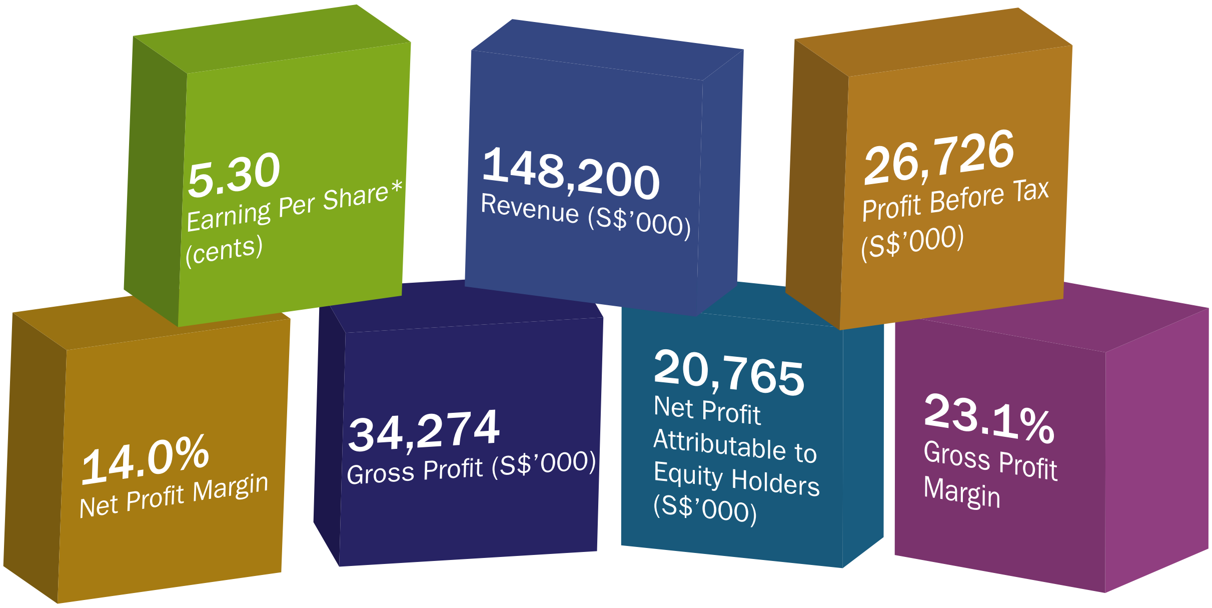
* S$22,600,000 has been deployed to Wee Hur (Woodlands) Pte. Ltd., Wee Hur (Paya Lebar) Pte. Ltd. and Wee Hur (Kaki Bukit) Pte. Ltd., which are wholly-owned subsidiaries for the upfront payment for the acquisition of both industrial and residential land parcels as well as working capital. The remainder is currently placed in Fixed Deposit accounts.

Financial Highlights

REVENUE (S$'000)



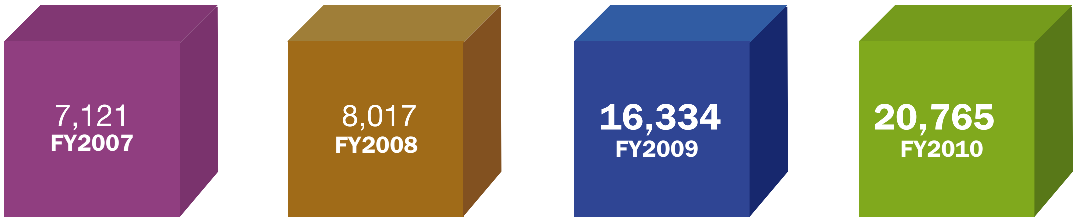
PROFIT AND LOSS HIGHLIGHTS FY2010



	FY2007	FY2008	FY2009	FY2010
Revenue (S$'000)	92,400	126,803	206,867	148,200
Gross Profit (S$'000)	12,625	15,389	28,882	34,274
Gross Profit Margin	13.7%	12.1%	14.0%	23.1%
Profit Before Tax (S$'000)	8,715	9,589	20,017	26,726
Net Profit Attributable to Equity Holders (S$'000)	7,121	8,017	16,334	20,765
Net Profit Margin	7.7%	6.3%	7.9%	14.0%
Earning per Share* (cents)	2.22	2.50	5.09	5.30

** Earnings per share is calculated based on number of share capital in issue. For FY2010 is 392,052,850. FY2007, FY2008 are the same at 321,039,000 where as FY2009 is 321,040,500.*

NET PROFIT ATTRIBUTABLE TO EQUITY HOLDERS (S$'000)



BALANCE SHEET HIGHLIGHTS

FY2010

(S$'000)

	FY2007 (S$'000)	FY2008 (S$'000)	FY2009 (S$'000)	FY2010 (S$'000)
Property, Plant and Equipment	952	3,016	3,777	5,339
Trade and Other Receivables	31,751*	38,248	63,858	51,393
Cash and Cash Equivalents	9,165	24,999	31,376	62,954
Trade and Other Payables	24,631*	36,260	52,560	61,610
Net Current Assets	11,908	35,626	61,647	93,119
Total Equity	13,731	39,489	50,885	89,453

**Certain reclassifications have been made to enhance comparability with the presentation in the current year's financial statements.*

Development Schedule Summary

PROPERTIES UNDER DEVELOPMENT

Project	Interest Attributable	Actual Commencement Date	Estimated Completion Date	GFA (sqm)	Type
Villas@Gilstead	70%	July 2009	June 2011	3,418	R
Harvest@Woodlands	100%	July 2010	June 2012	62,531	I
Urban Residences	100%	December 2010	June 2014	3,566	R
Kaki Bukit Ave 4	60%	April/May 2011	December 2014	74,943	I
Total				144,458	

PROPERTIES HELD FOR INVESTMENT

Name of Properties	Description	Tenure	Type
Monville Mansion	Commercial property at 530 Balestier Road #01-06, Singapore 329857, comprising an estimated floor area of 218 sqm	Freehold	S
459 Macpherson Road	Industrial property at 459 Macpherson Road, Singapore 368177, comprising a single storey detached factory and an estimated floor area of 669 sqm	54 years lease	I

Note
R = Residential *I = Industrial* *S = Shop & retail*

Corporate Information

Board of Directors
Goh Yeow Lian
(Executive Chairman and Managing Director)
Goh Yew Tee
(Executive Director and Deputy Managing Director)
Goh Yeo Hwa
(Executive Director)
Goh Yew Gee
(Non-Executive Director)
Teo Choon Kow @ William Teo
(Lead Independent Director)
Wong Kwan Seng Robert
(Independent Director)

Audit Committee
Teo Choon Kow @ William Teo
(Chairman)
Wong Kwan Seng Robert
Goh Yew Gee

Nominating Committee
Wong Kwan Seng Robert
(Chairman)
Teo Choon Kow @ William Teo
Goh Yew Gee

Remuneration Committee
Teo Choon Kow @ William Teo
(Chairman)
Wong Kwan Seng Robert
Goh Yew Gee

Company Secretaries
Tan Ching Chek and Lo Swee Oi, ACIS
C/o BSL Corporate Services Pte Ltd
220 Orchard Road
#05-01 Midpoint Orchard
Singapore 238852

Registered Office
39 Kim Keat Road
Wee Hur Building
Singapore 328814

Share Registrar and Share Transfer Office
Boardroom Corporate & Advisory Services Pte. Ltd.
50 Raffles Place
Singapore Land Tower
#32-01
Singapore 048623

Auditors
Ng, Lee & Associates - DFK
143 Cecil Street
12 – 00, GB Building
Singapore 069542.

Partner-in-charge:
Susan Ng Son Keat
(appointment with effect from financial year ended 31 December 2010)

Principal Bankers
Malayan Banking Berhad
Oversea-Chinese Banking Corporation Limited
Standard Chartered Bank
The Hongkong and Shanghai Banking Corporation Limited
United Overseas Bank Limited

Board of Directors

Goh Yeow Lian is our Executive Chairman and Managing Director and one of the founders of our Group. He is responsible in the formulation of our Group's strategic directions and expansion plans, and managing our Group's overall business development. As our founder, he has played a pivotal role in the growth and development of our Group. He has close to 30 years of experience in the construction industry. He started his career with Hup Seng Bee Construction Private Limited in 1978. He left in 1984 to join Wee Hur Construction Company, a partnership that he established with his brothers and brothers-in-law in 1980, as its managing partner. He assumed the role of the managing director when Wee Hur Construction Pte Ltd was set up in 1988. He graduated with a Diploma in Building from Singapore Polytechnic.

Goh Yew Tee is our Executive Director and Deputy Managing Director. In January 2009, he was appointed Managing Director of our wholly-owned subsidiary, Wee Hur Construction Pte Ltd. He is responsible for the overall operation of the construction arm. He started his career with Wee Hur Construction Company since 1982. He graduated with a Diploma in Building from Singapore Polytechnic.

Goh Yeo Hwa is our Executive Director and one of our co-founders. He has accumulated over 25 years of experience in the management of construction business and site supervision since he became a working partner of Wee Hur Construction Company in 1980. Currently, Goh Yeo Hwa is involved in the site management and procurement of construction materials and equipment. He received formal education up to secondary school.

Goh Yew Gee was appointed as our Non-Executive Director on 24 September 2007. He is currently the managing director of Multi-Zones Marketing Pte Ltd, a Singapore company engaged in chemical trading. He is also a Director of Hexachem (M) Sdn Bhd and Hexachem (Vietnam) Ltd. His business acumen and entrepreneurial experience is an asset to our Group, particularly in assisting our Group's business expansion through acquisitions, joint ventures, and strategic alliances. Goh Yew Gee holds a Diploma in Chemical Process Technology from Singapore Polytechnic.

William Teo was appointed as our Lead Independent Director on 14 December 2007. He is currently a consultant providing corporate advisory work and an independent director of two listed other companies in SGX, namely See Hup Seng Limited and Sim Siang Choon Limited. He is also a director of Ascendent Technology Pte Ltd and Fral Pte Ltd. Prior to that, he was the vice-president of Walden International Investment Group from 1997 to 2004 where he was responsible for its investment function. From 1989 to 1997, he was a senior manager with Coopers & Lybrand Management Consultants Pte Ltd, involved in corporate finance work. He is a fellow of the Association of Chartered Certified Accountants and a member of the Institute of Certified Public Accountants of Singapore. He holds a Master in Management from Asian Institute of Management, Philippines.

Robert Wong was appointed as our Independent Director on 14 December 2007. He is a lawyer by profession and practises mainly corporate law with emphasis on corporate finance. He had acted as solicitor in initial public offers, rights issue, issue of debentures, takeovers, mergers and acquisition and joint ventures. He started his career in legal practice with Khattar Wong & Partners in 1983. He became a Partner in Khattar Wong & Partners in 1991. In 1992, he joined Haw Par Brothers International Limited as Group General Manager where he was in charge of legal and administration matters. In 1993, he rejoined Khattar Wong & Partner as a Partner. In 1997, he joined David Lim & Partners as its Senior Partner where he was in charge of the corporate department. In 1999, he set up his own practice, Robert Wong & Co. In 2003, he joined Hee Theng Fong & Co. as a Consultant. In 2003, he joined Straits Law Practice LLC as a Director. He graduated from National University of Singapore in 1983 and was admitted as an advocate and solicitor of Supreme Court of Singapore in 1984.

Key Management

Goh Cheng Huah is our business director who is responsible for identifying and securing new projects for our Group. He joined us in 1989 as project engineer where he was responsible for supervising construction activities at our worksites. He was promoted to project manager in 1993 and subsequently to senior project manager in 1995, responsible for supervising project management teams in the execution of our construction projects. As his responsibilities in our Group grew over the years, he was promoted to business manager in 2005 where he was responsible for securing new projects for our Group. In July 2007, he rose to the position of business director. Before joining our Group, Goh Cheng Huah was an engineer at Kian Seng Construction from 1987 to 1989 where he was responsible for supervising construction activities at worksites. He holds a Bachelor of Engineering (Civil) degree from the National University of Singapore.

Koh Chong Kwang has been our project director since July 2007. He is responsible for supervising project management teams in the execution of our construction projects, as well as monitoring the progress of our ongoing projects by ensuring that quality standards are met, workers' safety regulations are generally complied with and the projects are completed on schedule. He joined us in 1995 as project engineer and was promoted in 1996 to project manager. Before joining our Group, Koh Chong Kwang was a site manager at Wan Soon Construction Pte Ltd from 1992 to 1995 where he was responsible for managing construction projects. He holds a Bachelor of Engineering (Civil) degree from the National University of Singapore.

Seow Sen Joo Nelson has been the tender and contract director of our Group since July 2007. He is in charge of our tender and contract department, overseeing the preparation of tender submissions and contract administration for secured projects. He joined us in 1988 as quantity surveyor and was promoted to tender and contract manager in 1995, and made responsible for overall tender and contract administration. Before joining our Group, Seow Sen Joo was a quantity surveyor at Kim Hoe Hang Construction Pte Ltd from 1985 to 1988 where he was responsible for tender and contract administration. He holds a Diploma in Building from Singapore Polytechnic.

Gaw Chu Lan has been the administration and finance director of our Group since July 2007 and is responsible for the overall administrative and financial functions of our Group. She joined Wee Hur Construction Company in 1985 and continued her employment with Wee Wur Construction Pte Ltd after its incorporation. She started as an administrator and was subsequently promoted to administration and finance manager in 1995. Prior to joining Wee Hur Construction Company, Gaw Chu Lan was an administration assistant with Hup Seng Bee Construction Private Limited from 1982 to 1985. She received formal education up to pre-university level and attained a GCE "A" Level certification.

Phua Chong Boon Bernard is the financial controller of our Group since April 2008. He graduated with a Bachelor of Accountancy degree from the University of Singapore in May 1979. He is a non-practising member of the Institute of Certified Public Accountants of Singapore. Mr Phua has about 29 years of financial and accounting experience working for companies in the information technology, electronics, shipping, services, broadcasting industries.

The Company is committed to a high standard of corporate governance to ensure effective self regulation practices are in place to enhance corporate performance and accountability.

This report outlines the Company's main corporate governance practices with references to the principles of the Code of Corporate Governance 2005 ("the Code"). The Code forms part of the continuing obligation of the Singapore Exchange Securities Trading Limited ("SGX-ST")'s Listing Manual.

Principle 1 : The Board's Conduct of its Affairs

The Board of Directors (the "Board") has six members comprising three Executive Directors, one Non-Executive Director and two Non-Executive Independent Directors. The Board comprises the following members:

Name of Director	Position in Board	Appointment
Goh Yeow Lian	Executive Chairman and Managing Director	Executive Director
Goh Yew Tee	Executive Director and Deputy Managing Director	Executive Director
Goh Yeo Hwa	Member	Executive Director
Goh Yew Gee	Member	Non-Executive Director
Teo Choon Kow @ William Teo	Member	Lead Independent Director
Wong Kwan Seng Robert	Member	Independent Director

The Company's Articles of Association permit Directors of the Company (the "Directors") to attend meetings through the use of audio-visual communication equipment.

In between Board meetings, important matters concerning the Company are also put to the Board for its decision by way of circulating resolutions in writing for the Directors' approval together with supporting memoranda enabling the Directors to make informed decisions. The number of Board and Board Committee meetings held in the FY2010 is as follows:

	Board Committee	Audit Committee	Remuneration Committee	Nominating
No. of meetings held	6	6	2	1
Attendance				
Goh Yeow Lian	6	6*	2*	1*
Goh Yew Tee	6	6*	2*	1*
Goh Yeo Hwa	6	6*	2*	1*
Goh Yew Gee	6	5	2	1
Wong Kwan Seng Robert	6	6	2	1
Teo Choon Kow @ William Teo	6	6	2	1

* attendance by invitation

The Board oversees the business affairs of the Group, approves the financial objectives and the strategies to be implemented by management and monitors standards of performance and issues of policy directly. In addition to its statutory duties, the Board's principal functions are:-

(i) Supervising the overall management of the business and affairs of the Group and approving the Group's corporate and strategic policies and direction;

(ii) Formulating and approving financial objectives of the Group and monitoring its performances such as reviewing and approving of results announcements and approving of annual financial statements;

(iii) Overseeing the processes for evaluating the adequacy of internal controls and risk management including the review and approval of interested person transactions;

(iv) Assuming responsibility for corporate governance and compliances with the Companies Act and the rules and regulations of the relevant regulatory bodies;

(v) Evaluating performance of management; and

(vi) Approving the recommended framework of remuneration for the Board and key executives.

Matters that are specifically reserved for the approval of the Board include, among others, any material acquisitions and disposals of assets, corporate or financial restructuring, share issuance and the proposing of dividends.

The Board has adopted a set of internal guidelines on the matters requiring Board approval. Certain functions have also been delegated to various Board committees, namely, the Audit Committee, the Remuneration Committee and the Nominating Committee.

Changes to regulations and accounting standards are monitored closely by management. To keep pace with regulatory changes, where these changes have an important bearing on the Company's or director's disclosure obligations, Directors are briefed either during Board meetings or at specially-convened sessions conducted by professionals. Newly appointed Directors will be briefed by the Executive Chairman on the business activities of the Group and its strategic directions as well as their duties and responsibilities as Directors.

In order to ensure that the Board is able to fulfill its responsibilities, prior to the Board meetings, the management provides the members of the Board with management accounts, as well as relevant background information and documents relating to items of business to be discussed at a Board meeting before the scheduled meeting.

The Directors are also regularly briefed on the business activities of the Group.

The Board has separate and independent access to the Company Secretary at all times and the Company Secretary attends all Board and Committee meetings and is responsible for ensuring that Board procedures are followed. The Board also has access to independent professional advice, where necessary, at the Company's expense.

Principle 2 : Board Composition and Guidance

The Board comprises six members of whom three are Executive Directors, one is Non-Executive Director and two are Non-Executive Independent Directors. Independent Directors comprise one third of the Board members.

The Board is able to exercise objective judgment independently from management and no individual or small group of individuals dominate the decisions of the Board.

The Nominating Committee is of the view that the current Board size of six Directors is appropriate taking into account the nature and scope of the Group's operations, the core competencies of knowledge and the business experiences of the Directors to govern and meet the Group's objectives.

The Board has no dissenting view on the Chairman's statement for the year in review.

Principle 3: Executive Chairman and Managing Director

Goh Yeow Lian ("Mr Goh") is currently the Executive Chairman and Managing Director. In view of Mr Goh's concurrent appointment as the Executive Chairman and Managing Director, the Board has appointed Teo Choon Kow @ William Teo as the Lead Independent Director, pursuant to the recommendations in Commentary 3.3 of the Code. In accordance with the recommendations in the said commentary 3.3, the Lead Independent Director is available to shareholders where they have concerns with contact through the normal channels of the Executive Chairman and Managing Director has failed to resolve or for which such contact is inappropriate.

As the Executive Chairman and Managing Director, Mr Goh is responsible for the day-to-day operations of the Group and has the full executive responsibilities over the business directions and operational decisions of the Group. As Executive Chairman, he also exercises control over quality, quantity and timeliness of the flow of information between the management of the Company and the Board, and assisting in ensuring compliance with the Company's guidelines on corporate governance. He also schedules meetings with the Board and prepares meeting agenda with the assistance of the Company Secretaries of the Company (the "Company Secretaries").

Principle 4 : Board Membership
Principle 5 : Board Performance

Board Membership

The Nominating Committee ("NC") comprises the following Directors:

Wong Kwan Seng Robert - Chairman
Teo Choon Kow @ William Teo - Member
Goh Yew Gee - Member

Wong Kwan Seng Robert and Teo Choon Kow @ William Teo are Independent Directors. Goh Yew Gee is a Non-Executive Director.

The NC's written terms of reference describe its responsibilities, and these include:

(i) Identifying candidates and making recommendations for all Board appointments and re-nomination or continuation in office of any Director;

(ii) Regularly reviewing the Board structure, size and composition, and making recommendations to the Board with regards to any adjustments that are deemed necessary;

(iii) Determining annually whether or not a Director is independent;

(iv) Deciding whether or not a Director is able to and has been adequately carrying out his/her duties as a Director of the Company, particularly when he/she has multiple Board representations, and proposing internal guidelines in relation to multiple Board representations;

(v) Deciding how the performance of the Board may be evaluated and propose objective performance criteria; and

(vi) Recommending procedures for assessing the effectiveness of the Board as a whole and for assessing the contributions by each individual Director to the effectiveness of the Board.

The Directors submit themselves for re-nomination and re-election at regular intervals of at least once every three years. Pursuant to the Articles of Association of the Company, one third of the Board Directors are to retire from office by rotation and be subject to re-election at the Annual General Meeting ("AGM") of the Company.

The NC has recommended Teo Choon Kow @ William Teo and Robert Wong Kwan Seng, who are retiring at the forthcoming Annual General Meeting, to be re-elected. The two directors are retiring under Article 107 of the Company's Articles of Association. The retiring directors have offered themselves for re-election. The Board has accepted the recommendations of the NC.

The performance of the Board is ultimately reflected in the performance of the Company. The Board should ensure compliance with the applicable laws. Board members should act in good faith, with due diligence and care in the best interests of the Company and its shareholders.

The Board, through the delegation of its authority to the NC had made its best efforts to ensure each director possess the experience, knowledge and skills critical to the Group's business. This is necessary to enable the Board to make sound and well-considered decisions. The NC, in considering the nominating of any director for re-election, will evaluate the performance of the Director involved.

Informal evaluation of the performance of the Board will be undertaken on a continuous basis by the NC with input from other Board members and the Executive Chairman. The Executive Chairman will act on the results of the evaluation and where appropriate and in consultation with the NC, will propose the appointment of new directors or seek the resignation of current Directors. Renewal or replacement of directors do not necessarily reflect their contribution to date; it may be driven by the need to position and shape the Board in line with the medium term needs of the Company and its business.

The search and nomination process for new directors, if any, will be through search companies, contacts and recommendations that go through the normal selection process, to cast its net as wide as possible for the right candidates.

New directors are appointed after the NC has reviewed and nominated them for appointment. Such new directors submit themselves for re-election at the next AGM of the Company.

Principle 6 : Access to Information

All Directors receive a set of Board papers that include explanatory information relating to matters to be brought before the Board, copies of disclosure notes and internal group financial statements prior to Board meetings. This is generally issued to them at least three days prior to Board meetings. This is to allow sufficient time for the Board members to obtain further explanations, where necessary, to be properly briefed and adequately prepare for Board meetings.

In addition, Directors receive the management accounts of the Company and have unrestricted access to the records and information of the Company. The Non-Executive and Independent Directors have access to senior executives in the Company and other employees to seek additional information if required. To facilitate such access, the contact particulars of the senior management and secretaries of the Company have been provided to the Directors. Directors can seek independent professional advice if required and in accordance with procedure. The costs of such independent professional advice will be borne by the Company.

The Company Secretaries have the responsibility to ensure that Board procedures are followed and that all applicable rules and regulations are complied with. One or both of the Company Secretaries are in attendance at meetings of the Board and Sub-Committees. The appointment and removal of the Company Secretaries should be a matter for the Board as a whole.

Principle 7 : Procedures for Developing Remuneration Policies
Principle 8 : Level & Mix of Remuneration
Principle 9 : Disclosure of Remuneration

The Remuneration Committee ("RC") comprises the following Directors:

Teo Choon Kow @ William Teo - Chairman
Wong Kwan Seng Robert - Member
Goh Yew Gee - Member

Teo Choon Kow @ William Teo and Wong Kwan Seng Robert are Independent Directors. Goh Yew Gee is a Non-Executive Director.

The written code of the Remuneration Committee describes its responsibilities. These include:

(i) Reviewing and recommending a framework of remuneration for the Directors and key officers, determining specific remuneration packages for each Executive Director, including the Executive Chairman, and the implementation of any appropriate performance-related elements to be incorporated in the remuneration framework;

(ii) Reviewing and recommending the remuneration packages of all managerial staff in the Company or any of its principal subsidiaries, including managerial staff who are related to any of the Directors or any substantial shareholder of the Company; and

(iii) Administering the Share Options Schemes of the Company, if any.

Although the recommendations are made in consultation with the Executive Chairman of the Board, the remuneration packages are ultimately approved by the entire Board. No Director is involved in deciding his own remuneration.

The Company adopts a remuneration policy for employees comprising a fixed component and a variable component. The fixed component is in the form of a base salary. The variable component is in the form of a variable bonus that is linked to the performance of the Company and the individual. The remuneration package of the Executive Chairman and Managing Director, includes a variable performance bonus.

Director's fees are set in accordance with the remuneration framework comprising basic fees and committee fees. These are subject to the approval of the Company during the AGM.

The following table shows the remuneration of Directors and key executives disclose in bands for the financial year ended 31 December 2010:

Remuneration Bands and Name	Fees (%)	Salary (%)	Bonus (%)	Others (%)	Total (%)
Directors					
Above $750,000					
Goh Yeow Lian	–	12	85	3	100
Goh Yew Tee	–	20	75	5	100
Goh Yeo Hwa	–	22	71	7	100
Below $250,000					
Teo Choon Kow @ William Teo	100*	–	–	–	–
Wong Kwan Seng Robert	100*	–	–	–	–
Goh Yew Gee	100*	–	–	–	–
Key Executives					
$250,000 to $499,000					
Seow Sen Joo	–	32	62	6	100
Goh Cheng Huah	–	34	61	5	100
Koh Chong Kwang	–	33	60	7	100
Below $250,000					
Goh Yeu Toh#	–	50	27	23	100
Cheng Kiang Huat#	–	51	27	22	100
Sua Nam Heng#	–	50	25	25	100
Gaw Chu Lan(1)	–	45	55	–	100
Phua Chong Boon	–	77	23	–	100

* These fees are subject to approval by shareholders as a lump sum at the forthcoming AGM.

Goh Yeu Toh, Cheng Kiang Huat and Sua Nam Heng are Executive Directors of Wee Hur Construction Pte Ltd, a wholly-owned subsidiary of the Company.

Goh Yeow Lian, Goh Yew Gee, Goh Yew Tee, Goh Yeo Hwa and Goh Yeu Toh ("Messrs Goh") are brothers. Cheng Kiang Huat and Sua Nam Heng are brothers-in-law of Messrs Goh.

(1) Gaw Chu Lan is the sister of Messrs Goh.

Other than those disclosed above, no employee of the Group was an immediate family member of a director whose remuneration exceeded $150,000 for the financial year ended 31 December 2010.

The Company has in place the Wee Hur Employee Share Option Scheme and Wee Hur Performance Share Plan which were approved by the shareholders at an Extraordinary General Meeting held on 19 May 2009.

Principle 10 : Accountability

The Board, through its announcements of the Group financial results to shareholders, aims to present a balanced and understandable assessment of the Group's position and prospects.

In preparing the financial statements, the Directors have:

(i) Selected suitable accounting policies and applied them consistently;

(ii) Made judgments and estimates that are reasonable and prudent;

(iii) Ensured that all applicable accounting standards have been followed; and

(iv) Prepared financial statements on the basis that the directors have reasonable expectations, having made enquires, that the Group and Company have adequate resources to continue operations for the foreseeable future.

Principle 11 : Audit Committee
Principle 12 : Internal Controls

The Audit Committee ("AC") comprises the following Directors:

Teo Choon Kow @ William Teo - Chairman
Wong Kwan Seng Robert - Member
Goh Yew Gee - Member

Teo Choon Kow @ William Teo and Wong Kwan Seng Robert are Independent Directors. Goh Yew Gee is a Non-Executive Director.

The role of the AC is to assist the Board in overseeing the adequacy of the overall internal control functions, the internal audit functions within the Group, the relationship of those functions to external audit, the scope of audit by the external auditor as well as their independence. The functions of the AC include the following :

(i) review with external auditors the scope and results of the audit, system of internal control, their management letter and management's response;

(ii) review the financial statements including annual budget and any forecast, before submission to the Boardm for approval;

(iii) review the scope and results of the internal audit proceedings of the internal auditors to ensure all possible precautions are taken to ensure no irregularities;

(iv) review the interested person transactions in accordance with the Listing Rules of the SGX-ST;

(v) review all non-audit services provided by external auditors so as to ensure that any provision of such services would not affect the independence and objectivity of external auditors; and

(vi) consider and recommend the appointment or re-appointment of the external auditors.

The AC has been given full access and obtained the co-operation of the management of the Company. The AC has the explicit authority to investigate any matter within its terms of reference. It also has full access to and cooperation by management and full discretion to invite any Director or executive officer to attend its meetings, and reasonable resources to enable it to discharge its functions properly.

The AC has met with the External Auditors of the Company (the "External Auditors") without the presence of the management. The AC also met with the External Auditors to discuss the results of their examinations and their evaluation of the systems of internal accounting controls.

The AC has reviewed the amount of non-audit fees paid to the External Auditors and is of the view that the provision of the non audit services does not compromise the independence of the External Auditors.

The AC has recommended that RSM Chio Lim LLP be appointed as the Company 's External Auditors in respect of the year ending 31 December 2011 in place of Ng, Lee & Associates –DFK who are resigning. The Board has accepted the recommendation of the AC. The appointment of RSM Chio Lim LLP and the resignation of Ng, Lee & Associates –DFK will be tabled at the Extraordinary General Meeting to be held on 28 April 2011.

The Company has put in place a whistle blowing policy in 2008. This policy will provide well-defined and accessible channels in the Group through which employees may raise concerns about improper conduct within the Group.

Principle 13 : Internal Audit

The Company has re-appointed Alfred PF Shee & Co as Internal Auditors for FY2010. The Internal Auditors plans its internal audit schedules in consultation with the Management and its plans are submitted to the AC for approval. The AC reviews and approves the internal audit plans and resources and also ensures that Alfred PF Shee & Co has the necessary resources to adequately perform its functions. The AC has also reviewed and they believed that the Internal Auditors is independent and has the appropriate standing to perform its functions effectively. Based on the information provided to the AC, nothing came to the AC's attention to cause the AC to believe that the system internal controls is inadequate.

Principle 14 : Communication with Shareholders
Principle 15 : Shareholder Participation

The Company does not practice selective disclosure. Price sensitive information is always released on SGXNET after trading hours. Results and annual reports are announced or issued within the mandatory periods.

Shareholders are encouraged to attend the AGM to ensure a greater level of shareholders' participation and for them to be kept up to date as to the strategies and goals of the Group. All shareholders of the Company receive a copy of the Annual Report, the Notice of AGM and circulars and notices pertaining to any Extraordinary General Meetings of the Company. To facilitate participation by the shareholders, the Articles of the Company allow the shareholders to attend and vote at general meetings of the Company by proxies. Separate resolutions on each distinct issue are requisite.

At the AGM, the External Auditors as well as the Directors are in attendance to answer queries from shareholders. Shareholders are given the opportunity at general meetings of the Company to air their views and query the Directors and management on matters relating to the Group and its operations.

DEALINGS IN SECURITIES

The Company has adopted an internal code which prohibits dealings in the securities of the Company by directors and officers while in possession of price-sensitive information. The directors and officers are prohibited from dealing in the securities of the Company during the period beginning two weeks and one month before the announcement of the quarterly and annual results respectively, and ending on the date of the announcement. In addition, directors and officers are expected to observe insider trading laws at all times even when dealing in securities within the permitted trading period.

DISCLOSURE OF MATERIAL CONTRACTS

There is no material contract entered into by the Company or any of its subsidiaries involving the interests of any Directors.

INTERESTED PERSON TRANSACTIONS

The Company has set out procedures governing all interested person transactions to ensure that they are carried out on an arm's length basis, on normal commercial terms and will not be prejudicial to the interests of the Company and its shareholders.

Disclosure according to the Rule 907 of the SGX-ST Listing Manual in respect of interested person transactions for FY2010is stated in the following table:

Name of Interested Person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than $100,000)
WM Development Pte Ltd	S$136,000	S$9,000,000

The Company does not have a general shareholders' mandate pursuant to Rule 920 of the Listing Manual.

USE OF PROCEEDS

The Company furnishes an update on the use of net proceeds from the FY 2009 Warrants Issue and exercise of Warrants , as follows:

Net proceeds	Raised Amount S$	Amount Utilised S$
i) Warrants Issued	1,605,195	1,600,000
ii) Exercise of Warrants	21,304,155	21,000,000
Total	22,909,350	22,600,000*

* $22,600,000 has been deployed to Wee Hur (Woodlands) Pte Ltd, Wee Hur (Paya Lebar) Pte Ltd and Wee Hur (Kaki Bukit) Pte Ltd, which are wholly-owned subsidiaries for the upfront payment for the acquisition of both industrial and residential land parcels as well as woking capitial. The remainder is currently placed in Fixed deposit account.

The directors present their report to the members together with the audited consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company for the financial year ended 31 December 2010.

Directors

The directors of the Company in office at the date of this report are:

Executive Chairman and Managing Director
Goh Yeow Lian

Executive Directors
Goh Yew Tee
Goh Yeo Hwa

Non-Executive Directors
Goh Yew Gee
Teo Choon Kow @ William Teo
Wong Kwan Seng Robert

Arrangements to enable directors to acquire shares and debentures

Neither at the end of the financial year nor at any time during the financial year did there subsist any arrangement whose object is to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, except as disclosed below.

Directors' interests in shares and debentures

The directors of the Company holding office at the end of the financial year had no interests in the shares, warrants and debentures of the Company and related corporations as recorded in the register of directors' shareholdings kept by the Company under section 164 of the Singapore Companies Act, Cap. 50, except as follows:

	Shareholdings registered in name of director or nominee			Shareholdings in which director is deemed to have an interest		
Name of director and company in which interests are held	At 1.1.2010	At 31.12.2010	At 21.1.2011	At 1.1.2010	At 31.12.2010	At 21.1.2011
The Company						
Wee Hur Holdings Ltd.						
Ordinary shares						
Goh Yeow Lian	15,562,636	15,562,636	15,562,636	128,403,000	141,903,000	141,903,000
Goh Yew Tee	6,781,318	6,781,318	6,781,318	-	-	-
Goh Yeo Hwa	9,630,769	9,630,769	9,630,769	-	-	-
Goh Yew Gee	5,178,160	5,178,160	5,178,160	-	-	-
Wong Kwan Seng Robert	100,000	150,000	150,000	-	-	-

Directors' interests in shares and debentures (continued)

Name of director and company in which interests are held	Shareholdings registered in name of director or nominee			Shareholdings in which director is deemed to have an interest		
	At 1.1.2010	At 31.12.2010	At 21.1.2011	At 1.1.2010	At 31.12.2010	At 21.1.2011
Warrants to subscribe for ordinary shares of the Company						
Goh Yeow Lian	10,531,318	-	-	64,201,500	25,201,500	25,201,500
Goh Yew Tee	4,765,659	-	-	-	-	-
Goh Yeo Hwa	6,565,384	-	-	-	-	-
Goh Yew Gee	3,589,080	-	-	-	-	-
Wong Kwan Seng Robert	50,000	-	-	-	-	-
Subsidiaries						
Wee Hur Construction Pte. Ltd						
Ordinary shares						
Goh Yeow Lian	-	-	-	15,000,000	15,000,000	15,000,000
Wee Hur Development Pte Ltd.						
Ordinary shares						
Goh Yeow Lian	-	-	-	1,000,000	1,000,000	1,000,000
Wee Hur (Woodlands) Pte. Ltd.						
Ordinary shares						
Goh Yeow Lian	-	-	-	1,000,000	1,000,000	1,000,000
Wee Hur (Payar Lebar) Pte. Ltd.						
Ordinary shares						
Goh Yeow Lian	-	-	-	-	1,000,000	1,000,000
Wee Hur (Kaki Bukit) Pte. Ltd.						
Ordinary shares						
Goh Yeow Lian	-	-	-	-	600,000	600,000
Villas@Gilstead Pte. Ltd.						
Ordinary shares						
Goh Yeow Lian	-	-	-	-	700,000	700,000
Wee Hur China (Huai'an) Pte. Ltd.						
Ordinary shares						
Goh Yeow Lian	-	-	-	-	2	2

Directors' contractual benefits

Since the beginning of the financial year, no director has received or become entitled to receive a benefit which is required to be disclosed by section 201(8) of the Singapore Companies Act, Cap. 50, by reason of a contract made by the Company or a related corporation with the director or with a firm of which he is a member, or with a company in which he has a substantial financial interest except as disclosed in the financial statements.

Share options

Wee Hur Employee Share Option Scheme

The Wee Hur Employee Share Option Scheme ("Wee Hur ESOS") was approved and adopted by the shareholders of the Company at an Extraordinary General Meeting held on 19 May 2009 (the "EGM").

The Wee Hur ESOS is administered by the following directors (the "Committee"):

Goh Yeow Lian (Chairman)
Teo Choon Kow @ William Teo
Wong Kwan Seng Robert
Goh Yew Gee
Goh Yew Tee
Goh Yeo Hwa

A summary of the Wee Hur ESOS is as follows:

(a) Background and rationale for the Wee Hur ESOS

The Wee Hur ESOS is open to a wide category of participants including executive and non-executive directors of the Company and employees. It is intended to help the Group attracts, recruits and retains the services of talented senior management and employees who would be able to contribute to the Group's businesses and operations. Additionally, the Wee Hur ESOS will provide an opportunity for employees who have contributed significantly to the growth and performance of the Group, as well as directors (including executive and non-executive directors) who satisfy the eligibility criteria to participate in the equity of the Company.

(b) Eligibility

Group employees (including executive directors) and non-executive directors (including independent directors) who have attained the age of 21 years will be eligible to participate in the Wee Hur ESOS at the absolute discretion of the Committee.

Currently, the Company does not have any associates. However, the Company may acquire such companies in the future and accordingly, the Company has provided for the Wee Hur ESOS to be extended to directors and key employees of its future associates (if any). Each non-executive director is not entitled to more than 3% of the shares available under the Wee Hur ESOS.

Share options (continued)

(c) Size of the Wee Hur ESOS

The aggregate number of shares in respect of which options may be granted on any date under the Wee Hur ESOS, when added to (i) the number of shares issued and issuable in respect of all options granted thereunder; and (ii) all shares issued and issuable pursuant to the Wee Hur PSP (See "Performance Share Plan" below), shall not exceed 15% of the number of issued shares of the Company (excluding treasury shares, if any) on the day immediately preceding the relevant date of grant.

Subject to the provisions on variation of the share capital, the total number of shares in respect of options that may be offered to a participant in accordance with the Wee Hur ESOS shall be determined at the absolute discretion of the Committee. The Company does not specify a sub-limit for the Wee Hur ESOS so as to provide for flexibility in the option structure.

(d) Exercise price

Under the Wee Hur ESOS, the exercise price of options granted will be determined by the Committee with reference to the average of the last dealt price(s) for a share, as determined by reference to the official list or any other publication by the Singapore Exchange Securities Trading Limited ("SGX-ST"), for the last five market days immediately preceding the offering date of that option ("Market Price"). Options may be granted with or without a discounted exercise price. In the event that options are granted at a discount, the discount shall not exceed 20% of the Market Price and is subject to the approval of shareholders in a general meeting.

(e) Exercise of options

Options granted with the exercise price set at the Market Price shall only be exercisable by a participant after the first anniversary from the date of grant. Options granted with the exercise price set at a discount to the Market Price shall only be exercisable by a participant after the second anniversary from the date of grant. An option may be exercised in whole or in part (provided that an option may be exercised in part only in respect of 1,000 shares or any multiple thereof) and in accordance with a vesting schedule and the conditions (if any) to be determined by the Committee on the date of grant of the respective options.

All options granted to group employees, pursuant to the Wee Hur ESOS, shall be exercised before the tenth anniversary of the relevant date of grant or such earlier date as may be determined by the Committee while those granted to the non-executive directors shall be exercised before the fifth anniversary of the relevant date of grant or such earlier date as may be determined by the Committee. Any unexercised options shall immediately lapse and become null and void after the relevant exercise period and a participant shall have no claim against the Company.

Share options (continued)

(f) Operation of the Wee Hur ESOS

Subject to the prevailing legislation and the rules of the Listing Manual of SGX-ST, the Company will have the flexibility to deliver shares to participants upon exercise of options by way of:

(i) an issue of new shares; and/or
(ii) the transfer of treasury shares

(g) Duration of the Wee Hur ESOS

The Wee Hur ESOS shall continue to be in operation at the discretion of the Committee, subject to a maximum duration of 10 years commencing from its adoption by shareholders at the EGM, provided always that the Wee Hur ESOS may continue beyond the above stipulated period with the approval of the shareholders by ordinary resolution in a general meeting and of any relevant authorities which may then be required.

The Wee Hur ESOS may be terminated at any time by the Committee or by resolution of the Company in a general meeting subject to all relevant approvals which may be required, and if the Wee Hur ESOS is so terminated, no further options shall be offered by the Company hereunder.

During the financial year, no options to take up unissued shares of the Company or any corporation in the Group were granted, and there were no shares of the Company or any corporation in the Group issued by virtue of the exercise of an option to take up unissued shares.

At the end of the financial year, there were no unissued shares of the Company or any corporation in the Group under option.

Performance share plan

Wee Hur Performance Share Plan

The Wee Hur Performance Share Plan ("Wee Hur PSP") was approved and adopted by the shareholders of the Company at an Extraordinary General Meeting held on 19 May 2009.

The Wee Hur PSP is administered by the same Committee mentioned above.

A summary of the Wee Hur PSP is as follows:

(a) Background and rationale for the Wee Hur PSP

The Wee Hur PSP is intend to increase the Company's flexibility and effectiveness in its continuing efforts to reward, retain and motivate key management employees. The Wee Hur PSP will be targeted at executives in key positions who are able to drive the growth of the Group through innovation, creativity and superior performance. Unlike the Wee Hur ESOS, the Wee Hur PSP contemplates the award of fully paid shares ("Award/s") to participants deemed deserving by the Committee. Awards under the Wee Hur PSP may be time-based or performance-related, and in each instance, shall vest only:

Performance share plan (continued)

(a) Background and rationale for the Wee Hur PSP (continued)

(i) where the Award is time-based, after the satisfactory completion of time-based service conditions, that is, after the participant has served the Group for a specified number of years (such Awards being "time-based Awards"); or

(ii) where the Award is performance-related, after the participant achieves a predetermined performance target (such Awards being "performance-related Awards").

A time-based Award may be granted, for example, as a supplement to the cash component of the remuneration packages of executives in key position whom the Company seeks to attract and recruit. A performance-related Award may be granted, for example, with a performance condition based on the successful completion of a project or the successful achievement of certain quantifiable performance conditions, such as sales growth or productivity enhancement.

(b) Eligibility

Group employees (including executive directors of the Company) who hold such rank as may be designated by the Committee from time to time, and have attained the age of 21 years, will be eligible to participate in the Wee Hur PSP.

Non-executive directors (including independent directors) of the Group or associates (if any) will also be eligible to participate in the Wee Hur PSP.

(c) Size of the Wee Hur PSP

The aggregate number of shares which may be granted on any date under the Wee Hur PSP, when added to the number of shares issued and issuable in respect of (i) all Awards granted thereunder; and (ii) all options granted pursuant to the Wee Hur ESOS, shall not exceed 15% of the number of issued shares of the Company (excluding treasury shares) on the day immediately preceding the relevant date of grant (or such other limit as the SGX-ST may determine from time to time).

Subject to the provisions on variation of the share capital, the total number of shares which may be offered to a participant pursuant to the Wee Hur PSP shall be determined at the absolute discretion of the Committee.

Performance share plan (continued)

(d) Types of Awards

Awards granted under the Wee Hur PSP will entitle participants to be allotted fully paid shares upon satisfactory completion of time-based service conditions or pre-determined performance targets, as the case may be.

The vesting period for each Award shall be determined on a case-to-case basis and will be stated in the Award letter to be given by the Committee to the participant confirming the Award. The Committee may also make an Award at any time where in its opinion a participant's performance and/or contribution justifies such Award.

(e) Details of Awards

The Committee shall decide, in relation to each Award to be granted to a participant under the Wee Hur PSP:

(i) the date on which the Award is to be granted;

(ii) the number of shares which are the subject of the Award;

(iii) in the case of a performance-related Award, the performance period(s) during which the performance condition(s) are to be satisfied and the performance condition(s);

(iv) the prescribed vesting period(s) which would generally be a period of up to one year following such time when the prescribed service condition(s) and/or performance condition(s) are met; and

(v) the schedule setting out the extent to which shares will be released on satisfaction of the performance target(s) (if any).

Awards may be granted at any time the Wee Hur PSP is in force. As soon as reasonably practicable after making an Award under the Wee Hur PSP, the Committee shall send to each participant an Award letter confirming the Award and specifying, inter alia, the matters as stated above.

(f) Operation of the Wee Hur PSP

Subject to the prevailing legislation and the rules of the Listing Manual of SGX-ST, the Company will have the flexibility to deliver shares and/or cash payment to participants upon vesting of their Awards by way of:

(i) an issue of new shares; and/or

(ii) the transfer of treasury shares; and/or

(iii) payment of the Equivalent Value in Cash (after deduction of any applicable taxes).

Performance share plan (continued)

(f) Operation of the Wee Hur PSP (continued)

The "Equivalent Value in Cash" to be paid to a participant in lieu of the shares to be issued or transferred upon the release of an Award, shall be calculated in accordance with the following formula:

$A = B \times C$

Where:

A is the Equivalent Value in Cash to be paid to the participant in lieu of all or some of the shares to be issued or transferred upon the release of an Award;

B is equal to the average closing prices of shares on SGX-ST on each of the 5 consecutive market days on which transactions in shares were recorded immediately preceding the date on which an Award is released in accordance with the Rules of the Wee Hur PSP; and C is such number of shares (as determined by the Committee in its sole and absolute discretion) to be issued or transferred to a participant upon the release of an Award in accordance with the Rules of the Wee Hur PSP.

(g) Duration of the Wee Hur PSP

The Wee Hur PSP shall continue to be in operation at the discretion of the Committee, subject to a maximum duration of 10 years commencing from its adoption by shareholders at the EGM, provided always that the Wee Hur PSP may continue beyond the above stipulated period with the approval of the shareholders by ordinary resolution in general meeting and of any relevant authorities which may then be required.

The Wee Hur PSP may be terminated at any time by the Committee or by resolution of the Company in general meeting subject to all relevant approvals which may be required, and if the Wee Hur PSP is so terminated, no further Awards shall be offered by the Company hereunder.

During the financial year, no Awards have been granted to eligible participants.

Warrants

During the current financial year, the Company does not issue any warrants. In the financial year ended 31 December 2009, the Company issued 160,519,500 warrants in connection with a renounceable non-underwritten rights issue of warrants.

At the end of the financial year, details of the unissued ordinary shares of the Company under warrant are as follows:

Date of issue	Warrants outstanding at 1.1.2010	Warrants issued	Warrants Exercised	Warrants expired	Warrants outstanding at 31.12.2010	Date of expiration
02.11.2009	160,518,000	-	71,012,350	-	89,505,650	27.10.2012

Each warrant entitles the warrant holder to subscribe for one new ordinary share in the Company at the exercise price of S$0.30 per share, on the basis of one warrant for every two existing shares held by entitled shareholders as at the books closure date, fractional entitlements to be disregarded. The warrants do not entitle the holders of the warrants by virtue of such holdings to any share issue of any other company. During the financial year, the Company issued 71,012,350 shares pursuant to the exercise of warrants as disclosed above.

Audit Committee

The Audit Committee of the Company, consisting all non-executive directors, is chaired by Teo Choon Kow @ William Teo, an independent director, and includes Wong Kwan Seng Robert , an independent director and Goh Yew Gee.

The Audit Committee carried out its functions in accordance with Section 201B(5) of the Singapore Companies Act, Cap. 50. Those functions include the reviews of the following:

(i) the scope and the results of the internal audit procedures with the internal auditor;

(ii) the audit plan of the Company's external auditors;

(iii) the assistance given by the Company's management to the external auditors;

(iv) the quarterly financial information, the financial statements of the Company and the consolidated financial statements of the Group before their submission to the board of directors, as well as the external auditors' report on those financial statements; and

(v) interested person transactions, as defined in the Listing Manual of SGX-ST.

Audit Committee (continued)

The Audit Committee has full access to management and is given the resources required for it to discharge its functions properly. It has full authority and the discretion to invite any director or executive officer to attend its meetings. The external and internal auditors have unrestricted access to the Audit Committee.

The Audit Committee has reviewed all non-audit services provided by the external auditors to the Group and is satisfied with the independence and objectivity of the external auditors.

Auditors

The auditors, Ng, Lee & Associates – DFK, have expressed their intention not to seek re-appointment.

On behalf of the board of directors

....
Goh Yeow Lian
Director

....
Goh Yew Tee
Director

23 March 2011

Statement By Directors

For the financial year ended 31 December 2010

In the opinion of the directors,

(a) the consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company as set out on pages 60 to 104 are drawn up so as to give a true and fair view of the state of affairs of the Group and of the Company as at 31 December 2010, and of the results, changes in equity and cash flows of the Group and changes in equity of the Company for the financial year then ended; and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

On behalf of the board of directors

....
Goh Yeow Lian
Director

....
Goh Yew Tee
Director

23 March 2011

Independent Auditors' Report

To the Members of Wee Hur Holdings Ltd. (Company Registration No. 200619510K)

Report on the financial statements

We have audited the accompanying financial statements of Wee Hur Holdings Ltd. (the "Company") and its subsidiaries (the "Group"), which comprise the balance sheets of the Group and the Company as at 31 December 2010, the statement of comprehensive income, statement of changes in equity and statement of cash flows of the Group and the statement of changes in equity of the Company for the financial year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 60 to 104.

Management's responsibility for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act, Cap 50 (the "Act") and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair profit and loss accounts and balance sheets and to maintain accountability of assets.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Group and of the Company as at 31 December 2010 and the results, changes in equity and cash flows of the Group and changes in equity of the Company for the financial year ended on that date.

Report on other legal and regulatory requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiaries incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

Ng, Lee & Associates - DFK
Public Accountants and
Certified Public Accountants
Singapore

23 March 2011

Balance Sheets

As at 31 December 2010

		Group		Company	
		2010	2009	2010	2009
	Note	S$	S$	S$	S$
ASSETS					
Current assets					
Cash and cash equivalents	6	62,953,823	31,376,177	18,968,580	13,455,944
Trade and other receivables	7	51,393,199	63,858,326	33,686,396	427,333
Prepayments		75,236	55,343	18,799	17,352
Gross amount due from customers for contract work-in-progress	8	5,943,244	3,626,016	-	-
Development properties	9	124,845,600	23,820,730	-	-
Total current assets		245,211,102	122,736,592	52,673,775	13,900,629
Non-current assets					
Property, plant and equipment	10	5,338,958	3,777,316	-	-
Investment properties	11	4,767,893	871,075	3,922,437	-
Subsidiaries	12	-	-	17,474,990	17,146,441
Other long-term receivable	13	-	-	5,896,311	8,724,937
Total non-current assets		10,106,851	4,648,391	27,293,738	25,871,378
Total assets		255,317,953	127,384,983	79,967,513	39,772,007
LIABILITIES AND EQUITY					
Current liabilities					
Trade and other payables	14	61,609,779	52,559,981	11,605,468	1,680,580
Gross amount due to customers for contract work-in-progress	8	699,750	4,800,093	-	-
Provisions	15	-	370,677	-	-
Bank borrowings	16	88,085,717	15,000,000	-	-
Income tax payable		1,696,757	3,358,408	12,532	4,859
Total current liabilities		152,092,003	76,089,159	11,618,000	1,685,439
Non-current liabilities					
Bank borrowings	16	10,640,000	-	-	-
Deferred tax liabilities	17	3,132,490	410,607	-	-
Total non-current liabilities		13,772,490	410,607	-	-
Equity attributable to owners of the Company					
Share capital	18	49,486,610	27,560,977	49,486,610	27,560,977
Reserves	19	681,084	1,373,057	791,082	1,483,055
Retained earnings		33,539,150	21,951,183	18,071,821	9,042,536
		83,706,844	50,885,217	68,349,513	38,086,568
Non-controlling interests		5,746,616	-	-	-
Total equity		89,453,460	50,885,217	68,349,513	38,086,568
Total liabilities and equity		255,317,953	127,384,983	79,967,513	39,772,007

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Comprehensive Income

For the financial year ended 31 December 2010

	Note	Group 2010 S$	Group 2009 S$
Revenue	20	148,199,965	206,866,551
Cost of work done		(113,925,706)	(177,984,190)
Gross profit		34,274,259	28,882,361
Investment income	21	192,284	260,751
Other gains	22	4,922,108	300,910
Administrative expenses		(12,662,807)	(9,427,482)
Profit before income tax	23	26,725,844	20,016,540
Income tax expense	24	(4,325,494)	(3,682,601)
Profit for the financial year, representing total comprehensive income for the financial year		22,400,350	16,333,939
Attributable to:			
Owners of the Company		20,765,043	16,333,939
Non-controlling interests		1,635,307	-
Profit for the financial year, representing total comprehensive income for the financial year		22,400,350	16,333,939
Earnings per share (cents):			
Basic	25	5.69	5.09
Diluted	25	4.97	4.24

The accompanying notes form an integral part of these financial statements.

Statements Of Changes in Equity

For the financial year ended 31 December 2010

	Share capital S$ (Note 18)	Merger deficit S$ (Note 19)	Warrants reserve S$ (Note 19)	Retained earnings S$	Equity attributable to owners of the Company S$	Non-controlling interests S$	Total equity S$
Group							
Balance at 1 January 2009	27,560,513	(109,998)	-	12,038,024	39,488,539	-	39,488,539
Issue of warrants	-	-	1,605,195	-	1,605,195	-	1,605,195
Warrants issue expenses	-	-	(122,125)	-	(122,125)	-	(122,125)
Exercise of warrants (net of issue expenses)	464	-	(15)	-	449	-	449
Total comprehensive income for the financial year	-	-	-	16,333,939	16,333,939	-	16,333,939
Dividends (Note 26)	-	-	-	(6,420,780)	(6,420,780)	-	(6,420,780)
Balance at 31 December 2009	27,560,977	(109,998)	1,483,055	21,951,183	50,885,217	-	50,885,217
Non-controlling interests arising from acquisition of subsidiary	-	-	-	-	-	3,711,309	3,711,309
Contribution from non-controlling interests	-	-	-	-	-	400,000	400,000
Exercise of warrants (net of issue expenses)	21,925,633	-	(691,973)	-	21,233,660	-	21,233,660
Total comprehensive income for the financial year	-	-	-	20,765,043	20,765,043	1,635,307	22,400,350
Dividends (Note 26)	-	-	-	(9,177,076)	(9,177,076)	-	(9,177,076)
Balance at 31 December 2010	49,486,610	(109,998)	791,082	33,539,150	83,706,844	5,746,616	89,453,460

	Share capital S$ (Note 18)	Warrants reserve S$ (Note 19)	Retained earnings S$	Total equity S$
Company				
Balance at 1 January 2009	27,560,513	-	3,277,556	30,838,069
Issue of warrants	-	1,605,195	-	1,605,195
Warrants issue expenses	-	(122,125)	-	(122,125)
Exercise of warrants (net of issue expenses)	464	(15)	-	449
Total comprehensive income for the financial year	-	-	12,185,760	12,185,760
Dividends (Note 26)	-	-	(6,420,780)	(6,420,780)
Balance at 31 December 2009	27,560,977	1,483,055	9,042,536	38,086,568
Exercise of warrants (net of issue expenses)	21,925,633	(691,973)	-	21,233,660
Total comprehensive income for the financial year	-	-	18,206,361	18,206,361
Dividends (Note 26)	-	-	(9,177,076)	(9,177,076)
Balance at 31 December 2010	49,486,610	791,082	18,071,821	68,349,513

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Cash Flows

For the financial year ended 31 December 2010

	Note	Group 2010 S$	Group 2009 S$
Operating activities			
Profit before income tax		26,725,844	20,016,540
Adjustments for:			
Depreciation of property, plant and equipment		977,089	716,398
Depreciation of investment property		65,240	25,620
Gain from bargain purchase		(4,770,391)	-
Loss on disposal of property, plant and equipment		3,490	7,630
Interest income		(100,284)	(155,151)
(Decrease)/increase in provisions		(370,677)	365,677
Operating cash flows before movements in working capital		22,530,311	20,976,714
Trade and other receivables		13,031,994	(25,610,376)
Prepayments		(19,893)	11,150
Net (increase)/decrease in gross amount due from customers for contract work-in-progress		(6,417,572)	11,324,029
Development properties		(56,390,324)	(23,820,730)
Trade and other payables		4,282,294	16,300,194
Cash used in operations		(22,983,190)	(819,019)
Interest received		98,021	155,151
Interest paid		(891,587)	-
Income tax paid		(3,267,672)	(1,536,218)
Net cash used in operating activities		(27,044,428)	(2,200,086)
Investing activities			
Proceeds from disposal of property, plant and equipment		2,000	-
Purchase of property, plant and equipment	10	(2,544,221)	(1,485,015)
Purchase of investment property	11	(3,962,058)	-
Net cash outflow on acquisition of subsidiary	29	(3,243,910)	-
Cash used in investing activities		(9,748,189)	(1,485,015)
Financing activities			
Proceeds from issue of warrants (net of issue expenses)		-	1,483,070
Proceeds from issue of shares upon exercise of warrants (net of issue expenses)		21,233,660	449
Contribution from non-controlling interests		400,000	-
New bank loans raised		70,816,058	15,000,000
Decrease in bank borrowings		(14,902,379)	-
Dividends paid		(9,177,076)	(6,420,780)
Movement in cash at bank pledged		(2,043,838)	1,585,086
Net cash from financing activities		66,326,425	11,647,825
Net increase in cash and cash equivalents		29,533,808	7,962,724
Cash and cash equivalents at beginning of the financial year		31,374,425	23,411,701
Cash and cash equivalents at end of the financial year	6	60,908,233	31,374,425

The accompanying notes form an integral part of these financial statements.

1. General

The Company (Registration Number 200619510K) is incorporated and domiciled in Singapore with its principal place of business and registered office at 39 Kim Keat Road, Wee Hur Building, Singapore 328814. The Company is listed on the Singapore Exchange Securities Trading Limited ("SGX-ST").

The principal activity of the Company is that of investment holding.

The principal activities of the subsidiaries are disclosed in Note 12.

The consolidated financial statements of the Group and balance sheet and statement of changes in equity of the Company for the financial year ended 31 December 2010 were authorised for issue by the board of directors on 23 March 2011.

2. Summary of significant accounting policies

(a) Basis of preparation

The financial statements have been prepared in accordance with the provisions of the Singapore Companies Act and Singapore Financial Reporting Standards ("FRS"). The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with FRS requires management to exercise its judgement in the process of applying the Group's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 3.

The individual financial statements of each entity in the Group are measured and presented in the currency of the primary economic environment in which the entity operates (its functional currency). The consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company are presented in the Singapore Dollar, which is the functional currency of the Company.

(b) Adoption of new and revised standards

On 1 January 2010, the Group adopted the new or revised FRS and Interpretations to FRS ("INT FRS") that are mandatory for application from that date. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS. The following are the new or revised FRS and INT FRS that are relevant to the Group:

2. Summary of significant accounting policies (continued)

(b) Adoption of new and revised standards (continued)

FRS 103 (revised) *Business Combinations* (Revised) (effective for annual periods beginning on or after 1 July 2009)

The revised FRS 103 introduces a number of changes in the accounting for business combinations. These changes will impact the amount of goodwill recognised, the reported results in the period that an acquisition occurs, and future reported results. Changes in significant accounting policies resulting from the adoption of the revised FRS 103 include:

- Transaction costs would no longer be capitalised as part of the cost of acquisition but will be expensed off immediately;
- Consideration contingent on future events are recognised at fair value on the acquisition date and any changes in the amount of consideration to be paid will no longer be adjusted against goodwill but recognised in profit or loss;
- For each business combination, the acquirer shall measure any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets (the Group has elected the latter method), and this impacts the amount of goodwill recognised; and
- When a business is acquired in stages, the previously held equity interests in the acquiree is remeasured to fair value at the acquisition date with any corresponding gain or loss recognised in profit or loss, and this impacts the amount of goodwill recognised.

In accordance with its transitional provisions, the revised FRS 103 has been applied prospectively. Assets and liabilities that arose from business combinations whose acquisition dates are before 1 January 2010 are not adjusted.

FRS 27 (revised) *Consolidated and Separate Financial Statements* (effective for annual periods beginning on or after 1 July 2009)

Changes in significant accounting policies resulting from the adoption of the revised FRS 27 include:

- A change in the ownership interest of a subsidiary that does not result in a loss of control is accounted for as an equity transaction. Therefore, such a change will have no impact on goodwill, nor will it give rise to a gain or loss recognised in profit or loss;
- Losses incurred by a subsidiary are allocated to the non-controlling interest even if the losses exceed the non-controlling interest in the subsidiary's equity; and
- When control over a subsidiary is lost, any interest retained is measured at fair value with the corresponding gain or loss recognised in profit or loss.

2. Summary of significant accounting policies (continued)

(b) Adoption of new and revised standards (continued)

In accordance with its transitional provisions, the revised FRS 27 has been applied prospectively, and does not impact the Group's consolidated financial statements in respect of transactions with non-controlling interests, attribution to losses to non-controlling interests and disposal of subsidiaries before 1 January 2010. The changes will affect future transactions with non-controlling interests.

Certain new standards, amendments and interpretations to existing standards have been published and are mandatory for the Group's accounting periods beginning on or after 1 January 2011 and which the Group has not early adopted.

The following paragraphs provide a brief summary of those standards that are relevant to the Group.

FRS 24 (Revised) *Related Party Disclosures* (effective for annual periods beginning on or after 1 January 2011)

The revised FRS 24 clarifies the definition of a related party to simplify the identification of such relationships and to eliminate inconsistencies in its application. The revised FRS 24 expands the definition of a related party and would treat two entities as related to each other whenever a person (or a close member of that person's family) or a third party has control or joint control over the entity, or has significant influence over the entity. The revised standard also introduces a partial exemption of disclosure requirements for government-related entities.

The Group is currently determining the impact of the changes to the definition of a related party has on the disclosure of related party transactions. As this is a disclosure standard, it will have no impact on the financial position or financial performance of the Group when implemented in 2011.

INT FRS 115 *Agreements for the Construction of Real Estate* (effective for annual periods beginning on or after 1 January 2011)

INT FRS 115 clarifies when revenue and related expenses from a sale of real estate unit should be recognised if an agreement between a developer and a buyer is reached before the construction of real estate is completed. INT FRS 115 determines that contracts which do not qualify as construction contracts in accordance with FRS 11 can only be accounted for using the percentage of completion method if the entity continuously transfers to the buyer control and the significant risks and rewards of ownership of the work in progress in its current state as construction progresses.

The Group's previous accounting policy for all real estate sales was to recognise revenue using the percentage of completion method as construction progresses. The Group has considered the application of INT FRS 115 and concluded that it will have no material impact on the financial position or financial performance of the Group in the period of initial adoption.

2. Summary of significant accounting policies (continued)

(c) Basis of consolidation

Business combinations – entities under common control

The Group was formed during the financial year ended 31 December 2007 pursuant to a restructuring exercise undertaken for the purpose of the listing of the Company's shares on SGX-ST. Acquisition of a subsidiary under common control pursuant to the restructuring exercise has been consolidated using the "pooling-of-interest" method. Under the "pooling-of-interest" method, the consolidated financial statements of the Group have been presented as if the Group structure immediately after the restructuring exercise has been in existence since the earliest financial year presented and the assets and liabilities are bought into the consolidated financial statements at their existing carrying amounts. Any difference between the nominal value of the Company's shares issued in exchange for the nominal value of the shares in the subsidiary acquired is recognised in equity.

Business combinations - others

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that are currently exercisable.

Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss. Costs related to the acquisition, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Any contingent consideration payable is recognised at fair value at the acquisition date. If the contingent consideration is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of the contingent consideration are recognised in profit or loss.

In business combinations achieved in stages, previously held equity interests in the acquiree are remeasured to fair value at the acquisition date and any corresponding gain or loss is recognised in profit or loss.

2. Summary of significant accounting policies (continued)

(c) Basis of consolidation (continued)

The Group elects for each individual business combination, whether non-controlling interest in the acquiree (if any) is recognised on the acquisition date at fair value, or at the non-controlling interest's proportionate share of the acquiree identifiable net assets.

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interest in the acquiree (if any), and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities is recorded as goodwill. In instances where the latter amount exceeds the former, the excess is recognised as gain on bargain purchase in profit or loss on the acquisition date.

Subsidiaries

Subsidiaries are entities (including special purpose entities) over which the Group has power to govern the financial and operating policies so as to obtain benefits from its activities, generally accompanied by a shareholding giving rise to a majority of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

Subsidiaries are consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date on which control ceases. In preparing the consolidated financial statements, transactions, balances and unrealised gains on transactions between group entities are eliminated. Unrealised losses are also eliminated but are considered an impairment indicator of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Loss of control

Upon the loss of control, the Group derecognises the assets (including any goodwill) and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently, it is accounted for as an equity-accounted investee or as an available-for-sale financial asset depending on the level of influence retained.

Accounting for subsidiaries by the Company

Investments in subsidiaries are carried at cost less any accumulated impairment losses in the Company's balance sheet. On disposal of investments in subsidiaries, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

2. Summary of significant accounting policies (continued)

(c) Basis of consolidation (continued)

Non-controlling interests

Non-controlling interests are that part of the net results of operations and of net assets of a subsidiary attributable to the interests which are not owned directly or indirectly by the equity holders of the Company. They are shown separately in the consolidated statement of comprehensive income, statement of changes in equity and balance sheet. Total comprehensive income is attributed to the non-controlling interests based on their respective interests in a subsidiary, even if this results in the non-controlling interests having a deficit balance.

Transactions with non-controlling interests

Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control over the subsidiary are accounted for as equity transactions. Any difference between the change in the carrying amounts of the non-controlling interest and the fair value of the consideration paid or received is recognised in a separate reserve within equity attributable to the owners of the Company.

(d) Financial assets

Financial assets of the Group comprise loans and receivables. The classification depends on the nature of the asset and the purposes for which the assets were acquired. Management determines the classification of its financial assets at initial recognition.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those maturing later than 12 months after the balance sheet date which are presented as non-current assets. Loans and receivables are presented as "Trade and other receivables", "Other long-term receivable" and "Cash and cash equivalents" on the balance sheet.

Recognition and derecognition

Financial assets are recognised on the balance sheet when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. On disposal of a financial asset, the difference between the carrying amount and the disposal proceeds is recognised in profit or loss.

2. Summary of significant accounting policies (continued)

(d) Financial assets (continued)

Measurement

Loans and receivables are measured at fair value plus transaction costs upon initial recognition, and are subsequently measured at amortised cost using the effective interest method.

Impairment of financial assets

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired and recognises an allowance for impairment loss when such evidence exists.

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy, and default or significant delay in payments are objective evidence that these financial assets are impaired.

The carrying amount of these assets is reduced through the use of an impairment allowance account which is calculated as the difference between the carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. When the asset becomes uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are recognised in profit or loss.

The allowance for impairment loss account is reduced through profit or loss in a subsequent period when the amount of impairment loss decreases and the related decrease can be objectively measured. The carrying amount of the asset previously impaired is increased to the extent that the new carrying amount does not exceed the amortised cost had no impairment been recognised in prior periods.

(e) Construction contracts

Where the outcome of a construction contract can be estimated reliably, contract revenue and contract costs are recognised as revenue and expenses respectively by reference to the stage of completion of the contract activity at the balance sheet date, as measured by the proportion that contract costs incurred for work performed to date relative to the estimated total contract costs, except where this would not be representative of the stage of completion.

Where the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that are likely to be recoverable. Contract costs are recognised as expenses in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

2. Summary of significant accounting policies (continued)

(e) Construction contracts (continued)

Contract revenue comprises the initial amount of revenue agreed in the contract and variations in contract work, claims and incentive payments to the extent that it is probable that they will result in revenue and they are capable of being reliably measured. A variation or a claim is recognised as contract revenue when it is probable that the customer will approve the variation or negotiations have reached an advanced stage such that it is probable that the customer will accept the claim.

At the balance sheet date, the cumulative costs incurred plus recognised profit (less recognised loss) on each contract is compared against the progress billings. Where the cumulative costs incurred plus the recognised profits (less recognised losses) exceed progress billings, the balance is presented on the balance sheet as “Gross amount due from customers for contract work-in-progress”. Where progress billings exceed the cumulative costs incurred plus recognised profits (less recognised losses), the balance is presented as “Gross amount due to customers for contract work-in-progress”.

Progress billings not yet paid by customers and retentions by customers are included within “trade and other receivables”. Advance received are included within “trade and other payables”.

(f) Development properties

Development properties are those properties which are held with the intention of development and sale in the ordinary course of business. They are stated at the lower of cost plus, where appropriate, a portion of attributable profit and estimated net realisable value, net of progress billings. Net realisable value represents the estimated selling price less costs to be incurred in selling the properties.

The cost of properties under development comprise specifically identified costs, including acquisition costs, development expenditure, borrowing costs and other related expenditure. Borrowings costs payable on loans funding a development property are also capitalised, on a specific identification basis, as part of the cost of the development property until the completion of development. Allowance for foreseeable losses is made, if any, in the period in which such losses are determined.

(g) Property, plant and equipment

Property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and any accumulated impairment losses.

The cost of an item of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Cost also include borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset (refer to Note 2(q) on “Borrowing costs”) and any fair value gains or losses on qualifying cash flow hedges of property, plant and equipment that are transferred from the hedging reserve.

2. Summary of significant accounting policies (continued)

(g) Property, plant and equipment (continued)

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

	Years of estimated useful lives
Leasehold property	11
Container office and furniture	10
Renovation and air-conditioners	5
Equipment and machinery	10
Motor vehicles	10
Computers	1

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each balance sheet date. The effects of any revision are recognised in profit or loss when the changes arise.

On disposal of an item of property, plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss.

(h) Investment properties

Investment properties are properties held either to earn rental income or capital appreciation or both (including any property under construction for such purposes).

Investment properties are initially recognised at cost and subsequently carried at cost less accumulated depreciation and any accumulated impairment loss. Depreciation on investment properties is calculated using the straight-line method so as to allocate their depreciable amounts over their estimated useful lives of 50 years.

The residual values, estimated useful lives and depreciation method of investment properties are reviewed, and adjusted as appropriate, at each balance sheet date. The effects of any revision are recognised in profit or loss when the changes arise. On disposal of an investment property, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss.

2. Summary of significant accounting policies (continued)

(i) Impairment of non-financial assets

At each balance sheet date, the Group reviews the carrying amounts of its non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit ("CGU") to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual CGU, or otherwise they are allocated to the smallest Group for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or CGU) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or CGU) in prior financial years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

(j) Financial liabilities

Financial liabilities of the Group comprise trade and other payables and bank borrowings. The Group determines the classification of its financial liabilities at initial recognition.

2. Summary of significant accounting policies (continued)

(j) Financial liabilities (continued)

Recognition and derecognition

Financial liabilities are recognised on the balance sheet when, and only when, the Group becomes a party to the contractual provisions of the financial instrument.

Financial liabilities are derecognised when the obligations under the liabilities are discharged, cancelled or have expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

Measurement

Upon initial recognition, trade and other payables are measured at fair value, net of transaction costs, and are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

Interest-bearing borrowings are initially measured at fair value, and are subsequently measured at amortised cost using the effective interest method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the period of the borrowings in accordance with the Group's accounting policy on borrowing cost.

Financial guarantees

The Company has issued corporate guarantees to banks for borrowings of its subsidiaries. These guarantees are financial guarantees as they require the Company to reimburse the banks if the subsidiaries fail to make principal or interest payments when due in accordance with the terms of their borrowings.

Financial guarantees are initially recognised at their fair values plus transaction costs in the Company's balance sheet.

Financial guarantees are subsequently amortised to profit or loss over the period of the subsidiaries' borrowings, unless it is probable that the Company will reimburse the banks for an amount higher than the unamortised amount. In this case, the financial guarantees shall be carried at the expected amount payable to the bank in the Company's balance sheet.

Intra-Group transactions are eliminated on consolidation.

2. Summary of significant accounting policies (continued)

(k) Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group as lessor

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which use benefit derived from the leased asset is diminished. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term on the same basis as the lease income.

The Group as lessee

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

(l) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2. Summary of significant accounting policies (continued)

(m) Employee benefits

Employee benefits are recognised as an expense, unless the cost qualifies to be capitalised as an asset.

Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid.

Employee leave entitlement

Employee entitlements to annual leave are recognised when they accrue to employees. The estimated liability for annual leave is recognised for services rendered by employees up to the balance sheet date.

(n) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares are recognised as a deduction against share capital.

(o) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

Revenue from construction contracts

Revenue from construction contracts is recognised in accordance with the Group's accounting policy on construction contracts.

Revenue from development properties

The Group recognises revenue on property development projects when the risks and rewards of ownership have been transferred to the buyer. In cases where the Company is obliged to perform any significant acts after the transfer of legal title or an equitable interest, revenue is recognised as the acts are performed based on the percentage of completion method under Recommended Accounting Practice ("RAP") 11 *Pre-completion Contracts for the Sale of Development Property* issued by the Institute of Certified Public Accountants of Singapore in October 2005. Under RAP 11, when (a) construction is beyond a preliminary stage, (b) minimum down payment criteria are met, (c) sales prices are collectible, and (d) aggregate sales proceeds and costs can be reasonably estimated, the percentage of completion method is an allowed alternative. If any of the above criteria are not met, pre-completion proceeds received are accounted for as deposits until such criteria are met.

2. Summary of significant accounting policies (continued)

(o) Revenue recognition (continued)

Under the percentage of completion method, profit is brought into the financial statements only in respect of sales procured and to the extent that such profit relates to the progress of construction work. The progress of construction work is determined based on the stage of completion certified by an architect or a quantity surveyor.

Interest income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Rental income

Rental income from operating leases (net of any incentives given to the lessees) is recognised on a straight-line basis over the lease terms.

Dividend income

Dividend income is recognised when the right to receive payment is established.

(p) Government grants

Cash grants received from the government in relation to the Jobs Credit Scheme are recognised as income upon receipt.

(q) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2. Summary of significant accounting policies (continued)

(r) Warrants

The proceeds received from the subscription price for the issue of warrants net of direct issue expenses are credited to the warrants reserve. As and when the warrants are exercised, the subscription price for the warrants exercised will be transferred from warrants reserve to share capital. Upon the expiry of the warrants, the balance of the warrants reserve representing the net proceeds from the issue of the warrants not exercised, will be taken to retained earnings.

(s) Dividends to the Company's shareholders

Interim dividends to the Company's shareholders are recorded during the period in which the dividends are declared payable. Final dividends to the Company's shareholders are recognised when the dividends are approved for payment.

(t) Income taxes

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

A deferred income tax liability is recognised on temporary differences arising on investments in subsidiaries, except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Deferred income tax is measured:

(i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date; and

(ii) based on the tax consequence that will follow from the manner in which the Group expects, at the balance sheet date, to recover or settle the carrying amounts of its assets and liabilities.

2. **Summary of significant accounting policies (continued)**

(t) Income taxes (continued)

Current and deferred income taxes are recognised as income or expense in profit or loss, except to the extent that the tax arises from a business combination or a transaction which is recognised either directly in equity or in other comprehensive income, in which case the tax is recognised directly in equity or in other comprehensive income respectively.

(u) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the board of directors whose members are responsible for allocating resources and assessing performance of the operating segments.

(v) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, short-term deposits, any bank overdrafts and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

3. **Critical accounting estimates, assumptions and judgements**

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.

Construction contracts

The Group recognises contract revenue to the extent of contract costs incurred where it is probable those costs will be recoverable or based on the stage of completion method depending on whether the outcome of the contract can be measured reliably. The stage of completion is measured by reference to the proportion that contract costs incurred for work performed to date relative to the estimated total contract costs, except where this would not be representative of the stage of completion. Significant judgement is required in determining the stage of completion, the estimated total contract revenue and estimated total contract cost, as well as the recoverability of the contract cost incurred.

Estimation of total contract revenue also includes an estimation of the variation works that are recoverable from the customers. In making the judgement, the Group relies on past experience, knowledge of project personnel and/or work of relevant professionals.

Estimated total contract cost for construction contract comprises direct costs attributable to the construction of each property. In estimating the total budgeted costs for construction contracts, management makes reference to information such as current offers from contractors and suppliers, recent offers agreed with contractors and suppliers, and professional estimation on construction and material costs as well as its past experience.

The carrying amounts of assets and liabilities arising from construction contracts at the balance sheet date are disclosed in Note 8.

3. Critical accounting estimates, assumptions and judgements (continued)

Provision for foreseeable losses

The Group reviews its construction work-in-progress to determine whether there is any indication of foreseeable losses. Identified foreseeable losses are recognised immediately in the profit or loss when it is probable that total contract costs will exceed total contract revenue. During the financial year, the Group has assessed that no provision for foreseeable losses is necessary.

Impairment of loans and receivables

Management reviews its loans and receivables for objective evidence of impairment. Significant financial difficulties of the debtor, the probability that the debtor will enter bankruptcy, and default or significant delay in payments are considered objective evidence that a receivable is impaired. In determining this, management makes judgement as to whether there is observable data indicating that there has been a significant change in the payment ability of the debtor, or whether there have been significant changes with adverse effect in the technological, market, economic or legal environment in which the debtor operates in.

Where there is objective evidence of impairment, management makes judgements as to whether an impairment loss should be recorded as an expense. In determining this, management uses estimates based on historical loss experience for assets with similar credit risk characteristics. The methodology and assumptions used for estimating both the amount and timing of future cash flows are reviewed regularly to reduce any differences between the estimated loss and actual loss experience.

Development properties

The Group recognises revenue from the sale of development properties based on the percentage of completion method. The percentage of completion is measured in accordance with the accounting policy stated in Note 2(o). Significant assumption is required in determining the stage of completion, the extent of the construction cost certified by architect and the estimated total construction cost. In making the assumption, the Group evaluates by relying on past experience and the work of architects.

Useful lives of property, plant and equipment

The cost of property, plant and equipment is depreciated on a straight-line basis over their estimated economic useful lives. The Group reviews the useful lives of the property, plant and equipment at each balance sheet date in accordance with the accounting policy disclosed in Note 2(g). Significant judgement is required in determining the useful lives of property, plant and equipment. In determining the useful lives, the Group considered the expected usage, maintenance and repair costs, technical or commercial obsolescence to the use of property, plant and equipment. Any changes to these judgements could impact the economic useful lives of these property, plant and equipment, and therefore future depreciation charges could be revised. A reduction in the estimated useful lives of property, plant and equipment would increase the recorded depreciation charge and decrease the carrying amount of property, plant and equipment. The carrying amount of property, plant and equipment at the end of the financial year is disclosed in Note 10.

4. Financial instruments, financial risk and capital risk management

Categories of financial instruments

The following table sets out the financial instruments as at the balance sheet date:

	Group		Company	
	2010	2009	2010	2009
	S$	S$	S$	S$
Financial assets				
Loans and receivables (including cash and cash equivalents)	114,347,022	95,234,503	58,551,287	22,608,214
Financial liabilities				
Amortised cost	160,335,496	67,559,981	11,605,468	1,680,580

Financial risk management policies and objectives

The board of directors provides principles for overall financial risk management and policies covering specific areas, such as market risk (including foreign exchange risk and interest rate risk), credit risk, liquidity risk, cash flow interest rate risk and investing excess cash. Such policies are reviewed regularly by the board of directors to reflect changes in market conditions and the Group's activities. The Audit Committee provides independent oversight to the effectiveness of the risk management process.

The Group does not hold or issue derivative financial instruments for speculative purposes.

There has been no change to the Group's exposure to these financial risks or the manner in which it manages and measures the risk.

Foreign exchange risk management

The Group's exposure to foreign exchange risk is immaterial because the Group's activities are mainly conducted in Singapore dollars. Nevertheless, exposure to foreign exchange risk is monitored on an on-going basis and the Group endeavours to keep the exposure at an acceptable level.

Interest rate risk management

The Group is exposed to interest rate risk through the impact of rate changes on interest-bearing bank borrowings. Interest rate risk is managed by the Group on an on-going basis to ensure that interest rates are in line with market rates. The interest rates and terms of repayment of the Group's bank borrowings are disclosed in Note 16.

4. Financial instruments, financial risk and capital risk management (continued)

Financial risk management policies and objectives (continued)

The Group's policy is to maintain cash and cash equivalents in short-term fixed rate instruments to minimise exposure to interest rate fluctuations. The interest rates of interest bearing financial assets are disclosed in Note 6.

Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. In additional, on-going credit evaluation is performed on the financial condition of accounts receivable.

Except as disclosed in Note 7 and Note 13, the Group and the Company do not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

At the balance sheet date, the carrying amount of financial assets recorded in the financial statements represents the Group's maximum exposure to credit risk.

Further details of credit risks on trade and other receivables are disclosed in Note 7 and Note 13.

Liquidity risk management

The Group maintains sufficient cash and cash equivalents, and internally generated cash flows to finance its activities. The board of directors finances the Group's liquidity through internally generated cash flows and minimises liquidity risk by keeping committed credit lines available. At the balance sheet date, the Group has undrawn committed bank facilities of approximately S$66 million (2009: S$61 million).

4. Financial instruments, financial risk and capital risk management (continued)

Financial risk management policies and objectives (continued)

The table below analyses non-derivative financial liabilities of the Group and the Company into relevant maturity groupings based on the remaining period from the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying amounts as the impact of discounting is not significant. The maximum amount of the financial guarantee contracts are allocated to the earliest period in which the guarantee could be called.

	On demand or not later than 1 financial year S$	Later than 1 financial year but not later than 5 financial years S$	Total S$
Group			
2010			
Non-interest bearing instruments	61,609,779	-	61,609,779
Variable interest rate instruments	88,085,717	10,987,528	99,073,245
	149,695,496	10,987,528	160,683,024
2009			
Non-interest bearing instruments	52,559,981	-	52,559,981
Variable interest rate instruments	15,000,000	-	15,000,000
	67,559,981	-	67,559,981
Company			
2010			
Non-interest bearing instruments	11,605,468	-	11,605,468
Financial guarantee contracts	150,381,375	-	150,381,375
	161,986,843	-	161,986,843
2009			
Non-interest bearing instruments	1,680,580	-	1,680,580
Financial guarantee contracts	15,000,000	-	15,000,000
	16,680,580	-	16,680,580

Fair value of financial assets and financial liabilities

The carrying amounts of cash and cash equivalents, trade and other current receivables, trade and other current payables and non-current bank borrowings approximate their respective fair values either due to the relatively short-term maturity of these financial instruments or that they are floating rate instruments that are re-priced to market interest rates on or near the balance sheet date. The fair value of long term receivable from subsidiary is estimated by discounting expected future cash flows at market incremental lending rate for similar type of lending arrangements at the balance sheet date. Management considers the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the financial statements approximate their fair values.

4. Financial instruments, financial risk and capital risk management (continued)

Capital risk management policies and objectives

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The capital structure of the Group consists of equity attributable to owners of the Company, comprising issued capital, reserves and retained earnings.

The board of directors reviews the capital structure regularly. As a part of this review, the board of directors considers the cost of capital and the risks associated with each class of capital. Based on this review, the Group will balance its overall capital structure through the payment of dividends, new share issues and share buy-backs as well as the issue of new debt or the redemption of existing debt.

The Group and the Company are not subject to externally imposed capital requirements except for a subsidiary which has to have a minimum paid-up capital and a minimum net worth of S$15 million (2009: S$15 million) in order to maintain its grading status with the Building and Construction Authority.

The Group's overall strategy remains unchanged from the previous financial year.

5. Related party transactions

Related parties include entities with common direct or indirect shareholders and/or directors. Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions.

Some of the Company's transactions and arrangements are with related parties and the effect of these on the basis determined between the parties is reflected in these financial statements. The balances between these parties are unsecured, interest-free and repayable on demand unless otherwise stated.

During the financial year, the following transactions took place between group entities and related parties:

	Group	
	2010	2009
	S$	S$
Accounting and administrative services income	(10,000)	-
Marketing expense	594,497	-
Acquisition of a subsidiary (Note 29)	9,000,000	-
Purchases of raw materials	-	4,500
Professional fee expense	16,550	47,000
Project management fee expense	176,000	-
Rental expense	136,000	120,000
Rental income	(24,000)	(24,000)
Revenue from construction contracts	-	(3,067,553)

5. Related party transactions (continued)

Key management personnel compensation

The remuneration of directors and other members of key management during the financial year was as follows:

	Group	
	2010	2009
	S$	S$
Salaries and other short-term benefits	5,453,740	5,436,251
Employer's contributions to Central Provident Fund	84,685	111,523
Directors' fees	120,000	120,000
	5,658,425	5,667,774

The remuneration of directors and key management personnel is determined by the remuneration committee having regard to the performance of individuals and market trends.

Compensation paid to close family members of directors

	Group	
	2010	2009
	S$	S$
Salaries and other short-term benefits	573,558	622,905
Employer's contributions to Central Provident Fund	58,020	66,532
	631,578	689,437

6. Cash and cash equivalents

	Group		Company	
	2010	2009	2010	2009
	S$	S$	S$	S$
Cash at bank and on hand	41,948,353	20,293,250	18,968,580	2,373,017
Fixed deposits	21,005,470	11,082,927	-	11,082,927
Cash and cash equivalents	62,953,823	31,376,177	18,968,580	13,455,944
Less : cash at bank pledged	(2,045,590)	(1,752)		
Cash and cash equivalents in the consolidated statement of cash flows	60,908,233	31,374,425		

Fixed deposits of the Group bear effective interest rate ranging from 0.10% to 0.28% (2009: 0.38% to 1.79%) per annum and are placed for tenure of between 30 to 90 days (2009: 254 days). Cash and cash equivalents are denominated in the functional currencies of the respective entities.

Included in cash and cash equivalents of the Group are amounts held under project accounts under the Housing Developers (Project Account) Rules (the "Rules"). The use of S$7,639,467 (2009: S$Nil) held under the project accounts is subject to restriction imposed by the Rules and approval from the bank where the project accounts are opened.

Cash at bank pledged represent bank deposits of the Group pledged as securities to obtain banking facilities.

7. Trade and other receivables

	Group		Company	
	2010	2009	2010	2009
	S$	S$	S$	S$
Trade receivables:				
Subsidiaries	-	-	900,000	400,000
Related parties	5,364	2,706,778	-	-
Non-related parties	37,570,656	46,109,217	276,893	14,773
Retention sums on construction contracts	7,750,945	12,989,820	-	-
	45,326,965	61,805,815	1,176,893	414,773
Goods and services tax receivable in connection with purchase of land	5,385,014	1,603,941	-	-
Non-trade amount due from subsidiaries	-	-	32,359,503	-
Advances to staff	16,950	9,400	-	-
Deposits	662,007	419,954	150,000	-
Sundry receivables	2,263	19,216	-	12,560
	51,393,199	63,858,326	33,686,396	427,333

Trade receivables are non-interest bearing and generally on 14 to 35-day (2009: 30 to 35-day) terms. Of the trade receivables balance at the end of the financial year, approximately S$10 million (2009: S$9 million) is due from a non-related party, the Group's largest customer.

In determining the recoverability of a trade receivable, the Group considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the balance sheet date. Accordingly, the management believes that there is no credit provision required.

The aging analysis of trade receivables at the balance sheet date is:

	Group		Company	
	2010	2009	2010	2009
	S$	S$	S$	S$
Not past due and not impaired	38,006,809	49,104,467	1,176,893	414,773
Past due 1-30 days but not impaired	7,137,848	3,855,360	-	-
Past due 31-60 days but not impaired	8,497	8,344,485	-	-
Past due 61-90 days but not impaired	2,825	9,788	-	-
Past due more than 90 days but not impaired	170,986	491,715	-	-
	45,326,965	61,805,815	1,176,893	414,773

7. Trade and other receivables (continued)

Based on historical default rates, the Group believes that no impairment allowance is necessary in respect of all trade receivables. These unsecured receivables are mainly arising by customers that have good repayment records with the Group. The Group does not hold any collateral over the trade receivables.

Included in trade receivables is an amount of S$24,261,757 (2009: S$40,412,843) which has been assigned for banking facilities granted to the Group.

Non-trade amount due from subsidiaries, advances to staff, deposits and sundry receivables are unsecured, interest-free and repayable on demand. The Group has not made any allowance for these receivables as the management is of the opinion that these receivables are recoverable.

Trade and other receivables are denominated in the functional currencies of the respective entities.

8. Construction contracts

	Group	
	2010	2009
	S$	S$
Aggregate amount of costs incurred and recognised profits (less recognised losses) to date	138,112,946	98,564,598
Less: progress billings	(132,869,452)	(99,738,675)
	5,243,494	(1,174,077)
Presented as:		
Gross amount due from customers for contract work-in-progress	5,943,244	3,626,016
Gross amount due to customers for contract work-in-progress	(699,750)	(4,800,093)
	5,243,494	(1,174,077)

9. Development properties

	Group 2010 S$	Group 2009 S$
Properties under development:		
Freehold and leasehold land cost	154,751,793	22,900,000
Development costs	19,426,210	920,730
Project management fee	1,200,000	-
Property taxes, interest and other related costs	9,150,054	-
	184,528,057	23,820,730
Attributable profits	15,415,423	-
	199,943,480	23,820,730
Less: progress billings	(75,097,880)	-
	124,845,600	23,820,730

During the financial year, borrowing costs of S$947,430 (2009: S$91,677), arising from borrowings obtained specifically for the development properties were capitalised under "Property taxes, interest and other related costs". The rates used to determine the amount of borrowing costs eligible for capitalisation range from 1.62% to 5.5% (2009: 2.51% to 2.62%), which are the effective interest rates of the specific borrowings.

The development properties are mortgaged for credit facilities granted to the Group (Note 16).

If the Group had adopted the completion of construction method, the effects on the financial statements would have been as follows:

	Group Decrease by 2010 S$	Group Decrease by 2009 S$
Balance sheet		
Development properties as at 1 January	-	-
Development properties as at 31 December	(17,321,159)	-
Retained earnings as at 1 January	(2,733,892)	-
Statement of comprehensive income		
Revenue	(50,522,650)	-
Profit for the financial year	(11,640,644)	-

10. Property, plant and equipment

	Leasehold property S$	Container office and furniture S$	Renovation and air-conditioners S$	Equipment and machinery S$	Motor vehicles S$	Computers S$	Total S$
Group							
Cost							
At 1 January 2009	1,519,000	273,761	348,258	3,237,112	380,623	469,883	6,228,637
Additions	-	9,171	44,649	1,404,118	-	27,077	1,485,015
Disposals	-	(12,000)	-	(157,851)	-	(97,301)	(267,152)
At 31 December 2009	1,519,000	270,932	392,907	4,483,379	380,623	399,659	7,446,500
Additions	-	2,552	-	2,379,919	50,936	110,814	2,544,221
Disposals	-	-	-	(18,300)	-	(1,199)	(19,499)
At 31 December 2010	1,519,000	273,484	392,907	6,844,998	431,559	509,274	9,971,222
Accumulated depreciation							
At 1 January 2009	1,242,818	141,060	293,815	722,078	342,654	469,883	3,212,308
Depreciation	138,091	22,674	25,454	496,773	6,329	27,077	716,398
Disposals	-	(12,000)	-	(150,221)	-	(97,301)	(259,522)
At 31 December 2009	1,380,909	151,734	319,269	1,068,630	348,983	399,659	3,669,184
Depreciation	138,091	22,769	24,356	669,636	11,423	110,814	977,089
Disposals	-	-	-	(12,810)	-	(1,199)	(14,009)
At 31 December 2010	1,519,000	174,503	343,625	1,725,456	360,406	509,274	4,632,264
Carrying amount							
At 31 December 2010	-	98,981	49,282	5,119,542	71,153	-	5,338,958
At 31 December 2009	138,091	119,198	73,638	3,414,749	31,640	-	3,777,316

11. Investment properties

	Group S$	Company S$
Cost		
At 1 January 2009	1,280,993	-
Additions	-	-
At 31 December 2009	1,280,993	-
Additions	3,962,058	3,962,058
At 31 December 2010	**5,243,051**	**3,962,058**
Accumulated depreciation		
At 1 January 2009	384,298	-
Depreciation	25,620	-
At 31 December 2009	409,918	-
Depreciation	65,240	39,621
At 31 December 2010	**475,158**	**39,621**
Carrying amount		
At 31 December 2010	**4,767,893**	**3,922,437**
At 31 December 2009	871,075	-

The carrying amount of investment properties mortgaged for banking facilities is S$845,456 (2009: S$871,075).

The fair values of the Group's and Company's investment properties are S$5,780,000 (2009: S$1,500,000) and S$4,200,000 (2009: S$Nil) respectively.

As at 31 December 2010 and 31 December 2009, the fair values of the investment properties were based on directors' valuations. The fair values of the investment properties have been determined by reference to an open market desktop valuation performed in January 2011 (2009: February 2010), carried out by an independent professional valuer with an appropriate recognised professional qualification and recent experience in the location and category of the properties being valued.

The rental income from the Group's investment properties which are leased out under operating lease amounted to S$68,000 (2009: S$81,600). Direct operating expenses (including repairs and maintenance) arising from the income-generating investment properties amounted to S$13,115 (2009: S$7,580).

12. Subsidiaries

	Company 2010 S$	Company 2009 S$
Unquoted equity investments, at cost	17,474,990	17,146,441

Details of the Company's subsidiaries at 31 December are as follows:

Name of subsidiary	Country of incorporation and operation	Proportion of ownership interest 2010	Proportion of ownership interest 2009	Principal activities
Held by the Company				
Wee Hur Construction Pte Ltd	Singapore	100%	100%	General building and civil engineering construction
Wee Hur Development Pte. Ltd.	Singapore	100%	100%	Investment holding
Wee Hur China (Huai'an) Pte. Ltd.	Singapore	100%	-	Dormant
Held through Wee Hur Development Pte. Ltd.				
Wee Hur (Woodlands) Pte. Ltd.	Singapore	100%	100%	Property development
Wee Hur (Kaki Bukit) Pte. Ltd.	Singapore	60%	-	Property development
Wee Hur (Paya Lebar) Pte. Ltd.	Singapore	100%	-	Property development
Villas@Gilstead Pte. Ltd.	Singapore	70%	-	Property development

All the subsidiaries are audited by Ng, Lee & Associates – DFK, except for Wee Hur China (Huai'an) Pte. Ltd., which is not audited as it is dormant and has not commenced operation.

13. Other long-term receivable

	Group 2010 S$	Group 2009 S$	Company 2010 S$	Company 2009 S$
Loan to subsidiary	-	-	5,896,311	8,724,937

The loan to subsidiary is unsecured, interest free and repayable on demand. However, the loan is subordinated to a non-current term loan of a subsidiary (Note 16). For cash flow discounting purposes, interest is imputed at 1.62% (2009: 5%) per annum repriced semi-annually and the loan is deemed to be repayable by one instalment in December 2013. Management is of the opinion that the fair value of the loan approximates its carrying amount.

14. Trade and other payables

	Group		Company	
	2010	2009	2010	2009
	S$	S$	S$	S$
Trade payables:				
Related parties	152,800	27,108	-	-
Non-related parties	39,389,506	43,470,917	1,506	-
	39,542,306	43,498,025	1,506	-
Accrued operating expenses	5,799,954	7,801,474	1,878,479	1,514,301
Goods and services tax payable	2,297,030	-	-	-
Non-trade amount due to subsidiary	-	-	9,725,483	166,279
Sundry payables:				
Related parties	13,806,287	1,237,500	-	-
Non-related parties	164,202	22,982	-	-
	61,609,779	52,559,981	11,605,468	1,680,580

Trade payables are normally settled on 30 to 35-day (2009: 30 to 35-day) terms. The Group has financial risk management policies in place to ensure that all payables are within the credit timeframe.

Non-trade amount due to subsidiary and sundry payables are unsecured, interest-free and repayable on demand.

Trade and other payables are denominated in the functional currencies of the respective entities.

15. Provisions

	Group	
	2010	2009
	S$	S$
Provision for fine		
At 1 January	-	5,000
Utilisation	-	(5,000)
At 31 December	-	-
Provision for compensation		
At 1 January	370,677	-
Amount recognised in profit or loss	-	370,677
Amount utilised	(156,500)	-
Amount written back to profit or loss	(214,177)	-
At 31 December	-	370,677
Total provisions at 31 December	-	370,677

15. Provisions (continued)

Provision for fine

Provision for fine represents an overprovision of fine payable to the Ministry of Manpower ("MOM") in respect of an accident that occurred at one of the work sites of a subsidiary in 2006. MOM subsequently issued a notice of composition of fines for a sum of S$5,000 in January 2009.

Provision for compensation

The owners of 15 Fernhill Crescent (the "Owners") commenced legal proceedings against a subsidiary, Wee Hur Construction Pte Ltd ("WHC"), in September 2009. The Owners were claiming against WHC for a total sum of approximately S$1.87 million plus interest and costs. The Owners' claims arise out of alleged damage caused to the Owners' property during the construction of Orange Grove Residences.

The owner discontinued the legal proceedings on 12 April 2010, in consideration of a final settlement sum of S$1,355,000 of which S$139,500 (2009: S$89,000) was paid by WHC and S$325,500 (2009: S$801,000) contributed by the insurers during the financial year in full settlement of this claim.

16. Bank borrowings

	Group	
	2010	2009
	S$	S$
Bank term loans	98,725,717	15,000,000
Less: callable term loans presented as current liabilities	(88,085,717)	(15,000,000)
Bank term loan presented as non-current liabilities	10,640,000	-

Term loans presented as current liabilities

(a) Term loan A amounting to S$59,320,000 is obtained during the current financial year to finance the purchase of the Group's development properties. The loan bears interest at 1.35% per annum over the bank's cost of funds or 1.35% per annum over the bank's SWAP offer rate as determined by the bank on the day on the day of transaction, whichever is higher; or at such other rate at the sole discretion of the bank, for an interest period of 1, 2, 3 or 6 months.

The term loan's effective interest rate for the financial year is approximately 1.67% per annum. The loan is to be fully repaid within 36 months from the date of first drawdown of the loan (namely 15 December 2010) or 3 months after the issuance of the Temporary Occupation Permit in respect of the Group's development properties, whichever is earlier.

(b) Term loan B amounting to S$15,000,000 is obtained to finance the purchase of the Group's development properties. The loan bears interest at 1.50% (2009: 2.0%) per annum over the bank's cost of funds or at such other rate at the sole discretion of the bank, for an interest period of 1,2,3, or 6 months. The effective interest rate for the financial year is approximately 2.14% (2009: 2.51% to 2.62%) per annum. The loan is to be fully repaid in one instalment on or before 5 October 2012 or 3 months after the issuance of the Temporary Occupation Permit in respect of the Group's development properties, whichever is earlier.

16. Bank borrowings (continued)

Term loans presented as current liabilities (continued)

(c) Term loans C and D amounting to S$12,909,659 are obtained to finance the purchase of the Group's development properties and development charges for development. These loans bear interest at higher of 1.5% to 2.0% (2009: 2.0%) per annum over the bank's cost of funds or 1.5% (2009: 2.0%) per annum over the bank's SWAP offer rate. The effective interest rates for the financial year range from 1.82% to 2.64% (2009: 2.11% to 2.82%) per annum. These term loans are to be fully repaid in one lump sum within 44 and 42 months from the date of first drawdown of the respective loan (namely 5 August 2011 and 22 August 2011 respectively) or 3 months after the issuance of the Temporary Occupation Permit in respect of the Group's development properties which is expected on 31 August 2011, whichever is earlier.

(d) Term loan E amounting to S$856,058 is obtained during the current financial year for the payment of marketing and administrative expenses incurred for the Group's development properties and is expected to be repaid within the next financial year. This loan bears interest at higher of 1.5% to 2.0% per annum over the bank's cost of funds or 1.5% per annum over the bank's SWAP offer rate. The effective interest rates for the financial year range from 1.82% to 2.45% per annum.

Notwithstanding the above terms, the bank has the right to vary, modify, suspend or cancel the banking facilities and/or to demand immediate repayment of all liabilities owing to the bank. As such, term loans A, B, C, D and E have been classified as current liabilities in the consolidated financial statements and the comparative figure for term loan B has been reclassified from a non-current liability to a current liability accordingly. A third balance sheet has not been presented as the reclassification does not have material impact on the consolidated financial statements. If the reclassification had not been made as at 31 December 2009, the Group's current liabilities, non-current liabilities and net current assets would be S$61,089,159, S$15,410,607 and S$61,647,433 respectively. In addition, balance sheet as at 1 January 2009 is not presented as the Group did not utilise the banking facility (term loan B) at that date.

Term loan presented as non-current liability

Term loan F amounting to S$10,640,000 is obtained during the current financial year to finance the purchase of the Group's development properties. The loan bears interest at 1.3% per annum over the Singapore Dollar SWAP offer rate or at such other rate at the sole discretion of the bank, for an interest period of 1, 2, 3 or 6 months. The effective interest rate for the financial year is approximately 1.62% per annum. The loan is to be fully repaid in one instalment on or after 15 August 2013, or 3 months after the date of the Temporary Occupation Permit in respect of the Group's development properties, whichever is earlier.

16. Bank borrowings (continued)

The term loans are secured by:

(a) legal mortgage on the Group's development properties with a carrying amount of S$124,845,600 (2009: S$23,820,730);

(b) legal assignment of all rights, titles and interests in the construction contracts, insurance policies, performance bonds, tenancy agreements and sale and purchase agreements, relating to the Group's development properties;

(c) guarantees given by certain directors of the Company and certain third parties; and

(d) corporate guarantees given by the Company.

During the financial years ended 31 December 2010 and 31 December 2009, interest expense on the term loans is capitalised as part of the cost of development properties (Note 9).

Management is of the opinion that the fair value of bank borrowings approximates its carrying amount.

17. Deferred tax liabilities

Deferred tax liabilities at the balance sheet date arise primarily from the excess of tax over book depreciation of property, plant and equipment:

	Group	
	2010	2009
	S$	S$
At 1 January	410,607	50,607
Origination of temporary differences charged to profit or loss	2,285,266	360,000
Underprovision in respect of previous financial year	436,617	-
At 31 December	3,132,490	410,607

18. Share capital

	Group and Company	
	Number of ordinary shares	S$
Issued and paid up		
Balance at 1 January 2009	321,039,000	27,560,513
Issue of shares on exercise of 1,500 warrants (net of issue expenses)	1,500	464
Balance at 31 December 2009	321,040,500	27,560,977
Issue of shares on exercise of 71,012,350 warrants (net of issue expenses)	71,012,350	21,925,633
Balance at 31 December 2010	392,052,850	49,486,610

18. Share capital (continued)

Fully paid ordinary shares, which have no par value, carry one vote per share and carry a right to dividends as and when declared by the Company.

During the financial year 2009, the Company issued 160,519,500 warrants at an issue price of S$0.01 for each warrant. Each warrant carries the right to subscribe for one share in the Company at an exercise price of S$0.30 for each new share.

There were 89,505,650 (2009: 160,518,000) warrants outstanding of which a further of 39,719,502 warrants were exercised for issue of new shares as of 23 March 2011.

At an Extraordinary General Meeting held on 19 May 2009, the shareholders of the Company approved and adopted the Wee Hur Share Option Scheme (“Wee Hur ESOS”) and Wee Hur Performance Share Plan (“Wee Hur PSP”). Details of the Wee Hur ESOS and Wee Hur PSP can be found in the Company’s circular to shareholders dated 23 April 2009 in relation to the proposed adoption of the Wee Hur ESOS and Wee Hur PSP.

At the end of the financial year, no options and awards have been granted under the Wee Hur ESOS and Wee Hur PSP.

19. Reserves

	Group		Company	
	2010	2009	2010	2009
	S$	S$	S$	S$
Merger deficit	(109,998)	(109,998)	-	-
Warrants reserve	791,082	1,483,055	791,082	1,483,055
	681,084	1,373,057	791,082	1,483,055

Merger deficit arises from the difference of the nominal value of the shares in a subsidiary acquired in 2007 and the nominal value of the Company’s shares issued under the “pooling-of-interest” method of consolidation.

Warrants reserve comprises proceeds from issue of warrants, net of direct issue expenses and amounts transferred to share capital upon exercise of warrants.

20. Revenue

	Group	
	2010	2009
	S$	S$
Revenue from construction contracts	97,677,315	206,866,551
Sale of development properties	50,522,650	-
	148,199,965	206,866,551

21. Investment income

	Group 2010 S$	Group 2009 S$
Rental income		
Operating lease rental income	92,000	105,600
Interest income from loans and receivable		
Bank deposits	100,284	155,151
	192,284	260,751

22. Other gains

	Group 2010 S$	Group 2009 S$
Gain on bargain purchase (Note 29)	4,770,391	-
Government grant income from Jobs Credit Scheme	46,091	231,678
Others	105,626	69,232
	4,922,108	300,910

23. Profit before income tax

Profit before income tax has been arrived at after charging/(crediting):

	Group 2010 S$	Group 2009 S$
Depreciation		
Depreciation of investment property	65,240	25,620
Depreciation of property, plant and equipment	977,089	716,398
	1,042,329	742,018
Directors' remuneration (included in employee benefits expense)		
Directors of the Company	3,681,987	3,206,920
Directors of the subsidiaries	490,911	560,569
	4,172,898	3,767,489
Employee benefits expense		
Employer's contributions to Central Provident Fund	534,061	595,052
Others	13,072,080	11,684,795
	13,606,141	12,279,847
Compensation of damages	8,000	459,677
Write back of provision for compensation of damages credited against administrative expenses	(214,177)	-
Rental on operating leases	212,568	183,700
Hiring of equipment and transport	2,436,475	2,346,519
Preliminary expenses	6,478	4,358
Stamp duty	467,359	-
Sub-contractors fees	45,619,512	140,729,631
Marketing expenses	2,831,438	-
Non-audit fees to auditors of the Company	17,865	35,420

24. Income tax expense

	Group 2010 S$	Group 2009 S$
Current tax expense	1,696,756	3,654,859
Deferred tax expense relating to the origination of temporary differences	2,285,266	360,000
Underprovision of deferred tax expense in respect of previous financial year	436,617	-
Overprovision of current tax expense in respect of previous financial years	(93,145)	(332,258)
	4,325,494	3,682,601

The reconciliation between income tax expense and the product of profit before income tax multiplied by the applicable corporate tax rate is as follows:

	Group 2010 S$	Group 2009 S$
Profit before income tax	26,725,844	20,016,540
Income tax expense calculated at 17% (2009: 17%)	4,543,394	3,402,812
Effects of:		
- income not subject to tax	(955,176)	(39,386)
- non-deductible expenses	484,757	594,692
- partial tax exemption	(55,761)	(37,187)
- change in tax rates	-	(10,762)
Overprovision of current tax expense in respect of previous financial years	(93,145)	(332,258)
Underprovision of deferred tax expense in respect of previous financial year	436,617	-
Others	(35,192)	104,690
	4,325,494	3,682,601

25. Earnings per share

Calculation of the basic and diluted earnings per share attributable to the ordinary equity holders of the Company is based on the following data:

	Group 2010 S$	Group 2009 S$
Earnings		
For calculation of basic and diluted earnings per share:		
Profit for the financial year attributable to owners of the Company	20,765,043	16,333,939

	Group 2010	Group 2009
Weighted average number of ordinary shares		
For calculation of basic earnings per share	364,894,423	321,039,008

25. Earnings per share (continued)

For the purpose of calculating the diluted earnings per ordinary share, the weighted average number of ordinary in issue is adjusted to take into account the dilutive effect arising from the dilutive warrants, with the potential ordinary shares weighted for the period outstanding.

The effect of the exercise of warrants on the weighted average number of ordinary shares in issue is as follows:

	Group	
	2010	2009
Weighted average number of ordinary shares issued used in the calculation of basic earnings per share	364,894,423	321,039,008
Potential ordinary shares issuable under warrants	52,803,049	63,820,909
Weighted average number of ordinary shares and potential ordinary shares assuming full conversion	417,697,472	384,859,917

26. Dividends

	Group and Company	
	2010	2009
	S$	S$
Interim exempt dividend paid by the Company of S$0.01 (2009: S$0.01) per ordinary share in respect of the current financial year	3,742,368	3,210,390
Final exempt dividend paid by the Company of S$0.015 (2009: S$0.01) per ordinary share in respect of the previous financial year	5,434,708	3,210,390
	9,177,076	6,420,780

The directors propose a final dividend of S$6,476,585 to be approved by the shareholders at the Annual General Meeting on 28 April 2011. These financial statements do not reflect this dividend, which will be accounted for in shareholders' equity as an appropriation of retained earnings in the financial year ending 31 December 2011.

27. Contingent liabilities

At 31 December 2010, guarantees furnished to financial institutions by the Company in respect of banking facilities extended to subsidiaries amounted to approximately S$216 million (2009: S$76 million), of which the amount utilised at 31 December 2010 was approximately S$150 million (2009: S$15 million).

As at the balance sheet date, no adjustment was required in the separate financial statements of the Company to recognise the liability in respect of financial guarantees as the management is of the opinion that the fair value of the financial guarantee contracts is immaterial.

28. Commitments

Capital commitments

Capital expenditures contracted for at the balance sheet date but not recognised in the financial statements are as follows:

	Group	
	2010	2009
	S$	S$
Commitments for the acquisition of property, plant and equipment	884,201	-

Operating lease commitments – the Group as lessee

The future minimum lease payables under non-cancellable operating leases contracted for at the balance sheet date but not recognised as liabilities, are as follows:

	Group	
	2010	2009
	S$	S$
Not later than 1 financial year	180,000	90,000

Operating lease payments represent rentals payable by the Group for its office premises. Leases are negotiated for an initial term of 3 years with fixed rental rates.

Operating lease commitments - the Group as lessor

The Group leases out its investment property and a portion of its leasehold premises under non-cancellable operating leases. Leases are negotiated for initial terms of 2 to 3 years with fixed rental rates. Future minimum lease receivable under operating leases contracted for at the balance sheet date but not recognised as receivables, are as follows:

	Group	
	2010	2009
	S$	S$
Not later than 1 financial year	-	89,400

29. Acquisition of new subsidiary

On 1 January 2010, the Group acquired 70% of the issued share capital of Villas @ Gilstead Pte. Ltd. ("Villas") for cash consideration of S$9,000,000. The S$9,000,000 comprises of S$3,889,330 for the Group's share in the issued share capital of Villas and S$5,110,670 for the assignment of a loan previously owed by Villas to a related party. Following the completion of the acquisition, this loan became payable by Villas to Wee Hur Development Pte. Ltd. This transaction has been accounted for by the acquisition method of accounting. The Group has elected to measure the non-controlling interests at the non-controlling interests' proportionate share of Villas' identifiable net assets.

29. Acquisition of new subsidiary (continued)

The acquisition resulted in a gain on bargain purchase. The price consideration was negotiated between the purchaser and vendor based on a willing seller and willing buyer basis. The net assets acquired in the transaction, and the gain on bargain purchase arising, are as follows:

2010	Acquiree's carrying amount before combination	Fair value adjustments	Fair value
	S$	S$	S$
Development property	34,969,166	8,773,793	43,742,959
Trade and other receivables	564,601	-	564,601
Cash and bank balances	5,756,090	-	5,756,090
Bank term loans	(27,812,038)	-	(27,812,038)
Trade and other payables	(9,878,173)	-	(9,878,173)
Income tax payable	(2,409)	-	(2,409)
Identifiable net assets	3,597,237	8,773,793	12,371,030
Less: non-controlling interests			(3,711,309)
Identifiable net assets acquired			8,659,721
Gain on bargain purchase, recognised in other gains (Note 22)			(4,770,391)
Cash consideration for share capital of subsidiary acquired			3,889,330
Cash consideration for assignment of loan			5,110,670
Total consideration, satisfied by cash			9,000,000
Less: cash and bank balances of subsidiary acquired			(5,756,090)
Net cash outflow on acquisition of subsidiary			3,243,910

Trade and other receivables acquired comprise trade receivables and other receivables with fair values of S$545,700 and S$18,901 respectively. It is expected that the full contractual amount of trade and other receivables can be collected.

From the acquisition date, Villas has contributed S$40,176,349 of revenue and S$5,464,605 to the Group's profit for the financial year.

30. Segment information

For management purposes, the Group is organised into business units based on their products and services, and has three reportable operating segment as follows:

(a) The building construction segment is in the business of constructing residential and commercial properties.

(b) The property development segment is in the business of developing and sale of residential and commercial properties.

(c) The investment holding segment is involved in group-level corporate services.

30. Segment information (continued)

Except as indicated above, no operating segments have been aggregated to form the above reportable operating segments. The Group's business is derived solely from customers in Singapore and all of the Group's assets are located in Singapore.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss and is measured in the same way as operating profit or loss in the consolidated financial statements.

Transfer prices between operating segments are on mutually agreed terms.

The following is an analysis of the Group's reportable segments for the financial year ended 31 December 2010:

2010	Building construction S$	Property development S$	Investment holding S$	Elimination of inter-segment transactions S$	Per consolidated financial statements S$
Revenue					
External customers	97,677,315	50,522,650	-	-	148,199,965
Inter-segment	9,815,330	-	2,775,000	(12,590,330)	-
	107,492,645	50,522,650	2,775,000	(12,590,330)	148,199,965
Results					
Segment results	13,350,088	11,174,372	17,647,597	(19,480,736)	22,691,321
Interest income	10,540	12,357	647,439	(570,052)	100,284
Gain on bargain purchase	-	-	-	4,770,391	4,770,391
Depreciation expense	(1,002,708)	-	(39,621)	-	(1,042,329)
Provisions	206,177	-	-	-	206,177
Profit before income tax	12,564,097	11,186,729	18,255,415	(15,280,397)	26,725,844
Income tax expense	(1,960,839)	(2,341,501)	(23,154)	-	(4,325,494)
Segment profit/(loss)	10,603,258	8,845,228	18,232,261	(15,280,397)	22,400,350
Segment assets	67,772,511	177,960,334	94,658,477	(85,073,369)	255,317,953
Segment liabilities	46,564,913	161,127,733	25,311,320	(67,139,473)	165,864,493
Segment assets include additions to:					
- property, plant and equipment	2,544,221	-	-	-	2,544,221
- investment properties	-	-	3,962,058	-	3,962,058

Revenue of approximately S$52,400,000 is derived from a single external customer, arising from the building construction segment.

30. Segment information (continued)

2009	Building construction S$	Property development S$	Investment holding S$	Elimination of inter-segment transactions S$	Per consolidated financial statements S$
Revenue					
External customers	206,866,551	-	-	-	206,866,551
Inter-segment	-	-	2,200,000	(2,200,000)	-
	206,866,551	-	2,200,000	(2,200,000)	206,866,551
Results					
Segment results	21,118,098	(9,065)	11,865,051	(12,000,000)	20,974,084
Interest income	16,126	-	297,395	(158,370)	155,151
Depreciation expense	(741,538)	-	(480)	-	(742,018)
Provisions	(370,677)	-	-	-	(370,677)
Profit before income tax	20,022,009	(9,065)	12,161,966	(12,158,370)	20,016,540
Income tax expense	(3,678,138)	-	(4,463)	-	(3,682,601)
Segment profit/(loss)	16,343,871	(9,065)	12,157,503	(12,158,370)	16,333,939
Segment assets	88,427,224	25,787,286	40,832,043	(27,661,570)	127,384,983
Segment liabilities	60,322,884	23,759,908	1,773,734	(9,356,760)	76,499,766
Segment assets include additions to:					
- property, plant and equipment	1,484,535	-	480	-	1,485,015

Revenue of approximately S$77,600,000 is derived from a single external customer, arising from the building construction segment.

31. Events after the balance sheet date

Subsequent to the balance sheet date,

(a) at the Extraordinary General Meeting of the Company held on 21 January 2011, the shareholders of the Company resolved that approval and authority be given to the directors of Company for the

(i) bonus issue of up to 240,779,250 new ordinary shares in the capital of the Company (the "Bonus Shares") and up to 240,779,250 warrants of the Company (the "Bonus Warrants") on the basis of one Bonus Share with one Bonus Warrant for every two existing ordinary shares in the capital of the Company held by shareholders as at the books closure date, fractional entitlements to be disregarded; and

(ii) acquisition by the Company or its nominee of two freehold properties from a related party, WM Development Pte. Ltd. ("WM"), at an aggregate purchase consideration of S$15 million on the terms and conditions of the separate options (both dated 14 December 2010) granted by WM to the Company.

The board of directors announced on 23 February 2011 that 215,886,166 Bonus Shares and 215,886,616 Bonus Warrants have been allotted and issued:

	No. of Shares	No. of Warrants expiring in 2014	No. of Warrants expiring in 2012
As at 21 February 2011	431,772,352	-	49,786,148
Allotment of shares and warrants arising from bonus issue and warrants adjustment	215,886,166	215,886,166	24,892,936
As at 23 February 2011	647,658,518	215,886,166	74,679,084

(b) the directors have incorporated a wholly-owned subsidiary, Wee Hur (Kim Keat) Pte. Ltd. ("WHKK"), to be held through Wee Hur Development Pte. Ltd. WHKK is incorporated in Singapore with an issued share capital of S$1,000,000 represented by 1,000,000 ordinary shares.

Shareholders' Information

As at 14 March 2011

Number of fully issued and paid up share (excluding treasury shares)	:	647,658,518
Amount of issued and paid up shares	:	S$62,557,255.60
Class of shares	:	Ordinary shares
Voting rights	:	1 vote per share
Treasury shares	:	NIL

DISTRIBUTION OF SHAREHOLDINGS

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 – 999	384	18.66	14,218	0.00
1,000 – 10,000	370	17.98	1,789,979	0.28
10,001 – 1,000,000	1,264	61.42	103,835,255	16.03
1,000,001 AND ABOVE	40	1.94	542,019,066	83.69
TOTAL	2,058	100.00	647,658,518	100.00

TWENTY LARGEST SHAREHOLDERS

NO.	NAME	NO. OF SHARES	%
1	GSC HOLDINGS PTE. LTD.	250,656,750	38.70
2	CITIBANK NOMINEES SINGAPORE PTE LTD	42,194,107	6.51
3	KIM ENG SECURITIES PTE. LTD.	28,557,012	4.41
4	UOB KAY HIAN PTE LTD	23,494,521	3.63
5	GOH YEU TOH	20,623,153	3.18
6	SUA NAM HENG	19,696,153	3.04
7	UNITED OVERSEAS BANK NOMINEES PTE LTD	17,093,677	2.64
8	PHILLIP SECURITIES PTE LTD	14,066,096	2.17
9	OCBC SECURITIES PRIVATE LTD	13,310,798	2.06
10	GOH YEW TEE	10,171,977	1.57
11	CHENG KIANG HUAT	9,496,153	1.47
12	HSBC (SINGAPORE) NOMINEES PTE LTD	9,073,500	1.40
13	GOH YEW GEE	7,767,240	1.20
14	CHAN KWAN BIAN	7,500,000	1.16
15	LIEW HONG LIONG	6,389,000	0.99
16	SBS NOMINEES PTE LTD	6,109,500	0.94
17	DMG & PARTNERS SECURITIES PTE LTD	5,139,000	0.79
18	CIMB SECURITIES (SINGAPORE) PTE LTD	4,839,330	0.75
19	GOH YEW LAY	4,027,715	0.62
20	DBS VICKERS SECURITIES (S) PTE LTD	3,697,839	0.57
	TOTAL	503,903,521	77.80

As at 14 March 2011

SUBSTANTIAL SHAREHOLDERS AS AT 14 MARCH 2011

Name	Direct interest		Deemed interest	
	No. of Shares	%(1)	No. of Shares	%(1)
GSC Holdings Pte Ltd	250,656,750	38.70	–	–
Goh Yeow Lian (2)	–	–	274,000,704	42.31

Notes:

(1) Based on the total number of issued ordinary shares of 647,658,518 as at 14 March 2011.

(2) Goh Yeow Lian is deemed to be interested in 250,656,750 shares of the Company through his interest in GSC Holdings Pte Ltd virtue of Section 7 of the Companies Act, Chapter 50. He is also deemed interested in 23,343,954 shares held through Citibank Nominess Singapore Pte Ltd.

PERCENTAGE OF SHAREHOLDINGS IN PUBLIC HANDS

Based on the Register of Shareholders as at 14 March 2011, and to the best knowledge of the company, the percentage of shareholding held in the hands of public is approximately 42.86%. Accordingly, the company complies with Rule 723 of the listing Manual.

WARRANTS EXPIRING ON 27 OCTOBER 2012

DISTRIBUTION OF WARRANT HOLDINGS

SIZE OF WARRANT HOLDINGS	NO. OF WARRANTS HOLDERS	%	NO. OF WARRANTS	%
1 - 999	300	46.44	15,615	0.02
1,000 - 10,000	169	26.16	654,773	0.88
10,001 - 1,000,000	163	25.23	17,939,698	24.02
1,000,001 AND ABOVE	14	2.17	56,068,998	75.08
TOTAL	646	100.00	74,679,084	100.00

As at 14 March 2011

TWENTY LARGEST WARRANT HOLDERS

NO.	NAME	NO. OF WARRANTS	%
1	UOB KAY HIAN PTE LTD	17,203,506	23.04
2	MAYBAN NOMINEES (S) PTE LTD	6,627,007	8.87
3	PHILLIP SECURITIES PTE LTD	6,621,911	8.87
4	UNITED OVERSEAS BANK NOMINEES PTE LTD	4,683,076	6.27
5	KIM ENG SECURITIES PTE. LTD.	4,097,256	5.49
6	LEE YING KIAT ALVIN	3,120,000	4.18
7	LI SIEW TUAN	2,490,000	3.33
8	TOH HOCK GUAN	2,442,000	3.27
9	OCBC SECURITIES PRIVATE LTD	1,899,578	2.54
10	CIMB SECURITIES (SINGAPORE) PTE LTD	1,624,164	2.17
11	LEE CHENG PECK	1,500,000	2.01
12	CHUA TIONG BOON	1,350,000	1.81
13	CITIBANK NOMINEES SINGAPORE PTE LTD	1,275,000	1.71
14	TAN SIAH HWEE	1,135,500	1.52
15	LEE YEW HOCK	900,000	1.21
16	CHIA SOEN FANG	855,000	1.14
17	HSBC (SINGAPORE) NOMINEES PTE LTD	765,000	1.02
18	DMG & PARTNERS SECURITIES PTE LTD	750,000	1.00
19	LIM & TAN SECURITIES PTE LTD	625,000	0.84
20	ELIZABETH OOI HEAN GIN	609,000	0.82
	TOTAL	60,572,998	81.11

As at 14 March 2011

WARRANTS EXPIRING ON 22 FEBRUARY 2014

DISTRIBUTION OF WARRANT HOLDINGS

SIZE OF WARRANT HOLDINGS	NO. OF WARRANTS HOLDERS	%	NO. OF WARRANTS	%
1 - 999	499	25.52	62,042	0.03
1,000 - 10,000	861	44.04	4,930,583	2.28
10,001 - 1,000,000	572	29.26	36,925,368	17.11
1,000,001 AND ABOVE	23	1.18	173,968,173	80.58
TOTAL	1,955	100.00	215,886,166	100.00

TWENTY LARGEST WARRANT HOLDERS

NO.	NAME	NO. OF WARRANTS	%
1	GSC HOLDINGS PTE. LTD.	83,552,250	38.70
2	CITIBANK NOMINEES SINGAPORE PTE LTD	14,014,702	6.49
3	KIM ENG SECURITIES PTE. LTD.	9,661,004	4.48
4	UOB KAY HIAN PTE LTD	8,341,507	3.86
5	GOH YEU TOH	6,874,384	3.18
6	SUA NAM HENG	6,565,384	3.04
7	UNITED OVERSEAS BANK NOMINEES PTE LTD	5,654,559	2.62
8	PHILLIP SECURITIES PTE LTD	4,818,032	2.23
9	OCBC SECURITIES PRIVATE LTD	4,594,595	2.13
10	GOH YEW TEE	3,390,659	1.57
11	CHENG KIANG HUAT	3,165,384	1.47
12	HSBC (SINGAPORE) NOMINEES PTE LTD	3,024,500	1.40
13	GOH YEW GEE	2,589,080	1.20
14	LIM & TAN SECURITIES PTE LTD	2,556,000	1.18
15	CHAN KWAN BIAN	2,500,000	1.16
16	SBS NOMINEES PTE LTD	2,036,500	0.94
17	LIEW HONG LIONG	2,029,000	0.94
18	GOH YEW LAY	1,881,905	0.87
19	DMG & PARTNERS SECURITIES PTE LTD	1,863,000	0.86
20	CIMB SECURITIES (SINGAPORE) PTE LTD	1,543,110	0.71
	TOTAL	170,655,555	79.03

Notice Of Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the Fourth Annual General Meeting of Wee Hur Holdings Ltd. (the "Company") will be held at Quality Hotel Singapore, Grand Ballroom, 201 Balestier Road, Singapore 329926 on Thursday, 28 April 2011 at 11.30 a.m. for the purpose of transacting the following business:

AS Ordinary Business

1.	To receive and adopt the Directors' Report and Audited Financial Statements for the financial year ended 31 December 2010 and the Independent Auditors' Report thereon.	**Resolution 1**
2.	To declare a one-tier tax exempt final dividend of S$0.01 per ordinary share for the financial year ended 31 December 2010.	**Resolution 2**
3.	To approve the payment of Directors' fees of S$120,000 for the financial year ended 31 December 2010 (2009: S$120,000).	**Resolution 3**
4.	To approve the payment of Directors' fees of S$120,000 for the financial year ending 31 December 2011, to be paid quarterly in arrears. [See Explanatory Note (a)]	**Resolution 4**
5.	To re-elect Mr Teo Choon Kow @ William Teo, a Director retiring pursuant to Article 107 of the Company's Articles of Association. [See Explanatory Note (b)]	**Resolution 5**
6.	To re-elect Mr Robert Wong Kwan Seng, a Director retiring pursuant to Article 107 of the Company's Articles of Association. [See Explanatory Note (c)]	**Resolution 6**
7.	To transact any other business of the Company which may properly be transacted at an Annual General Meeting.	

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass, with or without modifications, the following Ordinary Resolutions:

8. **Share Issue Mandate** **Resolution 7**

"That pursuant to Section 161 of the Companies Act, Cap. 50 (the "Companies Act") and the listing rules of the Singapore Exchange Securities Trading Limited (the "SGX-ST") authority be and is hereby given to the Directors of the Company to:

(a) (i) issue shares in the capital of the Company ("Shares") whether by way of rights, bonus or otherwise; and/or

(ii) make or grant offers, agreements or options (collectively, "Instruments") that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into Shares, at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and

(b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue Shares in pursuance of any Instruments made or granted by the Directors while this Resolution was in force,

provided that:

(1) the aggregate number of Shares (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) to be issued pursuant to this Resolution shall not exceed 50% of the total number of issued shares (excluding treasury shares) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Shares (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) to be issued other than on a pro rata basis to existing shareholders of the Company shall not exceed 20% of the total number of issued shares (excluding treasury shares) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below);

(2) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (1) above, the total number of issued Shares shall be based on the total number of issued shares (excluding treasury shares) in the capital of the Company at the time this Resolution is passed, after adjusting for:

(i) new Shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time this Resolution is passed; and

(ii) any subsequent bonus issue, consolidation or subdivision of Shares;

(3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Articles of Association for the time being of the Company; and

(4) (unless revoked or varied by the Company in a general meeting) the authority conferred by this Resolution shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier."[See Explanatory Note (d)]

9. **Authority to Grant Awards and/or Issue Shares Pursuant to the Wee Hur Performance Share Plan and Wee Hur Employee Share Option Scheme** **Resolution 8**

"That approval be and is hereby given to the Directors of the Company to grant awards in accordance with the provisions of the Wee Hur Performance Share Plan and to allot and issue from time to time such number of ordinary shares in the capital of the Company as may be required to be issued pursuant to the exercise of options under the Wee Hur Employee Share Option Scheme and/or such number of fully-paid shares as may be required to be issued pursuant to the vesting of awards under the Wee Hur Performance Share Plan, provided that the aggregate number of new shares to be issued pursuant to the Wee Hur Employee Share Option Scheme and the Wee Hur Performance Share Plan shall not exceed fifteen per cent. (15%) of the total number of issued ordinary shares (excluding treasury shares) in the capital of the Company from time to time." [See Explanatory Note (e)]

By Order of the Board
Tan Ching Chek and Lo Swee Oi
Joint Company Secretaries
Dated: 11 April 2011

NOTICE IS HEREBY GIVEN that the Transfer Books and Register of Members of the Company will be closed on **10 May 2011**, for the preparation of dividend warrants.

Duly completed transfers received by the Company's Registrar, Boardroom Corporate & Advisory Services Pte Ltd of 50 Raffles Place, Singapore Land Tower #32-01, Singapore 048623 up to the close of business at 5:00 p.m. on **9 May 2011** will be registered to determine shareholders' entitlement to the proposed dividends. The dividends, if approved, will be paid on **25 May 2011** to shareholders registered in the books of the Company on **9 May 2011**.

In respect of shares in securities accounts with the Central Depository (Pte) Limited ("CDP"), the said dividends will be paid by the Company to CDP which will in turn distribute the dividend entitlements to holders of shares in accordance with its practice.

Explanatory Notes:

(a) The Ordinary Resolution 4 proposed in item 4, if passed, the Directors' fees of S$120,000 for the financial year ending 31 December 2011 be paid on quarterly basis, in arrears.

(b) Mr Teo Choon Kow @ William Teo, if elected, will continue to serve as the Chairman of the Audit and Remuneration Committees and a member of the Nominating Committee. Mr Teo Choon Kow @ William Teo is considered by the Board of Directors as an Independent Director for the purposes of Rule 704(8) of the Listing Manual of The Singapore Exchange Securities Trading Limited.

(c) Mr Wong Kwan Seng Robert, if elected, will continue to serve as the Chairman of the Nominating Committee and a member of the Audit and Remuneration Committees. Mr Wong Kwan Seng Robert is considered by the Board of Directors as an Independent Director for the purposes of Rule 704(8) of the Listing Manual of The Singapore Exchange Securities Trading Limited.

(d) The Ordinary Resolution 7 proposed in item 8, if passed, will empower the Directors of the Company, effective until the conclusion of the next Annual General Meeting of the Company, or the date by which the next Annual General Meeting of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue shares, make or grant instruments (such as options, warrants and debentures) convertible into shares, and to issue shares pursuant to such instruments, for such purposes as they consider would be in the interests of the Company, up to a number not exceeding in total, 50% of the total number of issued shares (excluding treasury shares) in the capital of the Company, of which up to 20% may be issued other than on a pro rata basis to shareholders.

For determining the aggregate number of shares that may be issued, the total number of issued shares (excluding treasury shares) will be calculated based on the total number of issued shares (excluding treasury shares) in the capital of the Company at the time this Ordinary Resolution is passed after adjusting for new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time when this Ordinary Resolution is passed and any subsequent bonus issue, consolidation or subdivision of shares.

(e) The Ordinary Resolution 8 proposed in item 9, if passed, will empower the directors to grant awards pursuant to the Wee Hur Performance Share Plan and to issue new ordinary shares in the capital of the Company pursuant to the Wee Hur Employee Share Option Scheme and the Wee Hur Performance Share Plan, provided that the aggregate number of new ordinary shares to be issued pursuant to the Wee Hur Employee Share Option Scheme and the Wee Hur Performance Share Plan shall not exceed 15% of the total number of issued ordinary shares (excluding treasury shares) in the capital of the Company from time to time. The Wee Hur Employee Share Option Scheme and the Wee Hur Performance Share Plan were approved by the shareholders at the Extraordinary General Meeting held on 19 May 2009.

Notes to Proxy Form:

(i) A member entitled to attend and vote at this meeting is entitled to appoint one or two proxies to attend and vote in his stead. A proxy need not be a member of the Company.

(ii) If a proxy is to be appointed, the form must be deposited at the registered office of the Company at 39 Kim Keat Road, Wee Hur Building, Singapore 328814 not less than 48 hours before the time set for the meeting.

(iii) The form of proxy must be signed by the appointor or his attorney duly authorised in writing.

(iv) In the case of joint shareholders, all holders must sign the form of proxy.

Wee Hur Holdings Ltd.

Company Reg. No.: 200619510K
(Incorporated in the Republic of Singapore)

Important

1. For investors who have used their CPF monies to buy Wee Hur Holdings Ltd. shares, this Annual Report is sent to them at the request of their CPF Approved Nominees and is sent solely FOR INFORMATION ONLY.
2. This Proxy Form is not valid for use by CPF investors, and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. CPF investors who wish to attend the Meeting as an observer must submit their requests through their CPF Approved Nominees within the time frame specified. (Agent Banks: Please see Note 8 on required format). If they also wish to vote, they must submit their voting instructions to the CPF Approved Nominees within the time frame specified to enable them to vote on their behalf.

ANNUAL GENERAL MEETING
PROXY FORM

I/We ____ (Name)

______________________________ (NRIC/Passport No./Company Registration No.)

of ____ (Address)

being a member/members of Wee Hur Holdings Ltd. hereby appoint:-

Name	Address	NRIC/Passport Number	Proportion of Shareholdings (%)

and/or (delete as appropriate)

Name	Address	NRIC/Passport Number	Proportion of Shareholdings (%)

or failing the person, or either or both of the persons, referred to above, the Chairman of the Meeting, as my/our proxy/proxies to vote for me/us on my/our behalf, at the Annual General Meeting of the Company to be held at Quality Hotel Singapore, Grand Ballroom, 201 Balestier Road, Singapore 329926 on Thursday, 28 April 2011 at 11.30 a.m. and at any adjournment thereof in the following manner:

No	Ordinary Resolutions:	For	Against
	Ordinary Business		
1.	To adopt the Reports and Audited Financial Statements		
2.	To declare the Final Dividend		
3.	To approve Directors' Fees for the financial year ended 31 December 2010		
4.	To approve Directors' Fees for the financial year ending 31 December 2011		
5.	To re-elect Mr Teo Choon Kow @ William Teo, a Director retiring under Article 107 of the Company's Articles of Association		
6.	To re-elect Mr Robert Wong Kwan Seng, a Director retiring under Article 107 of the Company's Articles of Association		
	Special Business		
7.	To approve Share Issue Mandate		
8.	To authorize directors to Grant Awards and Issue Shares Pursuant to the Wee Hur Performance Share Plan and Wee Hur Share Option Scheme		

If you wish to exercise all your votes For or Against, please tick with '√'. Alternatively, please indicate the number of votes For or Against each resolution.

If this form of proxy contains no indication as to how the proxy should vote in relation to each resolution, the proxy will vote or abstain from voting at his/her discretion, as he/she will on any other matter arising at the Meeting.

Dated this __________ day of ______________ 2011.

Total Number of shares in	No of Shares
(a) CDP Register	
(b) Register of Members	

____

Signature(s) of Member(s)/Common Seal

IMPORTANT: PLEASE READ NOTES OVERLEAF

NOTES

1. A member entitled to attend and vote at the Meeting is entitled to appoint one or two proxies to attend and vote in his stead. A proxy need not be a member of the Company.

2. Where a member appoints more than one proxy, the appointments shall be invalid unless he specifies the proportion of his holding (expressed as a percentage of the whole) to be represented by each proxy.

3. Completion and return of this instrument appointing a proxy shall not preclude a member from attending and voting at the Meeting. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the Meeting in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy, to the Meeting.

4. A member should insert the total number of shares held. If the member has shares entered against his name in the Depository Register (as defined in Section 130A of the Companies Act, Cap. 50 of Singapore), he should insert that number of shares. If the member has shares registered in his name in the Register of Members of the Company, he should insert that number of shares. If the member has shares entered against his name in the Depository Register and registered in his name in the Register of Members, he should insert the aggregate number of shares. If no number is inserted, this form of proxy will be deemed to relate to all shares held by the member.

5. The instrument appointing a proxy or proxies must be deposited at the Company's registered office at 39 Kim Keat Road, Wee Hur Building, Singapore 328814 not less than 48 hours before the time set for the Meeting.

6. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer.

7. Where an instrument appointing a proxy is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.

8. Agent Banks acting on the request of CPF Investors who wish to attend the Meeting as observers are requested to submit in writing, a list of details of the Investors' names, NRIC/Passport numbers, addresses and numbers of shares held. The list, signed by an authorised signatory of the Agent Bank, should reach the Company Secretary, at the registered office of the Company not later than 48 hours before the time appointed for the Meeting.

GENERAL

The Company shall be entitled to reject a Proxy Form which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the Proxy Form. In addition, in the case of shares entered in the Depository Register, the Company may reject a Proxy Form if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at 48 hours before the time appointed for holding the Meeting, as certified by The Central Depository (Pte) Limited to the Company.

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偉合控股有限公司

WEE HUR HOLDINGS LTD.

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