偉合控股有限公司
WEE HUR HOLDINGS LTD.

Soaring Ahead

Annual Report 2011

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**

Corporate Structure of Wee Hur Holdings Ltd

偉合控股有限公司
WEE HUR HOLDINGS LTD.

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

Wee Hur Development Pte Ltd is the property development arm of the holding company in Singapore.

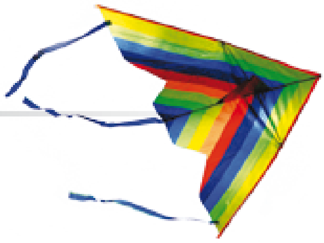
It undertakes the following types of development:
• Residential development such as apartments, condominiums and landed housing
• Industrial development such as multi-users ramp-up/flatted factories and warehousing
• Commercial development such as office buildings, shopping malls and hotels

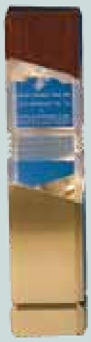
Wee Hur China Pte Ltd* is intended as the property development arm of the holding company in China.

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 alterations, 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.

The scope of construction services include:
• New Construction;
• Additions and Alterations (A&A) of existing buildings;
• Refurbishment and upgrading of existing buildings; and
• Restoration and conservation of heritage buildings

** formerly known as Wee Hur China (Huai'an) Pte Ltd*
*** incorporated on 5 January 2012*





Building and Construction Authority (BCA) Construction Excellence Award

Urban Redevelopment Authority (URA) Architectural Heritage Award

Enterprise 50 Awards

The wide spectrum of projects include:

- 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 contracts of different forms which include:

- 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 awards for Construction Excellence in years 2000, 2002, 2003 and 2007 in addition to a Certificate of Merit from Building and Construction Authority (BCA) in 1997. These awards are testimony to Wee Hur's high standard of workmanship, project management and technical input in completed projects.

Property **Development**

Condominium at Punggol Central

8 blocks of 16-storey condominium with 2 basement carparks, tennis court, swimming pool and clubhouse facilities at Punggol Central

Expected TOP: 2016

CURRENT DEVELOPMENT

Property **Development**

Premier @ Kaki Bukit

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

Expected TOP: 2014

CURRENT DEVELOPMENT

Harvest@Woodlands

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

Expected TOP: 2012

CURRENT DEVELOPMENT

Urban Residences

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

Expected TOP: 2014

COMPLETED DEVELOPMENT

Villas@Gilstead

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

TOP: 2011

Construction

Trilight

2 blocks of 30-storey, 205-units condominium @ Newton Road

Client: Ho Bee Group
Expected completion: 2012

CURRENT PROJECTS

Fernvale Riverbow

1154 units of public housing in Sengkang Neighbourhood 4 Contract 20

Client: Housing and Development Board
Expected completion: 2014

Construction

Vista Spring @ Yishun

696 units of public housing in Yishun Neighbourhood 4 Contract 7

Client: Housing and Development Board
Expected completion: 2014

CURRENT PROJECTS

Boon Lay Grove

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

Client: Housing and Development Board
Expected completion: 2013

Construction

Premier @ Kaki Bukit

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

Client: Wee Hur (Kaki Bukit) Pte Ltd
Expected completion: 2014

CURRENT PROJECTS

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
Expected completion: 2012

Construction

Business Park Buildings @ Fusionopolis

2 blocks of 6-storey business park &
office mixed use development @ Fusionopolis Link

Client: Ascendas Group
Expected completion: 2013

CURRENT PROJECTS

HDB Lift Upgrading

Lift upgrading projects for G5B

Client: Housing and Development Board
Expected completion: 2013

Standard Chartered @ Changi (Phase 2)

6-storey commercial building @ Changi Business Park

Client: Ascendas Group
Expected completion: 2013

Training Facilities @ Nepal Hill, One North

3-storey training block with an outdoor carpark, a single storey club house block and 10 black and white conservation bungalows each with an outhouse structure

Client: Ascendas Group
Expected completion : 2013

Completed **Projects**

Parkview Eclat

21-storey, 35-unit condominium @ Grange Road

Client: Stream Ahead Pte Ltd
Year of completion: 2009

Orion

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

Client: Aquila Development Pte Ltd
Year of completion: 2008

RESIDENTIAL

Compassvale Pearl

420 units of public housing in
Sengkang Neighbourhood

Client: Housing and Development Board
Year of Completion: 2011

Villas@Gilstead

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

Client: Villas@Gilstead Pte Ltd
Year of Completion: 2011

Orange Grove Residences

6 blocks of 5-storey, 60 units apartments
@ Orange Grove Road

Client: Ho Bee Group
Year of Completion: 2009

Completed **Projects**

JCube

5-storey shopping and entertainment complex @ Jurong East Street 13

Client: CapitaLand Group
Year of completion: 2012

Studio M Hotel

9-storey hotel development @ Mohammed Sultan Road

Client: Republic Iconic Hotel Pte Ltd
Year of completion: 2010

COMMERCIAL

Courts Megastore @ Tampines

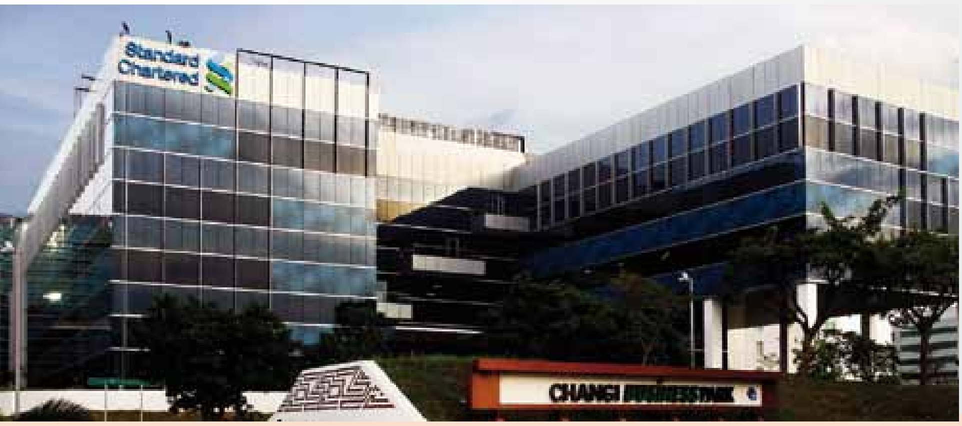
4-storey Courts retail warehouse facility @ Tampines

Client: Ascendas Group
Year of completion: 2006

DBS Asia Hub

9-storey commercial building @ Changi Business Park

Client: Ascendas Group
Year of completion: 2009



Standard Chartered @ Changi

6-storey commercial building @ Changi Business Park

Client: Ascendas Group
Year of completion: 2009

Completed **Projects**

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

INDUSTRIAL

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**

HERITAGE AND CONSERVATION

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

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

RELIGIOUS

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

Poh Ern Shih Temple

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

Client: Poh Ern Shih Temple
Year of completion: 2009

Chairman's **Message**

> 2011 is a year marked by stellar growth and progress in the Group's business. We witnessed good progress in our core business of property development and clinched a significant number of building contracts.

Dear Shareholders,

2011 is a year marked by stellar growth and progress in the Group's business. We witnessed good progress in our core business of property development and clinched a significant number of building contracts. We have also acquired three more land parcels locally for development to serve as future sources of revenue for the Group. We are particularly excited to secure a private condominium site on which our largest residential property development project will be built.

Solid Financial Performance

In the financial year ended 31 December 2011 ("FY2011"), the Group achieved a revenue of S$189.7 million, an increase of 38%, compared to FY2010, mainly due to major construction projects now in their matured stages of progress. However, FY2011 net attributable profit to equity holders decreased to S$11.1 million due to the adoption of Interpretation of Financial Reporting Standard ("INT FRS") 115. INT FRS 115 poses a significant impact on the Group's income statement, resulting in an apparently much lower net profit attributable to shareholders.

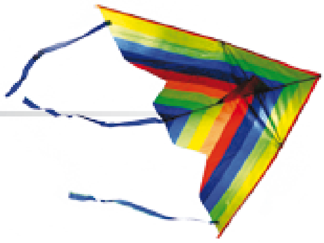
However, had INT FRS 115 not been adopted in FY2011, our revenue and net profit attributable to shareholders would have been S$297.0 million and S$59.0 million, representing an increase of 100.4% and 247.5% respectively, compared to the corresponding period in the previous financial year.

For FY2011, our construction business and our property development business contributed revenues of S$163.8 million and S$25.9 million respectively to the Group's total revenue, achieving yet another year of progressive growth in the Group's history. We continued to maintain a strong and sound financial position, closing FY2011 year with cash and bank balances of S$116.0 million.

Our Core Businesses

I am very happy to inform the shareholders that we have done remarkably well for our property development business. The Group's first industrial property development project, Harvest@Woodlands was completely sold by the second quarter of FY2011. In June 2011, we launched the sales of Premier@Kaki Bukit, a massive industrial development larger than Harvest@Woodlands and is more than 85% sold at the end of FY2011. Also, Urban Residences, a 47-unit residential project at 10, Lorong Ah Soo launched in 1Q2011, was more than 70% sold at the end of FY2011. I am pleased also to update shareholders that in FY2011, Villas@Gilstead, our first fully sold residential property development project, has been completed and handed over to purchasers.

In FY2011, we have beefed up our land bank with three land acquisitions. In April 2011, we have successfully completed the acquisition of two freehold properties located at 39 Kim Keat Road and 1/A/B Lorong Ampas. These two land parcels will be used for the Group's future development purposes. In addition, just before we closed our books for FY2011, we secured a 99-year lease private condominium site at Punggol Central/Punggol Place for S$206.2 million. With a scale well beyond the boutiques residential projects we have done, this Punggol project will be our largest residential property development project till date. The successful completion of a residential project of such big scale will bring us to a higher



league among more established property development players. We are targeting to launch this new residential development at Punggol Central in the second half of FY2012.

Apart from our property development business, FY2011 proves to be a remarkable year for our construction arm. While we are busy in FY2011 with the construction of existing projects such as JCube, Trilight, Harvest@Woodlands and HDB Lift Upgrading, we managed to clinched 7 new construction contracts.

On public projects, we won three HDB building contracts in FY2011 amounting to about S$333.2 million to build a total of about 2,300 dwelling units. We are indeed honoured to play a role in the government's plan to increase the supply of public housing for Singaporeans.

We have also secured other private construction projects. We were awarded two contracts from A-REIT; a S$26.2 million deal at Nepal Hill and a S$57.0 million contract at Fusionopolis. We are pleased to contribute a part to the government's vision of creating a world-class research and development (R&D) hub in this One North locality. Also, towards the end of FY2011, we were awarded a design and build contract at Changi Business Park. On top of these, we will also be building our own industrial property project, Premier@Kaki Bukit. These new projects brought our order book aggregate from S$295.4 million as at end-FY2010 to S$615.4 million as at end-FY2011, with completion dates ranging between FY2012 and FY2014.

Rewarding our Shareholders

Our outstanding performance in FY2011 has enabled us to reward our shareholders for their unyielding support for the Group. The Board of Directors has proposed a final dividend of 1 cent per ordinary share, subject to the approval of shareholders to be obtained during the Annual General Meeting. Together with the interim dividend paid, the total dividend for FY2011 will amount to about 2 cents per ordinary share, representing a 120.5% payout against the Group's net profit after tax.

Funds Raised

In FY2011, we rewarded shareholders with one bonus share with one bonus warrant for every two existing shares. About 215.9 million shares and the same number of warrants were issued in 23 February 2011. Some of these warrants, albeit a small amount of 13,000, which expire in 2014 were already exercised in FY2011.

Our shareholders have also continued their keen support in exercising the warrants issued in 2009. We raised about S$12.1 million from the exercise of these warrants in FY2011. These funds came in handy as we moved into higher gear for the development projects. By end-FY2011, about 70% of these warrants issued in 2009 have been exercised and a total of S$33.3 million has been raised. The remaining warrants have to be exercised by 27 October 2012 and S$14.7 million is expected to be raised in FY2012 from these remaining warrants.

Looking Ahead

In a press release from Urban Redevelopment Authority (URA) dated 2 April 2012, the prices of private residential properties register a marginal decline in the first quarter of 2012, reflecting possibly the effectiveness of recent government's cooling measures such as the implementation of the additional stamp duty for foreigners. However, prices in Outside Central Region (OCR) increased by 1.2% compared to the previous quarter, reflecting a sustainable demand for mass market units. On the construction front, the Building and Construction Authority (BCA) has estimated that total construction demand is likely to range between S$21 billion and S$27 billion for 2012.

With the number of property development projects on hand and the strong construction order book, we are optimistic of our property development and construction businesses for the year ahead. We will not rest on our laurels but will continue to seek opportunity to build our land bank and work hard to replenish our construction order book. We also intend to explore possible opportunities to participate in overseas property development projects.

Acknowledgements

Having come this far, let me express my appreciation to our clients and business associates who played a significant role in our continual success all these years. I would like to also thank the Board of Directors, the managers and the staff for their leadership and hard work in bringing the Group's business to a new level. Finally, I thank our shareholders for their belief and trust in us.

Mr Goh Yeow Lian
Executive Chairman

Property Development and Investment

Launches in FY2011

Harvest@Woodlands – All remaining units of the Group's first industrial property development were sold by the second quarter of FY2011. Harvest@Woodlands comprises 469 units of which; 361 units are ramp-up units, 108 units are flatted factories and 1 staff canteen. It is a 10-storey, multiple-user development located within Woodlands Industrial Park E5. The ramp-up units come with private and exclusive parking and direct loading at the doorstep.

Premier@Kaki Bukit – Housing a total of 482 units, the massive industrial property development launched in the second quarter of FY2011 has registered more than 85% in sales as at end of FY2011. Being larger than Harvest@ Woodlands, the new Premier@Kaki Bukit will comprise two blocks; one of which will be an 8-storey ramp-up factory with 372 units while the other a 9-storey flatted factory with 108 units. The property will also come with 2 staff canteens.

Urban Residences – The 47-unit boutique residential project at 10, Lorong Ah Soo has sold more than 70% units since its launch in the first quarter of FY2011. The 5-storey 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.

Upcoming Launches

Condominium at Punggol Central – Located adjacent to Punggol Town's transport hub comprising Punggol MRT and LRT stations and bus interchange, this latest residential development is a 99-year lease land parcel, surrounded by other amenities such as schools and a future shopping mall. This land parcel has a total area of about 18,000 sq m and comes with a maximum gross floor area (GFA) of 54,058.2 sq m, which ideally would yield about 600 condominium units. This development is intended to be launched in the second half of FY2012.

Land Acquisitions

The Group has made the following acquisitions in FY2011:

- On 9 February 2011, the Group's wholly-owned subsidiary, Wee Hur (Kim Keat) Pte Ltd. purchased the freehold properties located at 39 Kim Keat Road and 1/A/B Lorong Ampas for S$8.3 million and S$6.7 million respectively.
- On 21 December 2011, the Group has purchased a land parcel at Punggol Central/Punggol Place for S$206.2 million, for private condominium development.

Construction Business

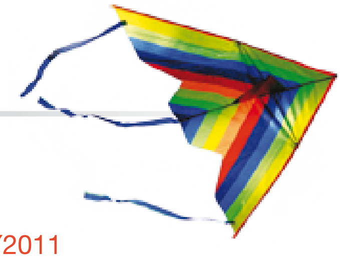
The Group currently has on-going projects worth S$615.4 million recorded in its order book with completion dates ranging between FY2012 and FY2014.

Projects Completed in FY2011

- Compassvale Pearl – An S$83.2 million public housing project in Sengkang Neighbourhood 2 Contract 4 comprising a total of 420 premium flats – 336 units of 4-room and 84 units of 5-room.
- 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.

New Projects Secured in FY2011

- Boon Lay Grove – The S$64.9 million HDB building project was clinched in January 2011. Located at Jurong West Neighbourhood 2 which comprises 450 residential units, the project 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.
- Vista Spring @ Yishun – Awarded in June 2011, the S$109.0 million public housing project from HDB involves construction works of eight residential blocks, an electrical sub-station, a multi-storey car park, minor sewer services and landscaping works at Yishun Neighbourhood 4, comprising 696 dwelling units. The project commenced on 23 June 2011 and is expected to complete by March 2014.
- A-REIT project @ One North – Secured by the Group in July 2011, this project worth S$26.2 million covers the design and build of a 3-storey training block with an outdoor car park, a single-storey club house block and 10 black and white conservation bungalows, each with an outhouse structure, at Nepal Hill. Works on site commenced on 1 August 2011 and is expected to complete in 1Q2013.



- Fusionopolis – This S$57.0 million contract is also secured from A-REIT, which covers the design and build of a business park and office mixed use development comprising of two blocks of 6-storey building with two levels of common basement car park. The project commenced in end-October 2011 and is expected to complete in 3Q2013.

- Fernvale Riverbow – The Group won this HDB building project worth S$159.3 million in November 2011, which involves the construction of eight residential blocks, a basement car park and communal facilities such as pavilions, playgrounds, fitness stations and multi-purpose courts at Sengkang Neighbourhood 4. This project commenced on 19 December 2011 and is expected to complete by August 2014.

- Changi Business Park – Project awarded by Ascendas for a design and build project of a 6-storey office building with a basement carpark at Changi Business Park which commenced in January 2012. The project is expected to be completed in August 2013.

- Premier@Kaki Bukit – The Group's own industrial development with an approximate contract sum 0f S$89.5 million; boasting of 482 units and consisting of an 8-storey ramp-up and 9-storey flatted factory along Kaki Bukit Avenue 4 and the Bartley East viaduct. Construction of the proposed industrial property commenced in March 2012 and is slated for completion in June 2014.

Other Ongoing Projects in FY2011

- Harvest@Woodlands – The Group's own development with an approximate contract sum of S$65.0 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 factories. This project is slated for completion in 2012.

- 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 be completed by the third quarter of 2012.

- 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.

- JCube - This S$103.6 million project is a 5-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 sqm, 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. This project is completed in 1Q2012.

The Group currently has on-going projects worth S$615.4 million recorded in its order book with completion dates ranging between FY2012 and FY2014.

Financial **Review**

Revenue of the Group ended 37.6% higher at S$189.7 million for FY2011 compared with S$137.9 million for FY2010.

Financial Performance

The Group's financial year ended 31 December 2011 ("FY2011") financial performance was affected significantly following its adoption of INT FRS 115, which refers to recognition of revenue for construction of Real Estate, mainly for Wee Hur's industrial property projects. The accounting standard stipulates that revenue and profits for all industrial and commercial projects should be recognized only at the completion stage.

Revenue

Revenue of the Group ended 37.6% higher at S$189.7 million for FY2011 compared with S$137.9 million for FY2010. The increase in revenue was largely attributable to the major construction projects which were in their matured stage of progress and hence higher recognition of revenue. Should the Percentage of Completion ("POC") method of recognition be applied instead of INT FRS 115, the Group would have reported revenue of S$297.0 million for FY2011, representing a 100.4% year-on-year ("Y-o-Y") increase from S$148.8 million for FY2010.

Gross Profit and Gross Profit Margin

The Group delivered a higher gross profit of S$26.1 million for FY2011 compared with S$24.7 million for FY2010 on higher revenue recognized during the financial year under review. Should the Group have used the POC method, gross profit and gross profit margin would have been S$88.0 million and 29.6% respectively.

Net Profit to Shareholders

During the financial year under review, Wee Hur has recorded lower net profit to shareholders largely due to higher administrative expenses arising from the marketing costs for the two projects; namely Premier@Kaki Bukit and Urban Residences@Paya Lebar. In addition, there was an absence of gain on bargain purchase of S$3.7 million which contributed towards the Group's bottom line in FY2010. The Group announced S$11.1 million net profit to shareholders for FY2011, 15.2% lower than S$13.1 million in FY2010. Should the POC method be used, net profit to shareholders would have been S$59.0 million, 247.5% higher than that for FY2010.

Non-Current Assets

The net increase of S$1.4 million in the net book value as at 31 December 2011 compared with S$10.1 million in FY2010 is mainly due to the purchase of equipment during the year under review; offset by a transfer of an investment in property to asset held for sale of approximately S$3.9 million during the year.

Current Assets

The higher amount of S$380.0 million as at 31 December 2011 as compared with S$276.9 million as at 31 December 2010 is due to higher Gross Amount Due from Customers for Contracts Work-in-Progress in addition to higher value of Development Properties and strong Cash and Bank Balances.

Current Liabilities

The Group recorded higher current liabilities as at 31 December 2011 as compared with that as at end-FY2010 on a higher value of Progress Billings Received and Receivables from its industrial development projects in addition to higher Trade and Other Payables.

Non-Current Liabilities

The amount of non-current liabilities is marginally lower as at 31 December 2011 as compared with that as at end-FY2010 on reversals of deferred tax liabilities offset by further utilization of bank loans facilities in the property development businesses.

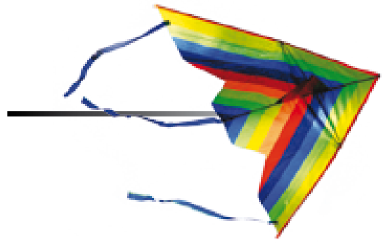
Cash and Bank Balances

The Group maintained a consistent healthy financial position with higher Cash and Bank Balances of S$116.0 million as at 31 December 2011, S$53.0 million higher than FY2010.

Share Capital Changes

During the financial year under review, the Company has issued 41,041,509 new ordinary shares made up of 39,719,502 ordinary shares at S$0.30 each, 1,309,007 ordinary shares at S$0.20 each and 13,000 ordinary shares at S$0.25 each to existing shareholders pursuant to the renounceable rights issue of warrants. Additionally, the Company has issued 215,886,166 ordinary shares pursuant to the bonus share issue of the Company, bringing total issued shares excluding treasury shares to 645,523,525 as at 31 December 2011. The Company holds 3,457,000 treasury shares purchased from the market at the end of the financial year.

Development **Schedule Summary**



DEVELOPMENT SCHEDULE SUMMARY

Properties Under Development

Project	Interest Attributable	Expected TOP	GFA (sqm)	Type
Harvest@Woodlands	100%	December 2012	62,531	I
Urban Residences	100%	June 2014	3,566	R
Premier@Kaki Bukit	60%	December 2014	74,943	I
Punggol Central	65%	December 2016	54,058	R
Total			195,098	

Property Held for Sale

Name of Properties	Description	Tenure	Type
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

** This property has been sold on 30 March 2012*

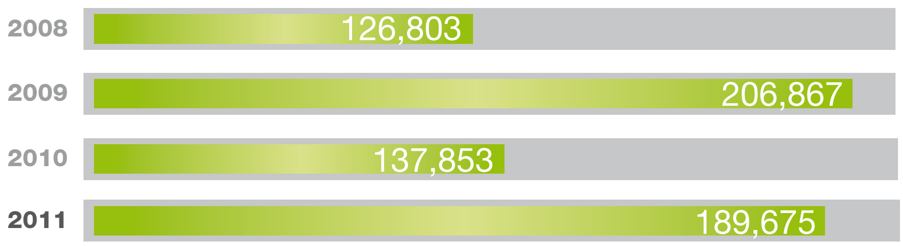
Financial **Highlights**

S$

189,675 REVENUE
26,094 GROSS PROFIT
11,109 NET PROFIT ATTRIBUTABLE TO EQUITY HOLDERS
90,135 NET CURRENT ASSETS
115,994 CASH & CASH EQUIVALENTS

(S$'000)

REVENUE (S$'000)

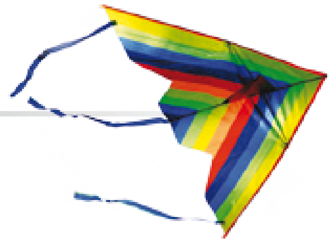


PROFIT AND LOSS HIGHLIGHTS

	FY2008	FY2009	FY2010 Restated*	FY2011
Revenue (S$'000)	126,803	206,867	137,853	189,675
Gross Profit (S$'000)	15,389	28,882	24,714	26,094
Gross Profit Margin	12.1%	14.0%	17.9%	13.8%
Profit Before Tax (S$'000)	9,589	20,017	16,121	12,260
Net Profit Attributable to Equity Holders (S$'000)	8,017	16,334	13,100	11,109
Net Profit Margin	6.3%	7.9%	9.5%	5.9%
Earnings Per Share** (cents)	2.50	5.09	3.34	1.72

**The 2010 comparative figures have been restated to take into account the retrospective adjustments arising from the adoption of INT FRS 115 - Agreements for the Construction of Real Estate and under recognition of costs pertaining to fair value adjustment*

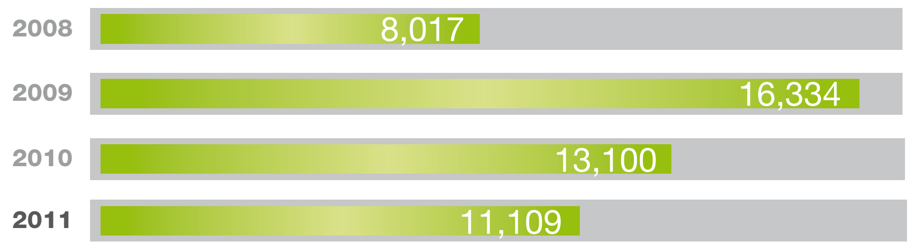
** *Earnings Per Share is calculated based on number of shares in issue. There are 645,523,525 shares for FY2011. The number of shares remained the same at 321,039,000 for FY2007 and FY2008. The number of shares in FY2009 and FY2010 were 321,040,500 and 392,052,850 respectively.*



13.8% GROSS PROFIT MARGIN
5.9% NET PROFIT MARGIN
1.72 cents EARNINGS PER SHARE**
42,153 TRADE & OTHER RECEIVABLES
89,152 TOTAL EQUITY***

FY 2011

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



BALANCE SHEET HIGHLIGHTS

	FY2008	FY2009	FY2010 Restated*	FY2011
Property, Plant and Equipment (S$'000)	3,016	3,777	5,339	10,363
Trade and Other Receivables (S$'000)	38,248	63,439	50,732	42,153
Cash and Cash Equivalents (S$'000)	24,999	31,376	62,954	115,994
Trade and Other Payables (S$'000)	36,260	52,560	61,609	83,903
Net Current Assets (S$'000)	35,626	46,648	83,559	90,135
Total Equity*** (S$'000)	39,489	50,885	80,008	89,152

**** Included Non-controlling interests*

Board of **Directors**

Goh Yeow Lian

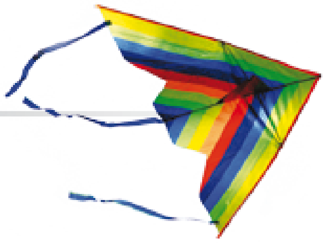
Goh Yew Tee

Goh Yeo Hwa

Goh Yew Gee

William Teo

Robert Wong



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 independent director of three other listed companies, namely See Hup Seng Limited, Loyz Energy Limited and PSL Holdings 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**

Ewe Tuck Foong is the Chief Financial Officer of our Group since November 2011. He is a fellow member of the prestigious Association of Chartered Certified Accountants. Currently, he is also a provisional member of the Institute of Certified Public Accountants of Singapore. Mr Ewe has about 7 years of experience with 2 of the Big-4 auditing firms and about 8 years of experience in managing finance departments for multinational companies in distribution business and engineering and procurement contract business.

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.

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 FY2011 is as follows:

	Board Committee	**Audit Committee**	**Remuneration Committee**	**Nominating Committee**
No. of meetings held	**4**	**4**	**3**	**1**
Attendance				
Goh Yeow Lian	4	4*	3*	1*
Goh Yew Tee	3	4*	3*	1*
Goh Yeo Hwa	4	4*	3*	1*
Goh Yew Gee	4	3	2	1
Wong Kwan Seng Robert	4	4	3	1
Teo Choon Kow @ William Teo	4	4	3	1

* attended the meeting 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:

1. Wong Kwan Seng Robert – Chairman
2. Teo Choon Kow @ William Teo – Member
3. 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 Goh Yeo Hwa and Goh Yew Gee, 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 dates of initial appointment and last re-election of each Director are set out below:

	NAME OF DIRECTORS	APPOINTMENT	DATE OF INITIAL APPOINTMENT	DATE OF LAST RE-ELECTION
1	Goh Yeow Lian	Executive Chairman and Managing Director	3 September 2007	28 April 2010
2	Goh Yew Tee	Executive Director and Deputy Managing Director	24 September 2007	28 April 2010
3	Goh Yeo Hwa	Member	24 September 2007	22 April 2009
4	Goh Yew Gee	Member	24 September 2007	22 April 2009
5	Teo Choon Kow @ William Teo	Member	14 December 2007	28 April 2011
6	Wong Kwan Seng Robert	Member	14 December 2007	28 April 2011

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 prepared 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:

1. Teo Choon Kow @ William Teo - Chairman
2. Wong Kwan Seng Robert - Member
3. 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 2011:

Remuneration Bands and Name	Fees (%)	Salary (%)	Bonus (%)	Others (%)	Total (%)
$750,000 to $1,000,000					
Goh Yeow Lian	–	30	64	6	100
$500,000 to $749,000					
Goh Yew Tee	–	39	53	8	100
$250,000 to $499,000					
Goh Yeo Hwa	–	40	49	11	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	–	31	63	6	100
Goh Cheng Huah	–	34	60	6	100
Koh Chong Kwang	–	33	60	7	100
Below $250,000					
Goh Yeu Toh#	–	52	27	21	100
Cheng Kiang Huat#	–	52	27	21	100
Sua Nam Heng#	–	51	26	23	100
Gaw Chu Lan(1)	–	46	54	–	100
Phua Chong Boon(2)	–	84	–	16	100
Ewe Tuck Foong(3)	–	83	17	–	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.

(2) Phua Chong Boon resigned on 31 October 2011.

(3) Ewe Tuck Foong joined the Group as Chief Financial Officer on 1 November 2011.

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 2011.

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:

1) Teo Choon Kow @ William Teo - Chairman
2) Wong Kwan Seng Robert - Member
3) 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 controls, their management letter and management's response;

(ii) review the financial statements including annual budget and any forecast, before submission to the Board 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 audit fees and 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 reviewed the nature and extent of non-audit services provided by RSM Chio Lim LLP and the fees paid for its audit services, non-audit services and the aggregate amount of fees paid in respect of the financial year ended 31 December 2011. As RSM Chio Lim LLP did not provide any non-audit services other than as the Group's tax agent with effective from Year of Assessment 2012, the AC confirmed the independence of RSM Chio Lim LLP.

The AC has also reviewed and confirmed that RSM Chio Lim LLP is a suitable audit firm to meet the Company's audit obligations, having regards to the adequacy of resources and experience of the firm and the assigned audit engagement partner, RSM Chio Lim LLP's other audit engagements, size and complexity of the Wee Hur Group, number and experience of supervisory and professional staff assigned to the audit. Accordingly, the AC recommended to the Board the re-appointment of RSM Chio Lim LLP as External Auditors of the Company for the financial year ending 31 December 2012.

RSM Chio Lim LLP has been engaged to audit the accounts of the Company and its Singapore-incorporated subsidiaries. The Group has complied with the Rule 715 of the Listing Manual in relation to its auditing firms. The Group does not have any foreign-incorporated subsidiaries and associated companies.

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 FY2011. 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.

The system of internal controls provides reasonable, but not absolute, assurance that the Company will not be adversely affected by any event that could be reasonably foreseen as it strives to achieve its business objectives. However, the Board also notes that no system of internal controls can provide absolute assurance in this regard, or absolute assurance against the occurrence of material errors, poor judgment in decision-making, human errors, losses, fraud or other irregularities.

Based on the aforesaid and the statutory audit conducted by the External Auditors, the Board, with the concurrence of the AC, is satisfied that the system of internal controls, including financial, operational and compliance controls, is adequate to meet the needs of the Group's existing business objectives, having addressed the critical risks area. While acknowledging their responsibility for the system of internal controls, the Directors are aware that such a system is designed to manage, rather than eliminate risks, and therefore cannot provide absolute assurance in this regard, or absolute assurance against the occurrence of material errors or mis-statements, poor judgment in decision-making, human errors, losses, fraud or other irregularities.

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

Except as disclosed under Interested Person Transactions, 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 FY2011 is 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 $100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) $'000	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than $100,000) $'000
WM Development Pte Ltd *	15,000	NIL
Cheng Song Seng and Chin Hsueh Li **	681	NIL

* As per EGM dated 21 January 2011

** Cheng Song Seng is the son of Cheng Kiang Huat who is a Director of Wee Hur Construction Pte Ltd, a wholly-owned subsidiary of the Company. Cheng Kiang Huat is the brother-in-law of Directors of the Company, namely; Goh Yeow Lian (who is also a Controlling Shareholder of the Company), Goh Yew Tee, Goh Yeo Hwa and Goh Yew Gee ("Messrs Goh"). Cheng Song Seng and Chin Hsueh Li are nephew and niece-in-law of Messrs Goh respectively.

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	Amount Raised $	Amount Utilized $
i)	Warrants Issued	1,605,195	1,600,000
ii)	Exercise of Warrants	33,481,807	26,178,223
	Total	35,087,002	27,778,223*

* $27,778,223 has been deployed to Wee Hur (Woodlands) Pte. Ltd., Wee Hur (Paya Lebar) Pte. Ltd., Wee Hur (Kaki Bukit) Pte. Ltd. and Wee Hur (Kim Keat) 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.

The Directors of the Company are pleased to present their report together with the audited financial statements of the Company and of the Group for the reporting year ended 31 December 2011.

1. Directors at Date of Report

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 Director
Goh Yew Gee

Independent Directors
Teo Choon Kow @ William Teo
Wong Kwan Seng Robert

2. Arrangements to Enable Directors to Acquire Benefits by Means of Acquisition of Shares and Debentures

Neither at the end of the reporting year nor at any time during the reporting 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 or debentures in the Company or any other body corporate, except as disclosed in paragraph 3 to 8 below.

3. Directors' Interests in Shares and Debentures

The Directors of the Company holding office at the end of the reporting year had no interests in the shares capital, 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, Chapter 50, except as follows:

	Direct interest		Deemed interest	
Name of Directors and Company in which interests are held	**At beginning of the reporting year**	**At end of the reporting year**	**At beginning of the reporting year**	**At end of the reporting year**
Wee Hur Holdings Ltd. (the Company)	**Number of shares of no par value**			
Goh Yeow Lian	15,562,636	26,843,954	141,903,000	250,843,750
Goh Yew Tee	6,781,318	12,522,977	–	–
Goh Yeo Hwa	9,630,769	16,973,153	–	–
Goh Yew Gee	5,178,160	7,767,240	–	96,000
Wong Kwan Seng Robert	150,000	225,000	–	–

3. Directors' Interests in Shares and Debentures (cont'd)

Name of Directors and Company in which interests are held	Direct interest: At beginning of the reporting year	Direct interest: At end of the reporting year	Deemed interest: At beginning of the reporting year	Deemed interest: At end of the reporting year
Wee Hur Holdings Ltd. (the Company)		**Number of warrants**		
Goh Yeow Lian	–	7,781,318	25,201,500	98,502,250
Goh Yew Tee	–	3,390,659	–	–
Goh Yeo Hwa	–	4,815,384	–	–
Goh Yew Gee	–	2,589,080	–	–
Wong Kwan Seng Robert	–	75,000	–	–

By virtue of section 7 of the Companies Act, Chapter 50, Mr Goh Yeow Lian is deemed to have an interest in the Company and in all the related corporations of the Company.

The Directors' interests as at 21 January 2012 were the same as those at the end of the reporting year.

4. Contractual Benefits of Directors

Since the beginning of the reporting 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, Chapter 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.

5. 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

5. Share Options (cont'd)

Wee Hur Employee Share Option Scheme (cont'd)

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 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. Each non-executive Director is not entitled to more than 3% of the shares available under the Wee Hur ESOS.

The Company may acquire associates 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).

(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 ("SGXST"), 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.

5. Share Options (cont'd)

Wee Hur Employee Share Option Scheme (cont'd)

(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.

(f) Operation of the Wee Hur ESOS

Subject to the prevailing legislation and the rules of the Listing Manual of SGXST, 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 ten 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 reporting 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 reporting year, there were no unissued shares of the Company or any corporation in the Group under option.

6. 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:

(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 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 SGXST 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.

6. Performance Share Plan (cont'd)

Wee Hur Performance Share Plan (cont'd)

(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 SGXST, 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).

6. Performance Share Plan (cont'd)

Wee Hur Performance Share Plan (cont'd)

(f) Operation of the Wee Hur PSP (cont'd)

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 SGXST on each of the five 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 ten 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 reporting year, no Awards have been granted to eligible participants.

7. Bonus Shares and Warrants

On 10 November 2010, the Company announced a proposed Bonus Issue of up to 240,779,250 Bonus Shares with up to 240,779,250 Bonus Warrants on the basis of one (1) Bonus Share with one (1) Bonus Warrant for every two (2) existing shares held by shareholders as at the Books Closure Date, fractional entitlements to be disregarded.

The Bonus Issue by the Company constitute an event which will require adjustments to be made to the number and the 2009 Exercise Price of the 2009 Warrants pursuant to the terms and conditions of the 2009 Warrants set out in the 2009 Deed Poll.

The adjustments to the 2009 Warrants was disclosed in the Directors' Report for the reporting year ended 31 December 2010.

8. Share Capital and Warrants

During the reporting year, the Company allotted and issued 215,886,166 of both new ordinary shares and Warrants 2014 on 23 February 2011. In the reporting year 2009, the Company issued 160,519,500 warrants in connection with a renounceable non-underwritten rights issue of warrants.

On 22 February 2011, 24,892,936 Bonus Warrants have additional been allotted and issued to the 2009 Warrants at exercise price of $0.20 per share.

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

Date of issue	Warrants outstanding at 1.1.2011	Warrants issued	Warrants exercised	Warrants expired	Warrants outstanding at 31.12.2011	Date of expiration
02.11.2009	89,505,650	24,892,936	41,028,509	–	73,370,077	27.10.2012
23.02.2011	–	215,886,166	13,000	–	215,873,166	22.02.2014

Each warrant entitles the warrant holder to subscribe for one (1) new ordinary share in the Company at the exercise price of $0.20 and $0.25 per share, on the basis of one (1) warrant for every two (2) 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 reporting year, the Company issued 41,041,509 shares pursuant to the exercise of warrants as disclosed above.

These new shares will rank pari passu in all respects with the then existing ordinary share save for any dividends, rights, allotment or other distributions, the record date for which is on or before the relevant exercise date of the warrants.

During the reporting year, the Company purchased 3,457,000 shares by way of on market purchase on the SGXST, pursuant to the renewal of Share Purchase Mandate. There are 3,457,000 outstanding treasury shares as at 31 December 2011.

9. Audit Committee

The members of the audit committee at the date of this report are as follows:

Teo Choon Kow @ William Teo (Chairman of audit committee)
Wong Kwan Seng Robert (Independent Director)
Goh Yew Gee (Non-executive Director)

The audit committee performs the functions specified by section 201B(5) of the Companies Act. Among other functions, it performed the following:

- Reviewed with the independent external auditors their audit plan;
- Reviewed with the independent external auditors their evaluation of the Company's internal accounting controls, and their report on the financial statements and the assistance given by the Company's officers to them;
- Reviewed with the internal auditors the scope and results of the internal audit procedures;

9. Audit Committee (cont'd)

- Reviewed the financial statements of the Group and the Company prior to their submission to the Directors of the Company for adoption; and

- Reviewed the interested person transactions (as defined in Chapter 9 of the Listing Manual of SGX).

Other functions performed by the audit committee are described in the report on corporate governance included in the annual report. It also includes an explanation on how independent auditor objectivity and independence is safeguarded where the independent auditors provide non-audit services.

The audit committee has recommended to the Board of Directors that the independent auditors, RSM Chio Lim LLP, be nominated for re-appointment as independent auditors at the next annual general meeting of the Company.

10. Independent Auditors

The independent auditors, RSM Chio Lim LLP, have expressed their willingness to accept re-appointment.

11. Subsequent Developments

There are no significant developments subsequent to the release of the Group's and Company's preliminary financial statements, as announced on 29 February 2012, which would materially affect the Group's and Company's operating and financial performance as of the date of this report.

On behalf of the Board of Directors

Goh Yeow Lian
Director

Goh Yew Tee
Director

5 April 2012

Statement By Directors

For the year ended 31 December 2011

In the opinion of the Directors,

(a) the accompanying consolidated statement of comprehensive income, statements of financial position, statements of changes in equity, consolidated statement of cash flows, and notes thereto are drawn up so as to give a true and fair view of the state of affairs of the Company and of the Group as at 31 December 2011 and of the results and cash flows of the Group and changes in equity of the Company and of the Group for the reporting 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.

The Board of Directors approved and authorised these financial statements for issue.

On behalf of the Board of Directors

Goh Yeow Lian
Director

Goh Yew Tee
Director

5 April 2012

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 consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 December 2011, and the consolidated statement of comprehensive income, statement of changes in equity and statement of cash flows of the Group and statement of changes in equity of the Company for the reporting year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of the financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act, Chapter 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 statement of comprehensive income and statements of financial position 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 judgment, 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.

Independent Auditors' Report

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

Opinion

In our opinion, the consolidated financial statements of the Group and the statement of financial position 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 2011 and of the results, changes in equity and cash flows of the Group and the changes in equity of the Company for the reporting 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.

Other Matters

The financial statements for the year ended 31 December 2010 were audited by other independent auditors whose report dated 23 March 2011 expressed an unqualified opinion on those financial statements.

RSM Chio Lim LLP
Public Accountants and
Certified Public Accountants
Singapore

5 April 2012

Partner in charge of audit: Derek How Beng Tiong
Effective from year ended 31 December 2011

Consolidated Statement of Comprehensive Income

For the reporting year ended 31 December 2011

	Notes	Group 2011	Group 2010
		$'000	$'000 Restated
Revenue	4	189,675	137,853
Cost of Work Done		(163,581)	(113,139)
Gross Profit		26,094	24,714
Other Items of Income			
Interest Income		117	100
Rental Income		131	92
Other Credits	5	674	3,878
Other Items of Expense			
Marketing and Distribution Costs	6	(5,493)	(3,633)
Administrative Expenses	7	(9,225)	(8,813)
Finance Costs	8	(31)	–
Other Charges	5	(7)	(217)
Profit Before Tax from Continuing Operations		12,260	16,121
Income Tax Expense	10A	(1,382)	(2,719)
Profit from Continuing Operations, Net of Tax		10,878	13,402
Other Comprehensive Income for the Year, Net of Tax		–	–
Total Comprehensive Income		10,878	13,402
Profit Attributable to Owners of the Parent, Net of Tax		11,109	13,100
(Loss)/Profit Attributable to Non-Controlling Interests, Net of Tax		(231)	302
Profit, Net of Tax		10,878	13,402
Total Comprehensive Income Attributable to Owners of the Parent		11,109	13,100
Total Comprehensive (Loss)/Income Attributable to Non-Controlling Interests		(231)	302
Total Comprehensive Income		10,878	13,402
Earnings Per Share			
Earnings per Share Currency Unit		Cents	Cents
Basic	12	1.82	2.26
Diluted	12	1.66	2.07

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

Statement of Financial Position

As at 31 December 2011

	Notes	Group 31 December 2011 $'000	31 December 2010 $'000 Restated	1 January 2010 $'000
ASSETS				
Non-Current Assets				
Property, Plant and Equipment, Total	13	10,363	5,339	3,777
Investment Properties	14	–	4,768	871
Deferred Tax Assets	10C	1,103	–	–
Total Non-Current Assets		11,466	10,107	4,648
Current Assets				
Development Properties	16	176,406	156,516	23,821
Asset Classified as Held for Sale	17	3,882	–	–
Trade and Other Receivables, Current	18B	42,153	50,732	63,439
Other Assets, Current	19	41,609	6,680	4,101
Cash and Cash Equivalents	20	115,994	62,954	31,376
Total Current Assets		380,044	276,882	122,737
Total Assets		391,510	286,989	127,385
EQUITY AND LIABILITIES				
Equity Attributable to Owners of the Parent				
Share Capital	22	60,967	49,487	27,561
Retained Earnings		23,948	25,874	21,951
Warrants Reserve	23	502	791	1,483
Merger Deficit	24	–	(110)	(110)
Equity, Attributable to Owners of the Parent, Total		85,417	76,042	50,885
Non-Controlling Interests		3,735	3,966	–
Total Equity		89,152	80,008	50,885
Non-Current Liabilities				
Deferred Tax Liabilities	10C	–	3,018	411
Other Financial Liabilities, Non-Current	25	12,449	10,640	–
Total Non-Current Liabilities		12,449	13,658	411
Current Liabilities				
Income Tax Payable, Current		5,531	1,697	3,358
Provisions, Current	26	–	–	371
Trade and Other Payables, Current	28	83,903	61,609	52,560
Other Financial Liabilities, Current	25	59,395	88,086	15,000
Other Liabilities, Current	29	995	700	4,800
Progress Billings Received and Receivables	16	140,085	41,231	–
Total Current Liabilities		289,909	193,323	76,089
Total Liabilities		302,358	206,981	76,500
Total Equity and Liabilities		391,510	286,989	127,385

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

	Notes	Company 2011	Company 2010
		$'000	$'000
ASSETS			
Non-Current Assets			
Investment Properties	14	–	3,923
Investment in Subsidiaries	15	17,714	17,475
Other Receivables, Non-Current	18A	11,036	5,896
Total Non-Current Assets		28,750	27,294
Current Assets			
Asset Classified as Held for Sale	17	3,882	–
Trade and Other Receivables, Current	18B	56,559	33,536
Other Assets, Current	19	21	169
Cash and Cash Equivalents	20	9,568	18,969
Total Current Assets		70,030	52,674
Total Assets		98,780	79,968
EQUITY AND LIABILITIES			
Equity			
Share Capital	22	60,967	49,487
Retained Earnings		14,508	18,072
Warrants Reserve	23	502	791
Total Equity		75,977	68,350
Current Liabilities			
Income Tax Payable		6	13
Trade and Other Payables, Current	28	22,797	11,605
Total Current Liabilities		22,803	11,618
Total Liabilities		22,803	11,618
Total Equity and Liabilities		98,780	79,968

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

Statement Of Changes in Equity

For the reporting year ended 31 December 2011

	Total Equity	Attributable to Parent Sub-Total	Share Capital	Retained Earnings	Warrants Reserve	Merger Deficit	Non-Controlling Interests
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
<u>**Group**</u>							
Current Year:							
Opening Balance at 1 January 2011	89,454	83,707	49,487	33,539	791	(110)	5,747
Effect of Adopting INT FRS 115 (Note 37a)	(3,512)	(3,512)	–	(3,512)	–	–	–
Prior Year Adjustments (Note 37b)	(5,934)	(4,153)	–	(4,153)	–	–	(1,781)
Restated Opening Balance at 1 January 2011	80,008	76,042	49,487	25,874	791	(110)	3,966
Movements in Equity:							
Total Comprehensive Income for the Year	10,878	11,109	–	11,109	–	–	(231)
Transfer	–	–	–	(110)	–	110	–
Share Buyback	(892)	(892)	(892)	–	–	–	–
Dividends Paid (Note 11)	(12,925)	(12,925)	–	(12,925)	–	–	–
Exercise of Warrants (net of issue expenses)	12,083	12,083	12,372	–	(289)	–	–
Closing Balance at 31 December 2011	89,152	85,417	60,967	23,948	502	–	3,735
Previous Year:							
Opening Balance at 1 January 2010	50,885	50,885	27,561	21,951	1,483	(110)	–
Movements in Equity:							
Restated Comprehensive Income for the Year	13,402	13,100	–	13,100	–	–	302
Contribution from Non-Controlling Interests	400	–	–	–	–	–	400
Restated Non-Controlling Interests arising from Acquisition of Subsidiary (Note 30)	3,264	–	–	–	–	–	3,264
Dividends Paid (Note 11)	(9,177)	(9,177)	–	(9,177)	–	–	–
Exercise of Warrants (net of issue expenses)	21,234	21,234	21,926	–	(692)	–	–
Restated Closing Balance at 31 December 2010	80,008	76,042	49,487	25,874	791	(110)	3,966

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

Statement Of Changes in Equity

For the reporting year ended 31 December 2011

	Total Equity	Share Capital	Retained Earnings	Warrants Reserve
	$'000	$'000	$'000	$'000
<u>**Company**</u>				
Current Year:				
Opening Balance at 1 January 2011	68,350	49,487	18,072	791
Movements in Equity:				
Total Comprehensive Income for the Year	9,361	–	9,361	–
Share Buyback	(892)	(892)	–	–
Dividends Paid (Note 11)	(12,925)	–	(12,925)	–
Exercise of Warrants (net of issue expenses)	12,083	12,372	–	(289)
Closing Balance at 31 December 2011	75,977	60,967	14,508	502
Previous Year:				
Opening Balance at 1 January 2010	38,086	27,561	9,042	1,483
Movements in Equity:				
Total Comprehensive Income for the Year	18,207	–	18,207	–
Dividends Paid (Note 11)	(9,177)	–	(9,177)	–
Exercise of Warrants (net of issue expenses)	21,234	21,926	–	(692)
Closing Balance at 31 December 2010	68,350	49,487	18,072	791

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

Consolidated Statement of Cash Flows

For the reporting year ended 31 December 2011

	Group	
	2011	2010
	$'000	$'000 Restated
Cash Flows From Operating Activities		
Profit Before Tax	12,260	16,121
Adjustments for:		
Interest Income	(117)	(100)
Interest Expense	31	–
Gain on Bargain Purchase (net of tax) (Note 30)	–	(3,726)
Provisions Written Back	–	(214)
Depreciation of Property, Plant and Equipment	1,382	977
Depreciation of Investment Properties	66	65
Loss on Disposal of Plant and Equipment	7	3
Gain on Disposal of Investment Property	(467)	–
Operating Cash Flows Before Changes in Working Capital	13,162	13,126
Trade and Other Receivables, Current	8,583	13,275
Other Assets, Current	(34,929)	(6,680)
Development Properties	(18,550)	(88,060)
Progress Billings Received and Receivables	98,854	41,231
Trade and Other Payables, Current	24,500	(9,681)
Other Liabilities, Current	295	–
Net Cash Flows From/(Used in) Operations Before Interest and Tax	91,915	(36,789)
Income Taxes Paid	(1,669)	(3,268)
Net Cash Flows From/(Used in) Operating Activities	90,246	(40,057)
Cash Flows From Investing Activities		
Proceeds from Disposal of Plant and Equipment	–	2
Proceeds from Disposal of Investment Property	1,300	–
Purchase of Property, Plant and Equipment (Note 13 and 20B)	(6,187)	(2,544)
Purchase of Investment Property	(13)	(3,962)
Net Cash Outflow on Acquisition of Subsidiary (Note 30)	–	(3,244)
Interest Received	113	98
Net Cash Used in Investing Activities	(4,787)	(9,650)

	Group	
	2011	2010
	$'000	$'000 Restated
<u>**Cash Flows From Financing Activities**</u>		
Proceeds from Exercise of Warrants	12,083	21,234
Purchase of Treasury Shares	(892)	–
Contribution from Non-Controlling Interests	–	400
Dividends Paid	(12,925)	(9,177)
Interest Paid	(1,371)	(892)
Finance Lease Repayments	(48)	–
Cash Restricted in Use	(3,682)	(2,044)
New Bank Loan Raised	–	70,816
Decrease in Borrowings	(27,060)	(14,902)
Related Parties Loan	(2,206)	13,806
Net Cash Flows (Used in)/From Financing Activities	(36,101)	79,241
Net Increase in Cash and Cash Equivalents	49,358	29,534
Cash and Cash Equivalents, Consolidated Statement of Cash Flows, Beginning Balance	60,908	31,374
Cash and Cash Equivalents, Consolidated Statement of Cash Flows, Ending Balance (Note 20A)	110,266	60,908

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

1. General

The Company is incorporated in Singapore with limited liability. The financial statements are presented in Singapore dollars and they cover the Company (referred as "parent") and the subsidiaries.

The Board of Directors approved and authorised these financial statements for issue on 5 April 2012.

The Company is an investment holding company. It is listed on the Singapore Exchange Securities Trading Limited.

The registered office is: 39 Kim Keat Road Wee Hur Building Singapore 328814. The Company is situated in Singapore.

The subsidiaries held by the Company and the Group are listed in Note 15 below. The principal activities of the subsidiaries are described therein.

2. Summary of Significant Accounting Policies

Accounting Convention

The financial statements have been prepared in accordance with the Singapore Financial Reporting Standards ("FRS") and the related Interpretations to FRS ("INT FRS") as issued by the Singapore Accounting Standards Council and the Companies Act, Chapter 50. The financial statements are prepared on a going concern basis under the historical cost convention except where an FRS requires an alternative treatment (such as fair values) as disclosed where appropriate in these financial statements.

Basis of Presentation

The consolidated financial statements include the financial statements made up to the end of the reporting year of the Company and all of its directly and indirectly controlled subsidiaries. Consolidated financial statements are the financial statements of the Group presented as those of a single economic entity. The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. All significant intragroup balances and transactions, including profit or loss and other comprehensive income items and dividends are eliminated on consolidation. The results of any subsidiary acquired or disposed of during the reporting year are accounted for from the respective dates of acquisition or up to the date of disposal which is the date on which effective control is obtained of the acquired business until that control ceases.

Changes in the Group's ownership interest in a subsidiary that do not result in the loss of control are accounted for within equity. When the Group loses control of a subsidiary it derecognises the assets and liabilities and related equity components of the former subsidiary. Any gain or loss is recognised in profit or loss. Any investment retained in the former subsidiary is measured at its fair value at the date when control is lost and is subsequently accounted as available-for-sale financial assets in accordance with FRS 39.

The Company's financial statements have been prepared on the same basis, and as permitted by the Companies Act, Chapter 50, no statement of income is presented for the Company.

2. Summary of Significant Accounting Policies (cont'd)

Basis of Preparation of the Financial Statements

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting year. Actual results could differ from those estimates. The estimates and assumptions are reviewed on an ongoing basis. Apart from those involving estimations, management has made judgements in the process of applying the entity's accounting policies. The areas requiring management's most difficult, subjective or complex judgements, or areas where assumptions and estimates are significant to the financial statements, are disclosed at the end of this footnote, where applicable.

Revenue Recognition

The revenue amount is the fair value of the consideration received or receivable from the gross inflow of economic benefits during the reporting year arising from the course of the ordinary activities of the entity and it is shown net of any related sales taxes, estimated returns and rebates.

Revenue from construction contracts

When the outcome of a construction contract can be estimated reliably, the contract revenue and contract costs associated with the contract are recognised as revenue and expenses respectively by reference to the stage of completion of the contract activity at the end of the reporting year using the proportion that contract costs incurred for work performed to date bear to the estimated total contract costs method except where this would not be representative of the stage of completion. Contract costs consist of costs that relate directly to the specific project, costs that are attributable to contract activity in general and can be allocated to the project and such other costs as are specifically chargeable to the customer under the terms of the contract. Variations in contract work, claims and incentive payments are included to the extent that they have been agreed with the customer. The stage of completion method relies on estimates of total expected contract revenue and costs, as well as dependable measurement of the progress made towards completing a particular project. Recognised revenues and profits are subject to revisions during the project in the event that the assumptions regarding the overall project outcome are revised. The cumulative impact of a revision in estimates is recorded in the period such revisions become likely and estimable. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately. The work-in-progress projects have operating cycles longer than one year. The management includes in current assets amounts relating to the contracts realisable over a period in excess of one year.

Revenue from residential development properties

INT FRS 115 (Agreement for the Construction of Real Estate) 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.

2. Summary of Significant Accounting Policies (cont'd)

Revenue from residential development properties (cont'd)

Revenue and cost on the sale of residential development properties that meets the conditions stated under INT FRS 115 are recognised using the stage of completion method. The amount brought into the financial statements is the profits attributable to each sale contracts signed, but only to the extent that it relates to the stage of completion as certified by the independent architects or quantity surveyors for the individual units sold. When losses are expected, full provision is made in the financial statements after adequate consideration has been made for estimated costs to completion. Developments are considered complete upon the issue of Temporary Occupation Permits.

Revenue from commercial and industrial development properties

Following the clarification of INT FRS 115, revenue and cost on the sale of commercial and industrial development properties are now recognised using the completed contract method instead of the stage of completion method. The effects on the comparative figures following the adoption of INT FRS 115 are disclosed in Note 37a as a prior year adjustment due to change in accounting policy.

Interest income

Interest income is recognised using effective interest rate method.

Rental income

Rental income is recognised on a time-proportion basis that takes into account the effective yield on the asset on a straight-line basis over the lease terms.

Dividend income

Dividend from equity instruments is recognised as income when the entity's right to receive payment is established.

Development Properties

Development properties are properties being constructed or developed for sale. The cost of properties under development comprises specifically identified costs, including land acquisition costs, development expenditure, borrowing costs and other related expenditure. Borrowing 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. The cumulative impact of a revision in estimates is recorded in the period such revisions become likely and estimable.

1. Unsold development properties — Development properties that are unsold are carried at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less cost to complete the development and selling expenses.

2. Sold development properties — Revenue and costs on development properties that have been sold are recognised using the stage of completion method or the completed contract method. When it is probable that cost of development property will exceed sale proceeds of the development property, the expected loss is recognised as an expense immediately.

The development properties in progress have operating cycles longer than one year. The management includes in current assets amounts relating to the development properties in progress realisable over a period in excess of one year.

2. Summary of Significant Accounting Policies (cont'd)

Employee Benefits

Contributions to defined contribution retirement benefit plans are recorded as an expense as they fall due. The entity's legal or constructive obligation is limited to the amount that it agrees to contribute to an independently administered fund which is the Central Provident Fund in Singapore (a government managed retirement benefit plan). For employee leave entitlement the expected cost of short-term employee benefits in the form of compensated absences is recognised in the case of accumulating compensated absences, when the employees render service that increases their entitlement to future compensated absences; and in the case of non-accumulating compensated absences, when the absences occur. A liability for bonuses is recognised where the entity is contractually obliged or where there is constructive obligation based on past practice.

Income Tax

The income taxes are accounted using the asset and liability method that requires the recognition of taxes payable or refundable for the current year and deferred tax liabilities and assets for the future tax consequence of events that have been recognised in the financial statements or tax returns. The measurements of current and deferred tax liabilities and assets are based on provisions of the enacted or substantially enacted tax laws; the effects of future changes in tax laws or rates are not anticipated. Income tax expense represents the sum of the tax currently payable and deferred tax. Current and deferred income taxes are recognised as income or as an expense in profit or loss unless the tax relates to items that are recognised in the same or a different period outside profit or loss. For such items recognised outside profit or loss the current tax and deferred tax are recognised (a) in other comprehensive income if the tax is related to an item recognised in other comprehensive income and (b) directly in equity if the tax is related to an item recognised directly in equity. Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same income tax authority.

The carrying amount of deferred tax assets is reviewed at the end of each reporting year and is reduced, if necessary, by the amount of any tax benefits that, based on available evidence, are not expected to be realised. A deferred tax amount is recognised for all temporary differences, unless the deferred tax amount arises from the initial recognition of an asset or liability in a transaction which (i) is not a business combination; and (ii) at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

Foreign Currency Transactions

The functional currency is the Singapore dollar as it reflects the primary economic environment in which the entity operates. Transactions in foreign currencies are recorded in the functional currency at the rates ruling at the dates of the transactions. At each end of the reporting year, recorded monetary balances and balances measured at fair value that are denominated in non-functional currencies are reported at the rates ruling at the end of the reporting year and fair value dates respectively. All realised and unrealised exchange adjustment gains and losses are dealt with in profit or loss except when recognised in other comprehensive income and if applicable deferred in equity such as for qualifying cash flow hedges. The presentation is in the functional currency.

2. Summary of Significant Accounting Policies (cont'd)

Borrowing Costs

All borrowing costs that are interest and other costs incurred in connection with the borrowing of funds that are directly attributable to the acquisition, construction or production of a qualifying asset that necessarily take a substantial period of time to get ready for their intended use or sale are capitalised as part of the cost of that asset until substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete. Other borrowing costs are recognised as an expense in the period in which they are incurred. The interest expense is calculated using the effective interest rate method.

Investment Properties

Investment property is property owned or held under a finance lease to earn rentals or for capital appreciation or both, rather than for use in the production or supply of goods or services or for administrative purposes or sale in the ordinary course of business. It includes an investment property in the course of construction. After initial recognition at cost including transaction costs the cost model is used to measure the investment property using the treatment for property, plant and equipment, that is, at cost less any accumulated depreciation and any accumulated impairment losses. An investment property that meets the criteria to be classified as held for sale is carried at the lower of carrying amount and fair value less costs to sell. For disclosure purposes, the fair values are determined periodically on a systematic basis at least once yearly by management.

Subsidiaries

A subsidiary is an entity including unincorporated and special purpose entity that is controlled by the Group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities accompanying a shareholding of more than one half of the voting rights or the ability to appoint or remove the majority of the members of the Board of Directors or to cast the majority of votes at meetings of the Board of Directors. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

In the Company's own separate financial statements, an investment in a subsidiary is accounted for at cost less any allowance for impairment in value. Impairment loss recognised in profit or loss for a subsidiary is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The net book value of the investment in a subsidiary is not necessarily indicative of the amount that would be realised in a current market.

2. Summary of Significant Accounting Policies (cont'd)

Business Combination

A business combination is transaction or other event which requires that the assets acquired and liabilities assumed constitute a business. It is accounted for by applying the acquisition method of accounting. The cost of a business combination includes the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the acquirer, in exchange for control of the acquire. The acquisition-related costs are expensed in the periods in which the costs are incurred and the services are received except for any costs to issue debt or equity securities are recognised in accordance with FRS 32 and FRS 39. As of the acquisition date, the acquirer recognises, separately from goodwill, the identifiable assets acquired, the liabilities assumed and any non-controlling interest in the acquiree measured at acquisition-date fair values as defined in and that meet the conditions for recognition under FRS 103. Goodwill is an asset representing the future economic benefits arising from other assets acquired in a business combination that are not individually identified and separately recognised. If the acquirer has made a gain from a bargain purchase that gain is recognised in profit or loss. If there is gain on bargain purchase, for the gain on bargain purchase a reassessment is made of the identification and measurement of the acquiree's identifiable assets, liabilities and contingent liabilities and the measurement of the cost of the business combination and any excess remaining after this reassessment is recognised immediately in profit or loss.

Non-Controlling Interests

The non-controlling interests in the net assets and net results of a consolidated subsidiary are shown separately in the appropriate components of the consolidated financial statements. For each business combination, any non-controlling interest in the acquiree (subsidiary) is initially measured either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. Where the non-controlling interest is measured at fair value, the valuation techniques and key model inputs used are disclosed in the relevant note. Profit or loss and each component of other comprehensive income are attributed to the owners of the parent and to the non-controlling interests. Total comprehensive income is attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Property, Plant and Equipment

Depreciation is provided on a straight-line basis to allocate the gross carrying amounts of the assets less their residual values over their estimated useful lives of each part of an item of these assets. The annual rates of depreciation are as follows:

Leasehold property	-	9%
Furniture	-	10%
Renovation and air-conditioners	-	20%
Equipment and machinery	-	10%
Motor vehicles	-	10%
Computers	-	100%

An asset is depreciated when it is available for use until it is derecognised even if during that period the item is idle. Fully depreciated assets still in use are retained in the financial statements.

2. Summary of Significant Accounting Policies (cont'd)

Property, Plant and Equipment (cont'd)

Property, plant and equipment are carried at cost on initial recognition and after initial recognition at cost less any accumulated depreciation and any accumulated impairment losses. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item and is recognised in profit or loss. The residual value and the useful life of an asset is reviewed at least at the end of each reporting year and, if expectations differ significantly from previous estimates, the changes are accounted for as a change in an accounting estimate, and the depreciation charge for the current and future periods are adjusted.

Cost also includes acquisition cost, borrowing cost capitalised and any cost directly attributable to bringing the asset or component to the location and condition necessary for it to be capable of operating in the manner intended by management. Subsequent costs are recognised as an asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss when they are incurred.

Leases

Whether an arrangement is, or contains, a lease, it is based on the substance of the arrangement at the inception date, that is, whether (a) fulfilment of the arrangement is dependent on the use of a specific asset or assets (the asset); and (b) the arrangement conveys a right to use the asset. Leases are classified as finance leases if substantially all the risks and rewards of ownership are transferred to the lessee. All other leases are classified as operating leases. At the commencement of the lease term, a finance lease is recognised as an asset and as a liability in the statement of financial position at amounts equal to the fair value of the leased asset or, if lower, the present value of the minimum lease payments, each determined at the inception of the lease. The discount rate used in calculating the present value of the minimum lease payments is the interest rate implicit in the lease, if this is practicable to determine, the lessee's incremental borrowing rate is used. Any initial direct costs of the lessee are added to the amount recognised as an asset. The excess of the lease payments over the recorded lease liability are treated as finance charges which are allocated to each reporting year during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Contingent rents are charged as expenses in the reporting years in which they are incurred. The assets are depreciated as owned depreciable assets. Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets are classified as operating leases. For operating leases, lease payments are recognised as an expense in profit or loss on a straight-line basis over the term of the relevant lease unless another systematic basis is representative of the time pattern of the user's benefit, even if the payments are not on that basis. Lease incentives received are recognised in profit or loss as an integral part of the total lease expense. Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease unless another systematic basis is representative of the time pattern of the user's benefit, even if the payments are not on that basis. Initial direct cost 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.

2. Summary of Significant Accounting Policies (cont'd)

Impairment of Non-Financial Assets

Irrespective of whether there is any indication of impairment, an annual impairment test is performed at the same time every year on an intangible asset with an indefinite useful life or an intangible asset not yet available for use. The carrying amount of other non-financial assets is reviewed at each end of the reporting year for indications of impairment and where an asset is impaired, it is written down through profit or loss to its estimated recoverable amount. The impairment loss is the excess of the carrying amount over the recoverable amount and is recognised in profit or loss. The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use. When the fair value less costs to sell method is used, any available recent market transactions are taken into consideration. When the value in use method is adopted, in assessing the 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 the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). At each end of the reporting year non-financial assets other than goodwill with impairment loss recognised in prior periods are assessed for possible reversal of the impairment. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Financial Assets

Initial recognition, measurement and derecognition:

A financial asset is recognised on the statement of financial position when, and only when, the entity becomes a party to the contractual provisions of the instrument. The initial recognition of financial assets is at fair value normally represented by the transaction price. The transaction price for financial asset not classified at fair value through profit or loss includes the transaction costs that are directly attributable to the acquisition or issue of the financial asset. Transaction costs incurred on the acquisition or issue of financial assets classified at fair value through profit or loss are expensed immediately. The transactions are recorded at the trade date.

Irrespective of the legal form of the transactions performed, financial assets are derecognised when they pass the "substance over form" based on the derecognition test prescribed by FRS 39 relating to the transfer of risks and rewards of ownership and the transfer of control.

Subsequent measurement:

Subsequent measurement based on the classification of the financial assets in one of the following four categories under FRS 39 is as follows:

1. Financial assets at fair value through profit or loss: As at end of the reporting year there were no financial assets classified in this categories.

2. Summary of Significant Accounting Policies (cont'd)

Financial Assets (cont'd)

2. Loans and receivables: Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Assets that are for sale immediately or in the near term are not classified in this category. These assets are carried at amortised costs using the effective interest method (except that short-duration receivables with no stated interest rate are normally measured at original invoice amount unless the effect of imputing interest would be significant) minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility. Impairment charges are provided only when there is objective evidence that an impairment loss has been incurred as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or Group of financial assets that can be reliably estimated. The methodology ensures that an impairment loss is not recognised on the initial recognition of an asset. Losses expected as a result of future events, no matter how likely, are not recognised. For impairment, the carrying amount of the asset is reduced through use of an allowance account. The amount of the loss is recognised in profit or loss. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. Typically the trade and other receivables are classified in this category.

3. Held-to-maturity financial assets: As at end of the reporting year date there were no financial assets classified in this category.

4. Available-for-sale financial assets: As at end of the reporting year date there were no financial assets classified in this category.

Cash and Cash Equivalents

Cash and cash equivalents include bank and cash balances, on demand deposits and any highly liquid debt instruments purchased with an original maturity of three months or less. For the statement of cash flows the item includes cash and cash equivalents less cash subject to restriction. Other financial assets and financial liabilities at fair value through profit or loss are presented within the section on operating activities as part of changes in working capital in the statement of cash flows.

Financial Liabilities

Initial recognition, measurement and derecognition:

A financial liability is recognised on the statement of financial position when, and only when, the entity becomes a party to the contractual provisions of the instrument and it is derecognised when the obligation specified in the contract is discharged or cancelled or expires. The initial recognition of financial liability is at fair value normally represented by the transaction price. The transaction price for financial liability not classified at fair value through profit or loss includes the transaction costs that are directly attributable to the acquisition or issue of the financial liability. Transaction costs incurred on the acquisition or issue of financial liability classified at fair value through profit or loss are expensed immediately. The transactions are recorded at the trade date. Financial liabilities including bank and other borrowings are classified as current liabilities unless there is an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting year.

2. Summary of Significant Accounting Policies (cont'd)

Financial Liabilities (cont'd)

Subsequent measurement:

Subsequent measurement based on the classification of the financial liabilities in one of the following two categories under FRS 39 is as follows:

1. Liabilities at fair value through profit or loss: As at end of the reporting year date there were no financial liabilities classified in this category.

2. Other financial liabilities: All liabilities, which have not been classified in the previous category fall into this residual category. These liabilities are carried at amortised cost using the effective interest method. Trade and other payables and borrowings are usually classified in this category. Items classified within current trade and other payables are not usually re-measured, as the obligation is usually known with a high degree of certainty and settlement is short-term.

Financial Guarantees

A financial guarantee contract requires that the issuer makes specified payments to reimburse the holder for a loss when a specified debtor fails to make payment when due. Financial guarantee contracts are initially recognised at fair value and are subsequently measured at the greater of (a) the amount determined in accordance with FRS 37 and (b) the amount initially recognised less, where appropriate, cumulative amortisation recognised in accordance with FRS 18.

Fair Value of Financial Instruments

The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of fair value. The fair values of non-current financial instruments may not be disclosed separately unless there are significant differences at the end of the reporting year and in the event the fair values are disclosed in the relevant notes. The maximum exposure to credit risk is: the total of the fair value of the financial assets and other financial instruments: the maximum amount the entity could have to pay if the guarantee is called on; and the full amount of any commitments on borrowings at the end of the reporting year. The fair value of a financial instrument is derived from an active market or by using an acceptable valuation technique. The appropriate quoted market price for an asset held or liability to be issued is usually the current bid price without any deduction for transaction costs that may be incurred on sale or other disposal and, for an asset to be acquired or liability held, the asking price. If there is no market, or the markets available are not active, the fair value is established by using an acceptable valuation technique. The fair value measurements are classified using a fair value hierarchy of 3 levels that reflects the significance of the inputs used in making the measurements, that is, Level 1 for the use of quoted prices (unadjusted) in active markets for identical assets or liabilities; Level 2 for the use of inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and Level 3 for the use of inputs for the asset or liability that are not based on observable market data (unobservable inputs). The level is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. Where observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement.

2. Summary of Significant Accounting Policies (cont'd)

Equity

Equity instruments are contracts that give a residual interest in the net assets of the Company. Ordinary shares are classified as equity. Equity instruments are recognised at the amount of proceeds received net of incremental costs directly attributable to the transaction. Dividends on equity are recognised as liabilities when they are declared. Interim dividends are recognised when declared by the Directors.

Treasury Shares

Where the Company reacquires its own equity instruments as treasury shares, the consideration paid, including any directly attributable incremental cost is deducted from equity attributable to the Company's owners until the shares are cancelled, reissued or disposed of. Where such shares are subsequently sold or reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Company's owners and no gain or loss is recognised in profit or loss.

Provisions

A liability or provision is recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are made using best estimates of the amount required in settlement and where the effect of the time value of money is material, the amount recognised is the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense. Changes in estimates are reflected in profit or loss in the reporting year they occur.

Segment Reporting

The Group discloses financial and descriptive information about its reportable segments. Reportable segments are operating segments or aggregations of operating segments that meet specified criteria. Operating segments are components about which separate financial information is available that is evaluated regularly by the management decision maker in deciding how to allocate resources and in assessing the performance. Generally, financial information is reported on the same basis as is used internally for evaluating operating segment performance and deciding how to allocate resources to operating segments.

Assets Classified as Held for Sale

Identifiable assets, liabilities and contingent liabilities and any disposal groups are classified as held for sale if their carrying amount is to be recovered principally through a sale transaction rather than through continuing use. It can include a subsidiary acquired exclusively with a view to resale. Assets that meet the criteria to be classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell and are presented separately on the face of the statement of financial position. Once an asset is classified as held for sale or included in a group of assets held for sale no further depreciation or amortisation is recorded. Impairment losses on initial classification of the balances as held for sale are included in profit or loss, even when there is a revaluation. The same applies to gains and losses on subsequent remeasurement. The depreciation on depreciable assets is ceased.

2. Summary of Significant Accounting Policies (cont'd)

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.

Government Grants

A government grant is recognised at fair value when there is reasonable assurance that the conditions attaching to it will be complied with and that the grant will be received. A grant in recognition of specific expenses is recognised as income over the periods necessary to match them with the related costs that they are intended to compensate, on a systematic basis. A grant related to depreciable assets is allocated to income over the period in which such assets are used in the project subsidised by the grant. A government grant related to assets, including non-monetary grants at fair value, is presented in the statement of financial position. The interest saved from government loans is regarded as additional government grant.

Critical Judgements, Assumptions and Estimation Uncertainties

The critical judgements made in the process of applying the accounting policies that have the most significant effect on the amounts recognised in the financial statements and the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting year, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting year are discussed below. These estimates and assumptions are periodically monitored to ensure they incorporate all relevant information available at the date when financial statements are prepared. However, this does not prevent actual figures differing from estimates.

Construction contracts:

On construction contracts, revenues are recorded on the stage of completion basis. The stage of completion is determined by dividing the cumulative costs incurred as at end of the reporting period by the sum of incurred costs and anticipated costs for completing a contract. The stage of completion is then applied to the contract value to determine the cumulative revenue earned. This method of revenue recognition requires management to prepare cost estimates to complete contracts in progress, and in making such estimates, judgments are required to evaluate contingencies such as potential variances in scheduling, cost of materials, labour costs and productivity, the impact of change orders or liability claims. All known or anticipated losses based on these estimates are provided for in their entirety without regard to the stage of completion. Estimated revenues on contracts include future revenues from claims when such additional revenues can be reliably established. These estimates are based on management's business practices as well as its historical experience, and management regularly reviews underlying estimates of project profitability. Revenue from contracts is recognised on the stage of completion method the outcome of the contract can be estimated reliably. Recognised revenues and profits are subject to revisions during the project in the event that the assumptions regarding the overall project outcome are revised. Current sales and profit estimates for projects may materially change due to the early stage of a long-term project, new technology, changes in the project scope, changes in costs, changes in timing, changes in customers' plans, realisation of penalties, and other corresponding factors.

2. Summary of Significant Accounting Policies (cont'd)

Critical Judgements, Assumptions and Estimation Uncertainties (cont'd)

Revenue from residential development properties:

Management uses surveys of work performed method to determine the stage of completion of the residential property under development. The stage of completion is applied on a cumulative basis in each accounting period to the current estimates of revenue and costs of residential development property. Changes in the estimate of revenue or costs, or the effect of a change in the estimate of the outcome of a residential development property could impact the amount of revenue and expenses recognised in profit or loss in the period in which the change is made and in subsequent periods. Such impact could potentially be significant. Significant judgement is required in estimating reasonable amounts of variation claims to be recognised as cost in project budgets and in determining if the Group has to make provisions for any potential liquidated damages exposure and other losses.

Provision of foreseeable losses on development properties:

The Group's accounting policy on development properties requires known or anticipated losses on the development projects to be provided for in the year in which such losses are determined. Estimating such losses requires the Group to make an estimate of the expected selling price of the unsold development properties based on recent transactions or open market valuation of the unsold units. The Group also estimates the total development costs to determine the extent of the anticipated losses, if any. Changes in the estimated selling price of the development properties due to market conditions and revisions of the total estimated development costs will therefore impact the anticipated losses recognised, and therefore provision for foreseeable losses on development properties could be revised.

Allowance for doubtful trade accounts:

An allowance is made for doubtful trade accounts for estimated losses resulting from the subsequent inability of the customers to make required payments. If the financial conditions of the customers were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required in future periods. Management generally analyses trade receivables and analyses historical bad debts, customer concentrations, customer creditworthiness, and changes in customer payment terms when evaluating the adequacy of the allowance for doubtful trade receivables. To the extent that it is feasible impairment and uncollectibility is determined individually for each item. In cases where that process is not feasible, a collective evaluation of impairment is performed. At the end of the reporting year, the trade receivables carrying amount approximates the fair value and the carrying amounts might change materially within the next reporting year but these changes would not arise from assumptions or other sources of estimation uncertainty at the end of the reporting year.

Income taxes:

The entity recognises tax liabilities and assets tax based on an estimation of the likely taxes due, which requires significant judgement as to the ultimate tax determination of certain items. Where the actual amount arising from these issues differs from these estimates, such differences will have an impact on income tax and deferred tax amounts in the period when such determination is made.

2. Summary of Significant Accounting Policies (cont'd)

Critical Judgements, Assumptions and Estimation Uncertainties (cont'd)

Income taxes: (cont'd)

Management judgement is required in determining the amount of current and deferred tax recognised as income or expense and the extent to which deferred tax assets can be recognised. A deferred tax asset is recognised if it is more likely than not that sufficient taxable income will be available in the future against which the temporary differences and unused tax losses can be utilised. Management also considers future taxable income and tax planning strategies in assessing whether deferred tax assets should be recognised in order to reflect changed circumstances as well as tax regulations. As a result, due to their inherent nature, it is likely that deferred tax calculation relates to complex facts patterns for which assessments of likelihood are judgmental and not susceptible to precise determinations.

Property, plant and equipment:

There are property, plant and equipment stated at carrying value of approximately $10,363,000 (2010: $5,339,000) (Note 13). An assessment is made at each end of the reporting year whether there is any indication that the asset may be impaired. If any such indication exists, an estimate is made of the recoverable amount of the asset. The recoverable amounts of cash-generating units if applicable is determined based on the fair value less cost to sell method. It is impracticable to disclose the extent of the possible effects. It is reasonably possible, based on existing knowledge, that outcomes within the next reporting year that are different from assumptions could require a material adjustment to the carrying amount of the balances affected.

Useful lives of plant and equipment:

The estimates for the useful lives and related depreciation charges for plant and equipment is based on commercial and other factors which could change significantly as a result of innovations and competitor actions in response to market conditions. The depreciation charge is increased where useful lives are less than previously estimated lives, or the carrying amounts written off or written down for technically obsolete items or assets that have been abandoned. It is impracticable to disclose the extent of the possible effects. It is reasonably possible, based on existing knowledge, that outcomes within the next reporting year that are different from assumptions could require a material adjustment to the carrying amount of the balances affected. The carrying amount of the class of assets at the end of the reporting year affected by the assumption is approximately $9,163,000 (2010: $5,339,000).

3. Related Party Relationships and Transactions

FRS 24 defines a related party as a person or entity that is related to the reporting entity and it includes (a) A person or a close member of that person's family if that person: (i) has control or joint control over the reporting entity; (ii) has significant influence over the reporting entity; or (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity. (b) An entity is related to the reporting entity if any of the following conditions apply: (i) The entity and the reporting entity are members of the same group. (ii) One entity is an associate or joint venture of the other entity. (iii) Both entities are joint ventures of the same third party. (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity. (v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. (vi) The entity is controlled or jointly controlled by a person identified in (a). (vii) A person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

The ultimate controlling party is Mr Goh Yeow Lian.

3. Related Party Relationships and Transactions (cont'd)

3.1 Related companies:

There are transactions and arrangements between the reporting entity and members of the Group and the effects of these on the basis determined between the parties are reflected in these financial statements. The current intercompany balances are unsecured without fixed repayment terms and interest unless stated otherwise. For non-current balances, if significant, an interest is imputed unless stated otherwise. For financial guarantees an amount is imputed and is recognised accordingly if significant where no charge is payable.

Intragroup transactions and balances that have been eliminated in these consolidated financial statements are not disclosed as related party transactions and balances below.

3.2 Other related parties:

There are transactions and arrangements between the reporting entity and related parties and the effects of these on the basis determined between the parties are reflected in these financial statements. The current related party balances are unsecured without fixed repayment terms and interest unless stated otherwise. For non-current balances, if significant, an interest is imputed unless stated otherwise.

Significant related party transactions:

In addition to the transactions and balances disclosed elsewhere in the notes to the financial statements, this item includes the following:

	Group	
	2011	**2010**
	$'000	**$'000**
Professional fee expense	73	17
Project management fee	117	176
Rental income	(41)	(24)
Rental expense	63	136
Marketing expense	–	594
Accounting and administrative services income	–	(10)
Acquisition of development properties from a company in which certain directors have interests	15,000	–
Acquisition of a subsidiary from a company in which certain directors have interests	–	9,000

3. Related Party Relationships and Transactions (cont'd)

3.3 Key management compensation:

Key management personnel are the Directors and those person having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. The below amounts for key management compensation are for all the Directors and other key management personnel.

	Group	
	2011	2010
	$'000	$'000
Salaries and other short-term employee benefits	3,824	5,573
Employer's contributions to defined contribution plan	89	85
	3,913	5,658

The above amounts are included under employee benefits expense. Included in the above amounts are the following items:

	Company	
	2011	2010
	$'000	$'000
Remuneration of Directors of the Company	1,680	1,937
Fees to Directors of the Company	120	120
	1,800	2,057

The remuneration of Directors and key management personnel is determined by the Remuneration Committee having regard to the performance of individuals and market trends.

<u>Compensation paid to close family members of Directors</u>

	Group	
	2011	2010
	$'000	$'000
Salaries and other short-term employee benefits	616	574
Employer's contributions to defined contribution plan	64	58
	680	632

3. Related Party Relationships and Transactions (cont'd)

3.4 Other payables to related parties:

The trade transactions and the trade payables balances arising from sales and purchases of goods and services are disclosed elsewhere in the notes to the financial statements.

The movements in other payables to related parties are as follows:

	Group	
	2011	**2010**
	$'000	**$'000**
Balance at beginning of the year	13,806	–
Loan in advance	–	13,806
Settlement	(2,206)	–
Balance at end of the year	11,600	13,806

4. Revenue

	Group	
	2011	**2010**
	$'000	**$'000 Restated**
Revenue from construction contracts	163,733	97,677
Sale of development properties	25,942	40,176
	189,675	137,853

5. Other Credits and (Other Charges)

	Group	
	2011	2010
	$'000	$'000 Restated
Gain on disposal of investment property	467	–
Gain on bargain purchase (Note 30)	–	3,726
Gain on disposal of scrap material	99	46
Provisions written back (Note 26)	–	(214)
Customer deposits forfeited	76	–
Loss on disposal of plant and equipment	(7)	(3)
Government grant income from jobs credit scheme	2	46
Other gains	30	60
Net	667	3,661
Presented in profit or loss as:		
Other credits	674	3,878
Other charges	(7)	(217)
Net	667	3,661

6. Marketing and Distribution Costs

The major components include the following:

	Group	
	2011	2010
	$'000	$'000
Entertainment	77	115
Advertisement	176	91
Stamp duty	382	467
Marketing expenses	4,743	2,831

7. Administrative Expenses

The major components include the following:

	Group	
	2011	2010
	$'000	$'000
Rental expense	429	213
Depreciation of property, plant and equipment (Note 13)	1,382	977
Employees benefits expense	5,747	6,669

8. Finance Costs

	Group	
	2011	2010
	$'000	$'000
Bank interest expense	1,367	892
Interest expense in finance lease	4	–
Less amounts capitalised in development properties (Note 16)	(1,340)	(892)
Total interest expenses	31	–

9. Employees Benefits Expense

	Group	
	2011	2010
	$'000	$'000
Employees benefits expense	15,429	13,072
Employer's contributions to defined contribution plan	757	534
	16,186	13,606
Presented in profit or loss as:		
Cost of work done	10,439	6,937
Administrative expenses	5,747	6,669
Total	16,186	13,606

10. Income Tax

10A. Components of tax expense recognised in profit or loss include:

	Group	
	2011	**2010**
	$'000	**$'000 Restated**
Current tax expense:		
Current tax expense	5,476	1,702
Under/(Over) provision of current tax in respect of prior periods	27	(98)
Subtotal	5,503	1,604
Deferred tax (income)/expense:		
Deferred tax (income)/expense	(3,890)	678
(Over)/Under provision of deferred tax in respect of prior periods	(231)	437
Subtotal	(4,121)	1,115
Total income tax expense	1,382	2,719

The reconciliation of income taxes below is determined by applying the Singapore corporate tax rate. The income tax in profit or loss varied from the amount of income tax amount determined by applying the Singapore income tax rate of 17% (2010: 17%) in profit before tax as a result of the following differences:

	Group	
	2011	**2010**
	$'000	**$'000 Restated**
Profit before tax	12,260	16,121
Income tax expense at the above rate	2,084	2,741
Not liable to tax items	(121)	(622)
Tax exemptions	(94)	(58)
Under/(Over) provision of current tax expense in respect of prior periods	27	(98)
Deferred tax unrecognised	–	356
(Over)/Under provision of deferred tax assets in respect of prior periods	(231)	437
Prior year provision utilised	(282)	–
Other minor items less than 3% each	(1)	(37)
	1,382	2,719

There are no income tax consequences of dividends to owners of the Company.

10. Income Tax (cont'd)

10B. Deferred tax (income)/expense recognised in profit or loss include:

	Group	
	2011	2010
	$'000	$'000 Restated
Excess of net book value of plant and equipment over tax values	172	381
Fair value adjustment on residential development property realised	(582)	(910)
Unrealised profit - Intragroup	(644)	–
Provisions	(259)	–
Profits recognised on residential development properties based on stage of completion method	(2,019)	2,019
Tax losses carryforwards	(789)	(375)
Total deferred tax (income)/expense recognised in profit or loss	(4,121)	1,115

10C. Deferred tax balance in the statement of financial position:

	Group		
	31 December 2011	31 December 2010	1 January 2010
	$'000	$'000 Restated	$'000
Deferred tax liabilities:			
Excess of net book value of plant and equipment over tax values	964	792	411
Fair value adjustment on residential development property realised	–	582	–
Profits recognised on residential development properties based on stage of completion method	–	2,019	–
Total deferred tax liabilities	964	3,393	411

10. Income Tax (cont'd)

10C. Deferred tax balance in the statement of financial position: (cont'd)

	Group		
	31 December 2011	31 December 2010	1 January 2010
	$'000	$'000 Restated	$'000
Deferred tax assets:			
Unrealised profit - Intragroup	(644)	–	–
Provisions	(259)	–	–
Tax losses carryforwards	(1,164)	(375)	–
Total deferred tax assets	(2,067)	(375)	–
Net total of deferred tax (assets)/liabilities	(1,103)	3,018	411
Presented in the statement of financial position:			
Deferred tax assets	(1,103)	–	–
Deferred tax liabilities	–	3,018	411
	(1,103)	3,018	411

It is impracticable to estimate the amount expected to be settled or used within one year.

The realisation of the future income tax benefits from tax loss carryforwards and temporary differences from capital allowances is available for an unlimited future period subject to the conditions imposed by law including the retention of majority shareholders as defined.

11. Dividends on Equity Shares

	Group and Company	
	2011	2010
	$'000	$'000
Final tax exempt (1-tier) dividend paid	6,478	5,435
Interim tax exempt (1-tier) dividend paid	6,447	3,742
Total dividends paid in the year	12,925	9,177

In respect of the current reporting year, the Directors propose that a final dividend of 1 cent per share be paid to shareholders after the annual general meeting to be held on 27 April 2012. There are no income tax consequences. This dividend is subject to approval by shareholders at the next annual general meeting and has not been included as a liability in these financial statements. The proposed dividend for 2011 is payable in respect of all ordinary shares in issue at the end of the reporting year and including the new qualifying shares issued up to the date the dividend becomes payable.

12. Earnings Per Share

The following table illustrates the numerators and denominators used to calculate basic and diluted earnings per share of no par value:

		Group	
		31 December 2011	31 December 2010
		$'000	$'000 Restated
A.	Numerators: earnings attributable to equity:		
	Continuing operations: attributable to equity holders	11,109	13,100
B.	Total basic earnings	11,109	13,100
C.	Diluted earnings	11,109	13,100
D.	Denominators: weighted average number of equity shares		
	Basic	610,893	580,887
	Dilutive share warrants effect	60,103	52,803
E.	Diluted	670,996	633,690
Basic earnings per share - cents		1.82	2.26
Diluted earnings per share - cents		1.66	2.07

The weighted average number of equity shares refers to shares in circulation during the reporting period.

The dilutive effect is derived from share warrants issued.

	Impact on basic earnings per share 2010	Impact on diluted earnings per share 2010
	Cents	Cents
Decrease in EPS from restatements (Note 37)	1.31	1.21
Decrease in EPS from bonus shares issued during the year	2.12	1.69
	3.43	2.90

The basic and diluted earnings per share for the year ended 31 December 2010 reported before restatements and bonus shares issued in reporting year 2011 were 5.69 cents and 4.97 cents respectively.

13. Property, Plant and Equipment

Group	Leasehold property	Furniture	Renovation and air-conditioners	Equipment and machinery	Motor vehicles	Computers	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Cost:							
At 1 January 2010	1,519	271	393	4,483	381	399	7,446
Additions	–	2	–	2,380	51	111	2,544
Disposals	–	–	–	(18)	–	(1)	(19)
At 31 December 2010	1,519	273	393	6,845	432	509	9,971
Additions	1,200	9	35	5,011	–	158	6,413
Disposals	–	–	–	(29)	–	(66)	(95)
At 31 December 2011	2,719	282	428	11,827	432	601	16,289
Accumulated depreciation:							
At 1 January 2010	1,381	152	319	1,069	349	399	3,669
Depreciation for the year	138	23	24	670	11	111	977
Disposals	–	–	–	(13)	–	(1)	(14)
At 31 December 2010	1,519	175	343	1,726	360	509	4,632
Depreciation for the year	–	17	31	1,165	12	157	1,382
Disposals	–	–	–	(22)	–	(66)	(88)
At 31 December 2011	1,519	192	374	2,869	372	600	5,926
Net book value:							
At 1 January 2010	138	119	74	3,414	32	–	3,777
At 31 December 2010	–	98	50	5,119	72	–	5,339
At 31 December 2011	1,200	90	54	8,958	60	1	10,363

The depreciation expense is charged under administrative costs. Certain item is under finance lease agreement (Note 27).

14. Investment Properties

	Group		Company	
	2011	2010	2011	2010
	$'000	$'000	$'000	$'000
At cost:				
At beginning of the year	5,243	1,281	3,962	–
Additions	13	3,962	13	3,962
Disposal	(1,281)	–	–	–
Transfer to asset classified as held for sale (Note 17)	(3,975)	–	(3,975)	–
At end of the year	–	5,243	–	3,962
Accumulated depreciation:				
At beginning of the year	475	410	39	–
Depreciation for the year	66	65	54	39
Disposal	(448)	–	–	–
Transfer to asset classified as held for sale (Note 17)	(93)	–	(93)	–
At end of the year	–	475	–	39
Net book value:				
At beginning of the year	4,768	871	3,923	–
At end of the year	–	4,768	–	3,923
Fair value:				
At end of the year	–	5,780	–	4,200
Rental from investment property	–	68	–	–
Direct operating expenses (including repairs and maintenance) arising from the income-generating investment properties	–	13	–	–

As at 31 December 2010, the fair values were based on a valuation made by Chesterton Suntec International Pte Ltd, a firm of independent professional valuers based on reference to market evidence of transaction prices for similar property adjusted for any difference in the condition, location and category of the property being valued. The value is regarded as the lowest level for fair value measurement as the valuation includes inputs for the asset that are not based on observable market data (unobservable inputs).

In the reporting year 2010, investment property at a carrying amount of $845,000 was mortgaged for bank facilities (Note 25).

15. Investment in Subsidiaries

	Company	
	2011	2010
	$'000	$'000
Cost at beginning of the year	17,475	17,146
Fair value adjustment on interest free loan due from subsidiaries	239	329
Cost at end of the year	17,714	17,475

The subsidiaries held by the Company and the Group are listed below:

Name of Subsidiary	Principal activities	Place of Operations and Country of Incorporation	Effective percentage of equity held by Group		Cost in books of Company	
			2011	2010	2011	2010
			%	%	$'000	$'000
Held by the Company						
Wee Hur Construction Pte Ltd	General building and civil engineering construction	Singapore	100	100	15,000	15,000
Wee Hur Development Pte. Ltd.	Investment holding	Singapore	100	100	1,000	1,000
Wee Hur China Pte. Ltd. (formerly known as Wee Hur China (Huai'an) Pte. Ltd.)	Dormant	Singapore	100	100	NM	NM
Held through Wee Hur Development Pte. Ltd.						
Wee Hur (Woodlands) Pte. Ltd.	Property development	Singapore	100	100		
Wee Hur (Kaki Bukit) Pte. Ltd.	Property development	Singapore	60	60		
Wee Hur (Paya Lebar) Pte. Ltd.	Property development	Singapore	100	100		
Villas@Gilstead Pte. Ltd.	Property development	Singapore	70	70		
Wee Hur (Kim Keat) Pte. Ltd. (incorporated on 7 February 2011)	Property development	Singapore	100	–		

All of the subsidiaries are audited by RSM Chio Lim LLP, Singapore.

NM: Not material

16. Development Properties

	Group		
	31 December 2011	31 December 2010	1 January 2010
	$'000	$'000 Restated	$'000
Cost of land, development and other charges and attributable profits less losses	182,390	190,383	23,821
Less: progress billings received and receivables	(146,069)	(75,098)	–
	36,321	115,285	23,821
Included in the accompanying statement of financial position as follows:			
Development properties (Note 16A and 16B)	176,406	156,516	23,821
Progress billings received and receivables (Note 16B)	(140,085)	(41,231)	–
	36,321	115,285	23,821

Borrowing costs included in the development properties are as follows:

	Group	
	2011	2010
	$'000	$'000
Borrowing costs capitalised	1,340	892

	Group	
	2011	2010
Capitalisation rates	1.48% to 1.82%	1.65% to 5.50%

The development properties are mortgaged for credit facilities granted to the Group (Note 25).

16A. Residential Properties under Development

	Group		
	31 December 2011	31 December 2010	1 January 2010
	$'000	$'000 Restated	$'000
Cost of land, development and other charges and attributable profits less foreseeable losses	37,754	81,216	–
Less: progress billings received and receivables	(5,984)	(33,867)	–
	31,770	47,349	–
Included in the accompanying statement of financial position as follows:			
Development properties	31,770	47,349	–

16. Development Properties (cont'd)

16B. Commercial Properties under Development

	Group		
	31 December 2011	31 December 2010	1 January 2010
	$'000	$'000 Restated	$'000
Cost of land, development and other charges less foreseeable losses classified under development properties	144,636	109,167	23,821
Progress billings received and receivables	140,085	41,231	–

17. Asset Classified as Held for Sale

	Group and Company	
	2011	2010
	$'000	$'000
Cost at beginning of the year	–	–
Transfer from investment property (Note 14)	3,882	–
Cost at end of the year	3,882	–

An investment property is presented as held for sale following the decision of management to sell the property. Subsequent to the end of the reporting year, the investment property has been sold at $4,450,000.

18. Trade and Other Receivables

18A. Other Receivables, Non-Current

	Company	
	2011	2010
	$'000	$'000
Loan receivable from subsidiary (Note 3)	11,036	5,896
Movements during the year:		
Balance at beginning of the year	5,896	8,725
Additions at cost	5,205	8,101
Unwinding of imputed interest	174	39
Fair value adjustment on interest free loan due from subsidiary	(239)	(329)
Settlement	–	(10,640)
Balance at end of the year	11,036	5,896

The loan to subsidiary is unsecured and interest free. The loan is subordinated to a non-current term loan of a subsidiary (Note 3). Interest is imputed at 1.62% (2010: 1.62%) per annum repriced semi-annually for cash flow discounting purposes, and is deemed to be repayable by one instalment in December 2013. The fair value is not significantly different from the carrying value.

18. Trade and Other Receivables (cont'd)

18B. Trade and Other Receivables, Current

	Group		Company	
	2011	2010	2011	2010
	$'000	$'000	$'000	$'000
Trade receivables:				
Outside parties	36,842	37,572	–	277
Related parties (Note 3)	5	5	–	–
Subsidiaries (Note 3)	–	–	900	900
Retention sums on construction contracts (Note 21)	5,293	7,751	–	–
Subtotal	42,140	45,328	900	1,177
Other receivables:				
Goods and services tax receivable	–	5,385	–	–
Subsidiaries (Note 3)	–	–	55,656	32,359
Advances to staff	5	17	–	–
Other receivables	8	2	3	–
Subtotal	13	5,404	55,659	32,359
Total trade and other receivables	42,153	50,732	56,559	33,536

19. Other Assets, Current

	Group		Company	
	2011	2010	2011	2010
	$'000	$'000	$'000	$'000
Deposit to secure services	11,335	662	–	150
Prepayments	6,604	75	21	19
Contracts work-in-progress (Note 21)	23,670	5,943	–	–
	41,609	6,680	21	169

20. Cash and Cash Equivalents

	Group		Company	
	2011	2010	2011	2010
	$'000	$'000	$'000	$'000
Not restricted in use	101,611	53,269	8,568	18,969
Cash under project accounts	8,655	7,639	–	–
Restricted in use	5,728	2,046	1,000	–
Cash at end of the year	115,994	62,954	9,568	18,969
Interest earnings balances	48,003	37,503	5,493	16,497

The rate of interest for the cash on interest earning balances was between 0.05% and 0.25% (2010: 0.10% and 0.28%).

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 amounts held under the project accounts is subject to restriction imposed by the Rules and approval from the bank where the project accounts are opened.

20A. Cash and Cash Equivalents in Consolidated Statement of Cash Flows:

	Group	
	2011	2010
	$'000	$'000
Amount as shown above	115,994	62,954
Cash pledged for bank facilities (Note 25)	(5,728)	(2,046)
Cash and cash equivalents for consolidated statement of cash flows purposes at end of the year	110,266	60,908

20B. Non-Cash Transactions

During the year, there was an acquisition of plant and equipment with a total cost of approximately $226,000 (2010: Nil) acquired partially by means of finance lease.

21. Contracts Work-in-Progress

	Group	
	2011	2010
	$'000	$'000
Aggregate amount of costs incurred and recognised profits to date on uncompleted contracts	239,215	138,113
Less progress payments received and receivable to date	(216,540)	(132,870)
Net amount due from contract customers at end of the year	22,675	5,243
Included in the accompanying statement of financial position as follows:		
Under other assets, current (Note 19)	23,670	5,943
Under other liabilities, current (Note 29)	(995)	(700)
	22,675	5,243
Retention receivables from construction contracts as an asset under trade receivables (Note 18B)	5,293	7,751

22. Share Capital

	Group and Company	
	Number of shares	Share capital
		$'000
Ordinary shares of no par value:		
Balance at 1 January 2010	321,040,500	27,561
Issuance of ordinary shares each at $0.30 per share pursuant to the warrants issue of the Company (net of issue expenses)	71,012,350	21,926
Balance at 31 December 2010	392,052,850	49,487
Issuance of ordinary shares pursuant to the bonus share issue of the Company	215,886,166	–
Issuance of ordinary shares each at $0.20, $0.25 and $0.30 per share respectively pursuant to the warrants issue of the Company*	41,041,509	12,372
Treasury shares purchased #a	(3,457,000)	(892)
Balance at 31 December 2011	645,523,525	60,967

* On 22 February 2011, 24,892,936 Bonus Warrants have additionally been allotted and issued to the 2009 Warrants at exercise price of $0.20 per share whereas conversion price at $0.30 per share originally.

During the reporting year, the Company issued 41,041,509 ordinary shares made up of 39,719,502 ordinary shares at $0.30 each, 1,309,007 ordinary shares at $0.20 each and 13,000 ordinary shares at $0.25 each respectively to existing shareholders pursuant to the renounceable rights issue of warrants. These newly issued shares rank pari passu in all respects with the previously issued shares.

22. Share Capital (cont'd)

The ordinary shares each carry the right to one vote at a meeting of the members or on any resolution of members, the right to an equal share in any dividend paid by the Company in accordance with the Act and the right to an equal share in the distribution of surplus assets of the Company and all are fully paid.

Share Warrants - Share Warrants 2012 outstanding at the end of the reporting year totalled 73,370,077 (2010: 89,505,650). These may be converted into shares at the conversion rate of $0.20 for each ordinary share of no par value before the expiry date as 27 October 2012. Share Warrants 2014 outstanding at the end of the reporting year totalled 215,873,166 (2010: NIL). These may be converted into shares at the conversion rate of $0.25 for each ordinary share of no par value before the expiry date on 22 February 2014.

#a. As approved by general shareholder's meeting, 3,457,000 treasury shares were acquired at average price of $0.26 per share each totalling approximately $892,000 during the reporting year. As at the end of the reporting year the shares have a market value of approximately $933,000.

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 reporting year, no options and awards have been granted under the Wee Hur ESOS and Wee Hur PSP.

Capital Management:

The objectives when managing capital are: to safeguard the reporting entity's ability to continue as a going concern, so that it can continue to provide returns for owners and benefits for other stakeholders, and to provide an adequate return to owners by pricing products and services commensurately with the level of risk. The management sets the amount of capital to meet its requirements and the risk taken. There were no changes in the approach to capital management during the reporting year. The management manages the capital structure and makes adjustments to it where necessary or possible in the light of changes in conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the management may adjust the amount of dividends paid to owners, return capital to owners, issue new shares, or sell assets to reduce debt.

22. Share Capital (cont'd)

Capital Management: (cont'd)

The management monitors the capital on the basis of the debt-to-adjusted capital ratio. This ratio is calculated as net debt / adjusted capital (as shown below). Net debt is calculated as total borrowings less cash and cash equivalents. Adjusted capital comprises all components of equity (i.e. share capital and retained earnings).

	Group	
	2011	**2010**
	$'000	**$'000**
All current and non-current borrowings including finance leases	71,844	98,726
Less: cash and cash equivalents	(115,994)	(62,954)
Net debt	(44,150)	35,772
Adjusted capital:		
Total equity	85,417	76,042
Adjusted capital	85,417	76,042
Debt-to-adjusted capital ratio	N.M.	0.47

N.M. : Not Meaningful

The Group and the Company are not subject to externally imposed capital requirements other than mentioned in the following paragraph, and except for a subsidiary which has to have a minimum paid up capital and a minimum net worth of $15 million (2010: $15 million) in order to maintain its grading status with the Building and Construction Authority.

In order to maintain its listing on the SGXST it has to have share capital with a free float of at least 10% of the shares. The Company met the capital requirement on its initial listing and the rules limiting treasury share purchases mean it will automatically continue to satisfy that requirement, as it did throughout the reporting year. Management receives a report from the Share Registrars frequently on substantial share interests showing the non-free float to ensure continuing compliance with the 10% limit throughout the reporting year.

The management does not set a target level of gearing but uses capital opportunistically to support its business and to add value for shareholders. The key discipline adopted is to widen the margin between the return on capital employed and the cost of that capital.

23. Warrants Reserve

	Group and Company	
	2011	**2010**
	$'000	**$'000**
At beginning of year	791	1,483
Exercise of warrants (net of issue expenses)	(289)	(692)
At end of the year	502	791

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

24. Merger Deficit

	Group	
	2011	2010
	$'000	$'000
At beginning year	(110)	(110)
Transfer to retained earnings	110	–
At end of the year	–	(110)

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. This has been transferred to retained earnings during the year.

25. Other Financial Liabilities

	Group	
	2011	2010
	$'000	$'000
Non-Current:		
Bank loan (secured) (Note 25B)	12,346	10,640
Finance lease (Note 27)	103	–
Non-Current, total	12,449	10,640
Current:		
Bank loan (secured) (Note 25A)	59,320	88,086
Finance lease (Note 27)	75	–
Current, total	59,395	88,086
Total	71,844	98,726
The non-current portion is repayable as follows:		
Due within 2 to 5 years	12,449	10,640

All the amounts are at floating interest rates.

The range of floating rate interest rates paid were as follows:

	2011	2010
Bank loan 1 (secured) (Note 25A)	1.57% to 1.67%	1.67%
Bank loan 2 (secured) (Note 25A)	1.72% to 1.82%	2.14%
Bank loan 3 (secured) (Note 25A)	1.71% to 1.82%	1.82% to 2.64%
Bank loan 4 (secured) (Note 25B)	1.48% to 1.78%	1.62%

25. Other Financial Liabilities (cont'd)

25A. Bank Loans - Current

(i) Bank loan 1 amounting to $59,320,000 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 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 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.

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, the term loan has been classified as current liabilities.

(ii) Bank loan 2 amounting to $15,000,000 bears interest at 1.5% 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 loan has fully been repaid during the reporting year.

(iii) Bank loan 3 amounting to $13,766,000 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 loan has fully been repaid during the reporting year.

25B. Bank Loans - Non-Current

(i) Bank loan 4 amounting to $12,346,000 (2010: $10,640,000) bears interest at 1.3% (2010: 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 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.

All the bank loans above are secured by:

(a) legal mortgage on the Group's development properties with a aggregate carrying amount of $120,537,000 (2010: $124,846,000);

(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 related third parties; and;

(d) corporate guarantees given by the Company.

During the reporting years ended 31 December 2011 and 31 December 2010, interest expense on the term loans is capitalised as part of the cost of development properties (Note 16).

26. Provisions

	Group	
	2011	2010
	$'000	$'000
Provision for compensation:		
At beginning of the year	–	371
Amount utilised	–	(157)
Amount written back to profit or loss	–	(214)
At end of the year	–	–

The owners of a residential property (the "Owners") commenced legal proceedings against a subsidiary in September 2009. The Owners' claims arose out of alleged damage caused to the Owners' properties during the construction of Orange Grove Residences.

The Owners discontinued the legal proceedings on 12 April 2010 in consideration of a final settlement sum of $1,355,000 of which $229,000 was paid by the subsidiary and $1,126,000 contributed by the insurers in prior years in full settlement of this claim.

27. Finance Lease

	Minimum payments	Finance charges	Present value
	$'000	$'000	$'000
2011:			
Minimum lease payments payable:			
Due within one year	79	(4)	75
Due within 2 to 5 years	105	(2)	103
Total	184	(6)	178
Net book value of plant and equipment under finance lease			241

The lease term is for 3 years. The rate of interest for finance lease is approximately 3.26% (2010: Nil) per year. There is an exposure to fair value interest rate risk because the interest rates are fixed at the contract date. The lease is on a fixed repayment basis and no arrangements have been entered into for contingent rental payments. The lease obligation is denominated in Singapore dollars. The obligation under finance lease is secured by the lessor's charge over the leased assets. The carrying amount of the lease liabilities is not significantly different from the fair value.

28. Trade and Other Payables, Current

	Group		Company	
	2011	2010	2011	2010
	$'000	$'000	$'000	$'000
Trade payables:				
Outside parties and accrued liabilities	71,396	47,487	855	1,880
Related party (Note 3)	833	152	–	–
	72,229	47,639	855	1,880
Other payables:				
Related parties (Note 3)	11,600	13,806	–	–
Subsidiaries (Note 3)	–	–	21,897	9,725
Other payables	74	164	45	–
	11,674	13,970	21,942	9,725
	83,903	61,609	22,797	11,605

29. Other Liabilities, Current

	Group	
	2011	2010
	$'000	$'000
Due to customers on contracts work-in-progress (Note 21)	995	700

30. 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 $9,000,000 from a related party. The $9,000,000 comprises of approximately $3,889,000 for the Group's share in the issued share capital of Villas and approximately $5,111,000 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.

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 gain on bargain purchase arose mainly from a fair value gain of approximately $8,774,000 adjusted into net assets of Villas of which was not taken into consideration when the purchase price was determined.

30. Acquisition of New Subsidiary (cont'd)

The net assets acquired in the transaction, and the gain on bargain purchase arising, are as follows:

2010 Restated*	Acquiree's carrying amount before combination $'000	Fair value adjustments $'000 Restated	Fair value $'000 Restated
Development property	34,969	8,774	43,743
Trade and other receivables	564	–	564
Cash and bank balances	5,756	–	5,756
Bank term loans	(27,812)	–	(27,812)
Trade and other payables	(9,878)	–	(9,878)
Income tax payable	(2)	–	(2)
Identifiable net assets	3,597	8,774	12,371
Less: deferred tax liabilities		(1,492)	(1,492)
Identifiable net assets, net of tax		7,282	10,879
Less: non-controlling interests			(3,264)
Identifiable net assets acquired			7,615
Gain on bargain purchase, recognised in other credits			(3,726)
Cash consideration for share capital of subsidiary acquired			3,889
Cash consideration for assignment of loan			5,111
Total consideration, satisfied by cash			9,000
Less: cash and bank balances of subsidiary acquired			(5,756)
Net cash outflow on acquisition of subsidiary			3,244

* The gain on bargain purchase in 2010 has been restated to take into account the retrospective adjustments arising from under recognition of deferred tax liabilities pertaining to fair value adjustment on development property (Note 37b).

For trade and other receivables it is expected that the full contractual amount of trade and other receivables can be collected.

Between the date of acquisition and the end of the previous reporting year, Villas has contributed approximately $40,176,000 of revenue and approximately $5,465,000 to the Group's profit.

31. Financial Instruments: Information on Financial Risks

31A. Classification of Financial Assets and Liabilities

The following table summarises the carrying amount of financial assets and liabilities recorded at the end of the reporting year by FRS 39 categories:

	Group		Company	
	2011	2010	2011	2010
	$'000	$'000	$'000	$'000
Financial assets:				
Cash and bank balances	115,994	62,954	9,568	18,969
Loans and receivables	42,153	50,732	67,595	39,432
At end of the year	158,147	113,686	77,163	58,401
Financial liabilities:				
Borrowings at amortised cost	71,844	98,726	–	–
Trade and other payables at amortised cost	83,903	61,609	22,797	11,605
At end of the year	155,747	160,335	22,797	11,605

Further quantitative disclosures are included throughout these financial statements.

There are no significant fair value measurements recognised in the statements of financial position.

31B. Financial Risk Management Policies and Objectives

The main purpose for holding or issuing financial instruments is to raise and manage the finances for the entity's operating, investing and financing activities. There are exposures to the financial risks on the financial instruments such as credit risk, liquidity risk and market risk comprising interest rate, currency risk and price risk exposures. Management has certain practices for the management of financial risks and action to be taken in order to manage the financial risk. The guidelines include the following:

1. Minimise interest rate, currency, credit and market risks for all kinds of transactions.

2. Maximise the use of "natural hedge": favouring as much as possible the natural off-setting of sales and costs and payables and receivables denominated in the same currency and therefore put in place hedging strategies only for the excess balance. The same strategy is pursued with regard to interest rate risk.

3. All financial risk management activities are carried out and monitored by senior management staff.

4. All financial risk management activities are carried out following good market practices.

There has been no change to the exposures to risk; the objectives, policies and processes for managing the risk and the methods used to measure the risk.

31. Financial Instruments: Information on Financial Risks (cont'd)

31C. Fair Values of Financial Instruments

Fair values of financial instruments stated at amortised cost in the statement of financial position

The financial assets and financial liabilities at amortised cost are at a carrying amount that is a reasonable approximation of fair value.

31D. Credit Risk on Financial Assets

Financial assets that are potentially subject to concentrations of credit risk and failures by counterparties to discharge their obligations in full or in a timely manner consist principally of cash balances with banks, cash equivalents and receivables, and other financial assets. The maximum exposure to credit risk is: the total of the fair value of the financial instruments; the maximum amount the entity could have to pay if the guarantee is called on; and the full amount of any loan payable commitment at the end of the reporting year. Credit risk on cash balances with banks is limited because the counter-parties are entities with acceptable credit ratings. Credit risk on other financial assets is limited because the other parties are entities with acceptable credit ratings. For credit risk on receivables an ongoing credit evaluation is performed on the financial condition of the debtors and a loss from impairment is recognised in profit or loss. The exposure to credit risk is controlled by setting limits on the exposure to individual customers and these are disseminated to the relevant persons concerned and compliance is monitored by management.

Note 20 discloses the maturity of the cash and cash equivalents balances.

As part of the process of setting customer credit limits, different credit terms are used. The average credit period generally granted to trade receivable customers is generally on 14 to 35 days (2010: 14 to 35 days). But some customers take a longer period to settle the amounts.

Ageing analysis of the age of trade receivable amounts that are past due as at the end of reporting year but not impaired:

	Group	
	31 December 2011	31 December 2010
	$'000	$'000
Trade receivables:		
Past due 1 – 31 days	65	7,138
Past due 31 – 60 days	8	8
Past due 61 – 90 days	3	3
Past due over 90 days	133	171
Total	209	7,320

As at the end of reporting year there were no amounts that were impaired.

Other receivables are normally no fixed terms and therefore there is no maturity.

Included in trade receivables is an amount of approximately $20,113,000 (2010: $24,262,000) which has been assigned for banking facilities granted to the Group.

31. Financial Instruments: Information on Financial Risks (cont'd)

31D. Credit Risk on Financial Assets (cont'd)

Concentration of trade receivables customers as at the end of reporting year:

	Group	
	2011	2010
	$'000	$'000
Top 1 customer	11,418	9,531
Top 2 customers	15,547	17,198
Top 3 customers	17,959	22,462

31E. Liquidity Risk

The following table analyses the non-derivative financial liabilities by remaining contractual maturity (contractual and undiscounted cash flows):

	Less than 1 year	1 – 5 years	Over 5 years	Total
	$'000	$'000	$'000	$'000
Group				
Non-derivative financial liabilities:				
2011:				
Gross borrowings commitments	61,654	12,511	–	74,165
Gross finance lease obligations	79	105	–	184
Trade and other payables	83,903	–	–	83,903
At end of the year	145,636	12,616	–	158,252
2010:				
Gross borrowings commitments	91,733	10,942	–	102,675
Trade and other payables	61,609	–	–	61,609
At end of the year	153,342	10,942	–	164,284
Company				
2011:				
Trade and other payables	22,797	–	–	22,797
At end of the year	22,797	–	–	22,797
2010:				
Trade and other payables	11,605	–	–	11,605
At end of the year	11,605	–	–	11,605

31. Financial Instruments: Information on Financial Risks (cont'd)

31E. Liquidity Risk (cont'd)

Financial guarantee contracts - For financial guarantee contracts the maximum earliest period in which the guarantee could be called is used. At the end of the reporting year no claims on the financial guarantees are expected. The following table shows the maturity analysis of the contingent liabilities:

	Less than 1 year	1 – 5 years	Over 5 years	Total
	$'000	$'000	$'000	$'000
Company				
2011:				
Corporate guarantees in favour of financial institutions for facilities extended to subsidiaries	71,277	12,346	–	83,623
2010:				
Corporate guarantees in favour of financial institutions for facilities extended to subsidiaries	139,741	10,640	–	150,381

The liquidity risk refers to the difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. It is expected that all the liabilities will be paid at their contractual maturity. The average credit period taken to settle trade payables is normally on 30 to 35 days (2010: 30 to 35 days). The other payables are with short-term durations. The classification of the financial assets is shown in the statement of financial position as they may be available to meet liquidity needs and no further analysis is deemed necessary. In order to meet such cash commitments the operating activity is expected to generate sufficient cash inflows.

	Group		Company	
	2011	2010	2011	2010
	$'000	$'000	$'000	$'000
Bank facilities				
Undrawn borrowing facilities	103,154	58,977	–	–
Unused banker guarantees	31,442	7,240	10,000	–

The undrawn borrowing facilities are available for operating activities and to settle other commitments. Borrowing facilities are maintained to ensure funds are available for the operations. A monthly schedule showing the maturity of financial liabilities and unused borrowing facilities is provided to management to assist them in monitoring the liquidity risk.

31. Financial Instruments: Information on Financial Risks (cont'd)

31F. Interest Rate Risk

The interest rate risk exposure is mainly from changes in fixed rate and floating interest rates. The interest from financial assets including cash balances is not significant. The following table analyses the breakdown of the significant financial instruments by type of interest rate:

	Group	
	2011	**2010**
	$'000	**$'000**
Financial liabilities:		
Floating rates	71,666	98,726
Fixed rate	178	–
At end of the year	71,844	98,726

The interest rates are disclosed in the respective notes.

Sensitivity analysis:

	Group	
	2011	**2010**
	$'000	**$'000**
Financial liabilities:		
A hypothetical variation in interest rates by 10 basis points with all other variables held constant, would have an increase/decrease in borrowing costs capitalised for the year by	72	99

The analysis has been performed for floating interest rate financial instruments. The impact of a change in interest rates on floating interest rate financial instruments has been assessed in terms of changing of their cash flows and therefore in terms of the impact on net expenses. The hypothetical changes in basis points are not based on observable market data (unobservable inputs).

31G. Foreign Currency Risk

The foreign currency risk is not significant.

32. Items in Profit or Loss

In addition to the charges and credits disclosed elsewhere in the notes to the financial statements, this item includes the following charges:

	Group	
	2011	2010
	$'000	$'000
Audit fees to the independent auditors of the Company	183	201
Other fees to the independent auditors of the Company	49	18

33. Capital Commitments

Estimated amounts committed at the end of the reporting year for future capital expenditure but not recognised in the financial statements are as follows:

	Group	
	2011	2010
	$'000	$'000
Commitments to purchase property, plant and equipment	1,116	884

34. Operating Lease Payment Commitments

At the end of the reporting year the total of future minimum lease payment commitments under non-cancellable operating leases are as follows:

	Group	
	2011	2010
	$'000	$'000
Not later than one year	376	180
Later than one year and not later than five years	458	–
Later than five years	1,032	–
Rental expenses for the year	366	136

Operating lease payments represent rentals payable by subsidiary for their offices and warehouses.

a) The leases from Jurong Town Corporation are as follows:

(i) For the period of 14.8 years from 1 March 2011 and ending on 31 December 2024.

(ii) For the period of 1.5 years from 16 April 2011 and ending on 15 October 2012.

b) The lease from Housing Development Board is for the period of 3 months from 1 November 2011 and ending on 31 January 2012.

35. Operating Lease Income Commitments

At the end of the reporting year the total of future minimum lease receivables commitments under non-cancellable operating leases are as follows:

	Group	
	2011	2010
	$'000	$'000
Not later than one year	204	–
Later than one year and not later than five years	33	–
Later than five years	–	–
Rental income for the year	107	–

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 1 to 3 years with fixed rental rates.

36. Financial Information by Operating Segments

36A. Information about Reportable Segment Profit or Loss, Assets and Liabilities

Disclosure of information about operating segments, products and services, the geographical areas, and the major customers are made as required by FRS 108 Operating Segments. This disclosure standard has no impact on the reported results or financial position of the Group.

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.

Inter-segment sales are measured on the basis that the entity actually used to price the transfers. Internal transfer pricing policies of the Group are as far as practicable based on market prices. The accounting policies of the operating segments are the same as those described in the summary of significant accounting policies.

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.

36. Financial Information by Operating Segments (cont'd)

36A. Information about Reportable Segment Profit or Loss, Assets and Liabilities (cont'd)

The following is an analysis of the Group's reportable segments for the financial year ended 31 December 2011:

Operating segment	Building construction	Property development	Investment holding	Elimination	Consolidated
	$'000	$'000	$'000	$'000	$'000
Profit or loss and reconciliation					
Revenue by segment	202,313	25,942	3,110	(41,690)	189,675
	202,313	25,942	3,110	(41,690)	189,675
Segment result	20,128	626	9,080	(16,212)	13,622
Interest income	3	81	570	(537)	117
Finance costs	(5)	(26)	–	–	(31)
Depreciation	(1,393)	–	(55)	–	(1,448)
Profit before tax	18,733	681	9,595	(16,749)	12,260
Income tax expense	(2,733)	156	(32)	1,227	(1,382)
Profit after tax	16,000	837	9,563	(15,522)	10,878
Assets and reconciliation					
Segment assets	101,510	301,478	141,862	(153,340)	391,510
Total assets	101,510	301,478	141,862	(153,340)	391,510
Liabilities and reconciliation					
Segment liabilities	73,303	287,313	64,685	(122,943)	302,358
Total liabilities	73,303	287,313	64,685	(122,943)	302,358
Other material item and reconciliation					
Expenditure for non-current assets	6,411	–	15	–	6,426

36. Financial Information by Operating Segments (cont'd)

36A. Information about Reportable Segment Profit or Loss, Assets and Liabilities (cont'd)

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

Operating segment	Building construction	Property development	Investment holding	Elimination	Consolidated
(Restated*)	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Profit or loss and reconciliation					
Revenue by segment	107,492	40,176	2,775	(12,590)	137,853
	107,492	40,176	2,775	(12,590)	137,853
Segment result	13,350	5,735	17,647	(23,601)	13,131
Interest income	11	12	647	(570)	100
Gain on bargain purchase	–	–	–	3,726	3,726
Depreciation	(1,003)	–	(39)	–	(1,042)
Provisions	206	–	–	–	206
Profit before tax	12,564	5,747	18,255	(20,445)	16,121
Income tax expense	(1,960)	(1,645)	(23)	909	(2,719)
Profit after tax	10,604	4,102	18,232	(19,536)	13,402
Assets and reconciliation					
Segment assets	67,773	209,251	94,658	(84,693)	286,989
Total assets	67,773	209,251	94,658	(84,693)	286,989
Liabilities and reconciliation					
Segment liabilities	46,565	197,161	25,311	(62,056)	206,981
Total liabilities	46,565	197,161	25,311	(62,056)	206,981
Other material item and reconciliation					
Expenditure for non-current assets	2,544	–	3,962	–	6,506

* The 2010 comparative figures have been restated to take into account the retrospective adjustments disclosed in Note 37.

36. Financial Information by Operating Segments (cont'd)

36B. Information About Major Customers

	2011	2010
	$'000	$'000
Top 1 customer in building construction segment	71,576	52,424
Top 2 customers in building construction segment	119,126	72,605
Top 3 customers in building construction segment	160,966	88,076

37. Restatements of comparative figures for year ended 31 December 2010

The financial statements for 2010 have been restated as a result of:

(a) Changes in accounting policy

On 1 January 2011, the Group adopted INT FRS 115 - Agreements for the Construction of Real Estate.

INT FRS 115 clarifies when revenue and related expenses from a sale of a real estate unit should be recognised if an agreement between a developer and a buyer is reached before the construction of the 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 the work-in-progress in its current state as construction progresses.

The Group's previous accounting policy for all pre-completion property sales was to recognised revenue using the percentage of completion method as construction progresses. The Group has considered the application of INT FRS 115 and concluded that certain 'pre-completion' sale contracts were not, in substance, construction contracts, and the legal terms are such that the construction does not represent the continuous transfer of work-in-progress to the purchaser. Consequently, the completed contract method of revenue recognised has been applied to these contracts.

The change of accounting policy was applied retrospectively.

37. Restatements of comparative figures for year ended 31 December 2010 (cont'd)

(b) Prior year adjustments

(i) Adjustment for overstatement of gain on bargain purchase arising from the under recognition of deferred tax liabilities on the fair value adjustments to the carrying value of the underlying development property of a subsidiary acquired in 2010.

(ii) Adjustment for omission of the above fair value gain adjustments to cost of work done relating to sale of development properties recognized in prior year.

The effects of the Group's comparatives as at 31 December 2010 arising from the above restatements are as follows:

	As previously reported	(a)	(b)	As restated
	$'000	$'000	$'000	$'000
2010 Statement of financial position:				
Development properties	124,846	37,022	(5,352)	156,516
Progress billings received and receivables	–	(41,231)	–	(41,231)
Deferred tax liabilities	(3,132)	696	(582)	(3,018)
2010 Statement of comprehensive income :				
Revenue	148,200	(10,347)	–	137,853
Other credits	4,922	–	(1,044)	3,878
Cost of work done	(113,926)	6,139	(5,352)	(113,139)
Income tax expense	(4,325)	696	910	(2,719)
Non-controlling interests	(1,635)	–	1,333	(302)
2010 Statement of changes in equity:				
Retained earnings	33,539	(3,512)	(4,153)	25,874
Non-controlling interests	5,747	–	(1,781)	3,966

38. Events After the End of the Reporting Year

(a) On 5 January 2012, the Group's wholly-owned subsidiary, Wee Hur Development Pte. Ltd. ("WHD") incorporated a subsidiary namely, Wee Hur (Punggol Central) Pte. Ltd. ("WHPC") for the purpose of a proposed joint venture residential development at Punggol Central/ Punggol Place. The issued and paid up share capital of WHPC at incorporation is $1,000,000 represented by 1,000,000 ordinary shares.

Consequently, on 20 January 2012, WHD entered into a Joint Venture and Shareholders' Agreement ("JVSA") with a related party namely, WM (Punggol Central) Pte. Ltd. ("WMPC") and a third party namely, ZACD (Punggol Central) Pte. Ltd. ("ZACD"). Pursuant to the JVSA, WMPC and ZACD acquired 150,000 ordinary shares and 200,000 ordinary shares of WHPC's shares for $150,000 and $200,000 payable in cash respectively.

(b) On 30 March 2012, the Group completed the sale of an investment property, classified as held for sale, to a third party for a cash consideration of $4.45 million.

39. Changes and Adoption of Financial Reporting Standards

For the reporting year ended 31 December 2011 the following new or revised Singapore Financial Reporting Standards were adopted. The new or revised standards did not require any modification of the measurement methods or the presentation in the financial statements except for INT FRS 115.

FRS No.	Title
FRS 1	Presentation of Financial Statements Disclosures (Amendments to)
FRS 24	Related Party Disclosures (revised)
FRS 27	Consolidated and Separate Financial Statements (Amendments to)
FRS 32	Classification Of Rights Issues (Amendments to) (*)
FRS 34	Interim Financial Reporting (Amendments to)
FRS 103	Business Combinations (Amendments to)
FRS 107	Financial Instruments: Disclosures (Amendments to)
INT FRS 113	Customer Loyalty Programmes (Amendments to) (*)
INT FRS 114	Prepayments of a Minimum Funding Requirement (revised) (*)
INT FRS 115	Agreements for the Construction of Real Estate
INT FRS 119	Extinguishing Financial Liabilities with Equity Instruments (*)

(*) Not relevant to the entity.

40. Future Changes in Financial Reporting Standards

The following new or revised Singapore Financial Reporting Standards that have been issued will be effective in future. The transfer to the new or revised standards from the effective dates is not expected to result in material adjustments to the financial position, results of operations, or cash flows for the following year.

FRS No.	Title	Effective date for periods beginning on or after
FRS 1	Amendments to FRS 1 - Presentation of Items of Other Comprehensive Income	1 Jul 2012
FRS 12	Deferred Tax (Amendments to) - Recovery of Underlying Assets (*)	1 Jan 2012
FRS 19	Employee Benefits	1 Jan 2013
FRS 27	Consolidated and Separate Financial Statements (Amendments to)	1 Jul 2011
FRS 27	Separate Financial Statements	1 Jan 2013
FRS 28	Investments in Associates and Joint Ventures (*)	1 Jan 2013
FRS 107	Financial Instruments: Disclosures (Amendments to) - Transfers of Financial Assets (*)	1 Jul 2011
FRS 110	Consolidated Financial Statements	1 Jan 2013
FRS 111	Joint Arrangements (*)	1 Jan 2013
FRS 112	Disclosure of Interests in Other Entities	1 Jan 2013
FRS 113	Fair Value Measurements	1 Jan 2013

(*) Not relevant to the entity.

41. Comparative Figures

The financial statements for the year ended 31 December 2010 were audited by other independent auditors whose report dated 23 March 2011 expressed an unqualified opinion on those financial statements.

Number of Fully Issued and Paid Up Share (excluding Treasury Shares)	:	650,285,296
Amount of Issued and Paid Up Shares	:	$62,882,938.85
Class of Shares	:	Ordinary Shares
Voting Rights	:	1 Vote per Share
Treasury Shares	:	3,457,000

DISTRIBUTION OF SHAREHOLDINGS

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 - 999	387	17.73	20,628	0.00
1,000 - 10,000	409	18.74	2,079,189	0.32
10,001 - 1,000,000	1,345	61.61	110,738,237	17.03
1,000,001 AND ABOVE	42	1.92	537,447,242	82.65
TOTAL	2,183	100.00	650,285,296	100.00

TWENTY LARGEST SHAREHOLDERS

NO.	NAME	NO. OF SHARES	%
1	GSC HOLDINGS PTE. LTD.	250,656,750	38.55
2	CITIBANK NOMINEES SINGAPORE PTE LTD	42,239,607	6.50
3	CHENG KIANG HUAT	32,061,153	4.93
4	GOH YEU TOH	25,796,873	3.97
5	SUA NAM HENG	24,524,873	3.77
6	MAYBANK KIM ENG SECURITIES PTE LTD	23,068,217	3.55
7	GOH YEW GEE	12,952,040	1.99
8	GOH YEW TEE	12,522,977	1.93
9	GOH YEOW LIAN	11,719,760	1.80
10	GOH YEW LAY	9,471,715	1.46
11	UOB KAY HIAN PTE LTD	8,012,006	1.23
12	CHAN KWAN BIAN	7,500,000	1.15
13	HSBC (SINGAPORE) NOMINEES PTE LTD	7,445,500	1.14
14	OCBC SECURITIES PRIVATE LTD	7,295,683	1.12
15	LIEW HONG LIONG	5,830,000	0.90
16	DMG & PARTNERS SECURITIES PTE LTD	5,641,000	0.87
17	ONG GIM LOO	4,943,000	0.76
18	PHILLIP SECURITIES PTE LTD	4,773,530	0.73
19	DBS NOMINEES PTE LTD	2,962,033	0.46
20	NG ENG SENG	2,877,000	0.44
	TOTAL	502,293,717	77.25

Substantial shareholders

Name	Direct interest		Deemed interest	
	No of Shares	%[1]	No of Shares	%
GSC Holdings Pte. Ltd.	250,656,750	38.55	–	–
Goh Yeow Lian[2]	11,719,760	1.80	275,587,704	42.38

Notes

(1) Based on the total number of issued ordinary shares of 650,285,296 as at 14 March 2012.

(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. by virture of section 7 of the Companies Act, Chapter 50. He is also deemed interested in 23,343,954 and 1,587,000 shares held through Citibank Nominess Singapore Pte Ltd and his spouse, Tan Ah Hio.

PERCENTAGE OF SHAREHOLDINGS IN PUBLIC HANDS

Based on the Register of Shareholders as at 14 March 2012, and to the best knowledge of the Company, the percentage of shareholding held in the hands of public is approximately 34.85%. Accordingly, the Company complies with Rule 723 of the Listing Manual.

WEE HUR HOLDINGS LTD. - WARRANTS EXPIRING ON 27 OCTOBER 2012

DISTRIBUTION OF WARRANT HOLDINGS

SIZE OF WARRANT HOLDINGS	NO. OF WARRANT HOLDERS	%	NO. OF WARRANTS	%
1 - 999	307	49.84	18,852	0.03
1,000 - 10,000	143	23.21	565,571	0.82
10,001 - 1,000,000	152	24.68	17,333,947	25.27
1,000,001 AND ABOVE	14	2.27	50,690,193	73.88
TOTAL	616	100.00	68,608,563	100.00

WEE HUR HOLDINGS LTD. - WARRANTS EXPIRING ON 27 OCTOBER 2012

TWENTY LARGEST WARRANT HOLDERS

NO.	NAME	NO. OF WARRANTS	%
1	GSC HOLDINGS PTE. LTD.	14,950,000	21.79
2	PHILLIP SECURITIES PTE LTD	6,190,932	9.02
3	UNITED OVERSEAS BANK NOMINEES PTE LTD	5,780,576	8.43
4	MAYBAN NOMINEES (S) PTE LTD	5,685,007	8.29
5	LEE YING KIAT ALVIN	3,120,000	4.55
6	TOH HOCK GUAN	2,442,000	3.56
7	LI SIEW TUAN	2,390,000	3.48
8	UOB KAY HIAN PTE LTD	2,203,501	3.21
9	OCBC SECURITIES PRIVATE LTD	1,598,421	2.33
10	GOH YEW LAY	1,522,000	2.22
11	LEE CHENG PECK	1,500,000	2.19
12	CHUA TIONG BOON	1,150,000	1.68
13	TAN SIAH HWEE	1,135,500	1.66
14	MAYBANK KIM ENG SECURITIES PTE LTD	1,022,256	1.49
15	LEE YEW HOCK	900,000	1.31
16	CHIA SOEN FANG	855,000	1.25
17	HSBC (SINGAPORE) NOMINEES PTE LTD	765,000	1.12
18	ELIZABETH OOI HEAN GIN	720,000	1.05
19	KHOO THOMAS CLIVE	720,000	1.05
20	PAY AH CHON	600,000	0.87
	TOTAL	55,250,193	80.55

WEE HUR HOLDINGS LTD. - WARRANTS EXPIRING ON 22 FEBRUARY 2014

DISTRIBUTION OF WARRANT HOLDINGS

SIZE OF WARRANT HOLDINGS	NO. OF WARRANT HOLDERS	%	NO. OF WARRANTS	%
1 - 999	497	29.03	66,731	0.03
1,000 - 10,000	722	42.17	4,029,513	1.87
10,001 - 1,000,000	471	27.51	37,954,752	17.58
1,000,001 AND ABOVE	22	1.29	173,821,913	80.52
TOTAL	1,712	100.00	215,872,909	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	12,814,702	5.94
3	MAYBANK KIM ENG SECURITIES PTE LTD	8,263,504	3.83
4	OCBC SECURITIES PRIVATE LTD	7,568,380	3.51
5	GOH YEU TOH	6,874,384	3.18
6	CHENG KIANG HUAT	6,665,384	3.09
7	SUA NAM HENG	6,565,384	3.04
8	PHILLIP SECURITIES PTE LTD	5,936,509	2.75
9	GOH YEW LAY	5,240,905	2.43
10	GOH YEW TEE	3,390,659	1.57
11	UNITED OVERSEAS BANK NOMINEES PTE LTD	3,383,559	1.57
12	MAYBAN NOMINEES (S) PTE LTD	3,060,005	1.42
13	HSBC (SINGAPORE) NOMINEES PTE LTD	2,924,500	1.35
14	UOB KAY HIAN PTE LTD	2,707,502	1.25
15	GOH YEW GEE	2,589,080	1.20
16	CHAN KWAN BIAN	2,500,000	1.16
17	LIEW HONG LIONG	2,029,000	0.94
18	DMG & PARTNERS SECURITIES PTE LTD	1,863,000	0.86
19	CIMB SECURITIES (SINGAPORE) PTE LTD	1,753,206	0.81
20	CHENG WA SING	1,424,000	0.66
	TOTAL	171,105,913	79.26

NOTICE IS HEREBY GIVEN THAT the Fifth Annual General Meeting of Wee Hur Holdings Ltd. (the "Company") will be held on Friday, 27 April 2012 at 11.30 a.m. at Quality Hotel Singapore, Grand Ballroom, 201 Balestier Road, Singapore 329926 for the purpose of transacting the following business:

ORDINARY BUSINESS

1. To receive and adopt the Directors' Report and Audited Financial Statements of the Company and of the Group for the financial year ended 31 December 2011 and the Independent Auditors' Report thereon. **Resolution 1**

2. To declare a final tax exempt (one-tier) dividend of S$0.01 per ordinary share for the financial year ended 31 December 2011. **Resolution 2**

3. To approve the payment of Directors' fees of S$150,000 (2011: S$120,000) for the financial year ending 31 December 2012, to be paid quarterly in arrears. **Resolution 3**

4. To re-elect Mr Goh Yew Gee, a Director retiring pursuant to Article 107 of the Company's Articles of Association. **Resolution 4**
   [See Explanatory Note (a)]

5. To re-elect Mr Goh Yeo Hwa, a Director retiring pursuant to Article 107 of the Company's Articles of Association. **Resolution 5**

6. To re-appoint RSM Chio Lim LLP as Auditors and to authorise the Directors to fix their remuneration. **Resolution 6**

7. To transact any other business of the Company which may properly be transacted at an Annual General Meeting. **Resolution 7**

SPECIAL BUSINESS

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

8. **Share Issue Mandate**

   "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: **Resolution 8**

   (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 (b)]

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 9**

"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 (c)]

By Order of the Board
Tan Ching Chek and Lo Swee Oi
Joint Company Secretaries
Dated: 12 April 2012

NOTICE IS HEREBY GIVEN that the Transfer Books and Register of Members of the Company will be closed on 10 May 2012 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 2012 will be registered to determine shareholders' entitlement to the proposed final dividend (the "Dividend"). The Dividend, if approved, will be paid on 25 May 2012 to shareholders registered in the books of the Company on 9 May 2012.

In respect of shares in securities accounts with the Central Depository (Pte) Limited ("CDP"), the Dividend 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) Mr Goh Yew Gee, a member of the Audit, Remuneration and Nominating Committees, will continue in office as a member of the said Committees upon his re-election as a Director of the Company. Mr Goh Yew Gee, a Non-Executive Director, is not considered independent for the purposes of Rule 704(8) of the Listing Manual of SGX-ST.

(b) 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.

(c) 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 Agent Banks 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 Annual General Meeting as OBSERVERS must submit their requests through their respective Agent Banks so that their Agent Banks may register, in the required format with the Company Secretary, by the time frame specified. **(Agent Banks: Please see Note 9 on required format).** Any voting instructions must also be submitted to their Agent Banks within the time frame specified to enable them to vote on the CPF investor's behalf.

ANNUAL GENERAL MEETING PROXY FORM

I/We ____ (Name),

____ (NRIC/Passport No./Co. Regn. No.)

of ____ (Address)

being a member/members of Wee Hur Holdings Ltd. (the "**Company**") 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 attend and to vote for me/us on my/our behalf and, if necessary, to demand a poll, at the Annual General Meeting of the Company (the "**Meeting**") to be held on Friday, 27 April 2012 at 11.30 a.m. at Quality Hotel Singapore, Grand Ballroom, 201 Balestier Road, Singapore 329926 and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the resolutions to be proposed at the Meeting as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting at his/their discretion, as he/they will on any other matter arising at the Meeting.

No.	ORDINARY RESOLUTIONS	For	Against
	ORDINARY BUSINESS		
1.	Adoption of Reports and Audited Financial Statements		
2.	Declaration of a Final Dividend		
3.	Approval of Directors' Fees		
4.	Re-election of Mr Goh Yew Gee		
5.	Re-election of Mr Goh Yeo Hwa		
6.	Re-appointment of Auditors		
	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		

Dated this ________ day of ____________ 2012.

Total number of Shares in:	Number 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 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 instrument appointing a proxy or proxies will be deemed to relate to all shares held by the member.

2. A member of the Company 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.

3. Where a member appoints two proxies, the appointments shall be invalid unless he specifies the proportion of his shareholding (expressed as a percentage of the whole) to be represented by each proxy.

4. 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.

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 appointed 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.

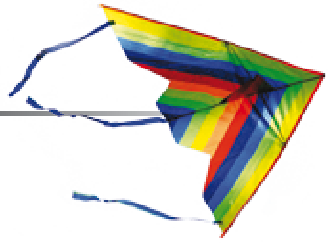
8. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Meeting, in accordance with section 179 of the Companies Act, Chapter 50 of Singapore.

9. 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 the instrument appointing a proxy or proxies if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged 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.

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
RSM Chio Lim LLP
8 Wilkie Road
#03-08 Wilkie Edge
Singapore 228095

Partner-in-charge:
Derek How Beng Tiong, FCPA
(Effective from year ended 31 December 2011)

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

偉合控股有限公司
WEE HUR HOLDINGS LTD.

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