

UNAUDITED FINANCIAL STATEMENTS AND RELATED ANNOUNCEMENT FOR THE SECOND QUARTER AND SIX MONTHS ENDED 31 JANUARY 2016

PART I - INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

1(a) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Group					
	3 months ended			6 months ended		
	31/01/16	31/01/15	Change	31/01/16	31/01/15	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue	28,556	27,415	4	54,159	52,131	4
Cost of Sales	(20,954)	(20,813)	1	(38,830)	(38,104)	2
Gross Profit	<u>7,602</u>	<u>6,602</u>	15	<u>15,329</u>	<u>14,027</u>	9
Other Items of Income						
Finance Income	215	135	59	455	238	91
Other Gains	894	393	127	532	762	(30)
Other Items of Expense						
Administrative Expenses	(2,267)	(1,159)	96	(4,143)	(3,913)	6
Finance Costs	(2)	(11)	(82)	(8)	(21)	(62)
Other Losses	(155)	(1,438)	(89)	(888)	(1,501)	(41)
Profit Before Tax	<u>6,287</u>	<u>4,522</u>	39	<u>11,277</u>	<u>9,592</u>	18
Income Tax Expense	(878)	(666)	32	(1,749)	(1,545)	13
Profit Net of Tax	<u>5,409</u>	<u>3,856</u>	40	<u>9,528</u>	<u>8,047</u>	18
Other Comprehensive Income:						
Items that may be reclassified subsequently to profit or loss:						
Exchange Difference on Translating Foreign Operations, Net of Tax	1,014	(460)	n.m.	636	(597)	n.m.
Available-for-Sale Financial Assets, Net of Tax	(157)	64	n.m.	(227)	37	n.m.
Other Comprehensive Income / (Loss) for the Period, Net of Tax	<u>857</u>	<u>(396)</u>	n.m.	<u>409</u>	<u>(560)</u>	n.m.
Total Comprehensive Income	<u>6,266</u>	<u>3,460</u>	81	<u>9,937</u>	<u>7,487</u>	33
Profit Attributable to:						
Owners of the Parent, Net of Tax	5,409	3,857	40	9,528	8,047	18
Non-Controlling Interests, Net of Tax	—*	(1)	(100)	—*	—*	—
	<u>5,409</u>	<u>3,856</u>	40	<u>9,528</u>	<u>8,047</u>	18
Total Comprehensive Income Attributable to:						
Owners of the Parent	6,266	3,460	81	9,937	7,486	33
Non-Controlling Interests	—*	—*	—	—*	1	(100)
	<u>6,266</u>	<u>3,460</u>	81	<u>9,937</u>	<u>7,487</u>	33

* amount less than \$500
 n.m. - not meaningful

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
 (Cont'd)**

Notes to the Consolidated Statement of Profit or Loss and Other Comprehensive Income

The profit or loss is arrived at after (charging) / crediting the following:

	3 months ended		6 months ended	
	31/01/16	31/01/15	31/01/16	31/01/15
	S\$'000	S\$'000	S\$'000	S\$'000
Bad debts written off – trade receivables	(155)	–	(155)	–
Depreciation of investment property	(617)	(617)	(1,233)	(1,234)
Depreciation of property, plant and equipment	(435)	(489)	(861)	(955)
Dividend income	4	–	17	17
Foreign exchange gain / (losses)	628	(228)	(732)	(290)
Gain on disposal of available-for-sale financial assets	–	102	–	102
Gain on disposal of property, plant and equipment	39	–	39	19
Government grants	9	49	50	103
Inventory written down	–	(1,209)	–	(1,209)
Plant and equipment written off	–	–	(1)	(1)

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

STATEMENTS OF FINANCIAL POSITION

	Group		Company	
	31/01/16	31/07/15	31/01/16	31/07/15
	S\$'000	S\$'000	S\$'000	S\$'000
ASSETS				
<u>Non-Current Assets</u>				
Property, Plant and Equipment	18,571	19,686	–	–
Investment Property	2,262	3,495	–	–
Investments in Subsidiaries	–	–	6,440	6,440
Other Receivables	–	–	1,500	1,875
Other Financial Assets	1,967	833	1,967	833
Total Non-Current Assets	22,800	24,014	9,907	9,148
<u>Current Assets</u>				
Inventories	2,904	3,351	–	–
Trade and Other Receivables	53,173	39,595	3,286	5,064
Other Assets	1,749	550	23	23
Cash and Cash Equivalents	60,107	84,110	14,288	23,890
Total Current Assets	117,933	127,606	17,597	28,977
Total Assets	140,733	151,620	27,504	38,125
EQUITY AND LIABILITIES				
<u>Equity</u>				
Share Capital	22,890	22,890	22,890	22,890
Retained Earnings	88,360	106,792	3,775	14,028
Other Reserves	(591)	(1,000)	(162)	65
Equity, Attributable to Owners of the Parent, Total	110,659	128,682	26,503	36,983
Non-Controlling Interests	4	4	–	–
Total Equity	110,663	128,686	26,503	36,983
<u>Non-Current Liabilities</u>				
Deferred Tax Liabilities	1,256	1,279	–	–
Total Non-Current Liabilities	1,256	1,279	–	–
<u>Current Liabilities</u>				
Income Tax Payable	3,455	3,235	41	97
Trade and Other Payables	21,923	17,812	960	1,045
Other Financial Liabilities	295	166	–	–
Other Liabilities	3,141	442	–	–
Total Current Liabilities	28,814	21,655	1,001	1,142
Total Liabilities	30,070	22,934	1,001	1,142
Total Equity and Liabilities	140,733	151,620	27,504	38,125

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

	As at 31/01/16	As at 31/07/15
	S\$'000	S\$'000
<u>Secured</u>		
Amount repayable in one year or less, or on demand	295	166
Total borrowings	295	166

Details of any collateral:

The Group's borrowings are covered by corporate guarantee of the Company.

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

CONSOLIDATED STATEMENT OF CASH FLOWS

	Group			
	3 months ended		6 months ended	
	31/01/16	31/01/15	31/01/16	31/01/15
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Cash Flows From Operating Activities</u>				
Profit Before Tax	6,287	4,522	11,277	9,592
Adjustments for:				
Interest Expenses	2	11	8	21
Interest Income	(215)	(135)	(455)	(238)
Depreciation of Property, Plant and Equipment	435	489	861	955
Depreciation of Investment Property	617	617	1,233	1,234
Dividend Income	(4)	–	(17)	(17)
Gain on Disposal of Property, Plant and Equipment	(39)	–	(39)	(19)
Gain on Disposal of Available-for-Sale Financial Assets	–	(102)	–	(102)
Plant and Equipment Written off	–	–	1	1
Operating Cash Flows Before Changes in Working Capital	7,083	5,402	12,869	11,427
Cash Restricted In Use Over Three Months	–	310	–	310
Trade and Other Receivables	(2,436)	(3,993)	(13,660)	3,388
Inventories	185	1,140	451	1,195
Trade and Other Payables	311	(4,119)	6,937	(2,137)
Net Cash Flows from Operations	5,143	(1,260)	6,597	14,183
Income Taxes Paid	(966)	(1,245)	(1,557)	(2,158)
Income Taxes Refund	–	–	–	11
Net Cash Flows From / (Used in) Operating Activities	4,177	(2,505)	5,040	12,036
<u>Cash Flows from Investing Activities</u>				
Purchase of Property, Plant and Equipment	(156)	(158)	(238)	(857)
Purchase of Other Financial Assets	(961)	–	(1,344)	(60)
Proceeds from Disposal of Property, Plant and Equipment	39	–	39	178
Proceeds from Disposal of Other Financial Assets	–	1,247	–	1,247
Interest Received	215	135	455	238
Net Cash Flows (Used in) / From Investing Activities	(863)	1,224	(1,088)	746
<u>Cash Flows From Financing Activities</u>				
(Decrease) / Increase in Bill Payables	(117)	(121)	121	(389)
Interest Paid	(2)	(11)	(8)	(21)
Dividend Paid to Equity Owners	(27,960)	(4,893)	(27,960)	(4,893)
Purchase of Treasury Shares	–	–	–	(108)
Net Cash Flows Used in Financing Activities	(28,079)	(5,025)	(27,847)	(5,411)
Net (Decrease) / Increase in Cash and Cash Equivalents	(24,765)	(6,306)	(23,895)	7,371
Cash and Cash Equivalents, Statement of Cash Flows, Beginning Balance	84,885	71,445	84,110	57,772
Effect of Exchange Rate Changes on Cash and Cash Equivalents	(13)	101	(108)	97
Cash and Cash Equivalents, Statement of Cash Flows, Ending Balance	60,107	65,240	60,107	65,240

Non-cash transactions:

During the period, there were acquisitions of property, plant and equipment with a total cost of \$18,000 (2015: \$33,000) acquired by means of vendor payables.

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

STATEMENTS OF CHANGES IN EQUITY

Group	Total	Attributable	Share	Retained	Other	Non-
	Equity	to Parent	Capital	Earnings	Reserves	Controlling
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	Interests
						S\$'000
Current Year:						
Opening Balance at 1 August 2015	128,686	128,682	22,890	106,792	(1,000)	4
Movements in Equity:						
Total Comprehensive Income for the Period	3,671	3,671	–	4,119	(448)	–*
Closing Balance at 31 October 2015	132,357	132,353	22,890	110,911	(1,448)	4
Total Comprehensive Income for the Period	6,266	6,266	–	5,409	857	–*
Dividends Paid	(27,960)	(27,960)	–	(27,960)	–	–
Closing Balance at 31 January 2016	110,663	110,659	22,890	88,360	(591)	4
Previous Year:						
Opening Balance at 1 August 2014	118,741	118,738	22,998	96,137	(397)	3
Movements in Equity:						
Total Comprehensive Income for the Period	4,027	4,026	–	4,190	(164)	1
Purchase of Treasury Shares	(108)	(108)	(108)	–	–	–
Closing Balance at 31 October 2014	122,660	122,656	22,890	100,327	(561)	4
Total Comprehensive Income for the Period	3,460	3,460	–	3,856	(396)	–*
Dividends Paid	(4,893)	(4,893)	–	(4,893)	–	–
Closing Balance at 31 January 2015	121,227	121,223	22,890	99,290	(957)	4
Company						
	Total	Share	Retained	Other		
	Equity	Capital	Earnings	Reserves		
	S\$'000	S\$'000	S\$'000	S\$'000		
Current Year:						
Opening Balance at 1 August 2015	36,983	22,890	14,028	65		
Movements in Equity:						
Total Comprehensive Income for the Period	17,829	–	17,899	(70)		
Closing Balance at 31 October 2015	54,812	22,890	31,927	(5)		
Total Comprehensive Loss for the Period	(349)	–	(192)	(157)		
Dividends Paid	(27,960)	–	(27,960)	–		
Closing Balance at 31 January 2016	26,503	22,890	3,775	(162)		
Previous Year:						
Opening Balance at 1 August 2014	31,987	22,998	8,913	76		
Movements in Equity:						
Total Comprehensive Income for the Period	5,071	–	5,061	10		
Purchase of Treasury Shares	(108)	(108)	–	–		
Closing Balance at 31 October 2014	36,950	22,890	13,974	86		
Total Comprehensive Income for the Period	652	–	659	(7)		
Dividends Paid	(4,893)	–	(4,893)	–		
Closing Balance at 31 January 2015	32,709	22,890	9,740	79		

* amount less than \$500

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

There is no new share issued since 31 October 2015.

During the financial period, the Company did not purchase any shares under the share buyback mandate. As at 31 January 2016, the Company held 500,000 treasury shares (31 January 2015: 500,000).

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

As at 31 January 2016, the total number of issued shares (excluding treasury shares) was 349,500,000 (31 July 2015: 349,500,000).

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

There were no sales, transfers, disposal, cancellation and / or use of treasury shares during the financial period.

2 Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.

The figures have neither been audited nor reviewed in accordance with Singapore Auditing Standards.

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

Not applicable.

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

The Group's accounting policies and methods of computation for the current reporting period are consistent with the audited financial statements for the year ended 31 July 2015.

5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

There were no changes in the accounting policies and methods of computation as compared to those adopted in the most recently audited financial statements.

- 6 *Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends: -*

	Group			
	3 months ended		6 months ended	
	31/01/16	31/01/15	31/01/16	31/01/15
	cents	cents	cents	cents
Basic earnings per share	1.55	1.10	2.73	2.30

Basic earnings per share for the period ended 31 January 2016 and 2015 is calculated by dividing the Group's net profit attributable to owners of the parent over the weighted average number of ordinary shares in issue of 349,500,000 and 349,635,326 ordinary shares respectively.

Diluted earnings per share is not presented as there were no potential dilutive ordinary shares existing during the respective financial periods.

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

	Group		Company	
	31/01/16	31/07/15	31/01/16	31/07/15
	cents	cents	cents	cents
Net asset value per share	31.66	36.82	7.58	10.58

Net asset value per share is calculated based on the shareholders' equity of the Group / Company as at the end of the financial periods and the issued share capital (excluding treasury shares) of 349,500,000 ordinary shares as at 31 January 2016 and 31 July 2015.

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

Review of Group performance

For the three months ended 31 January 2016 ("Q2FY2016"), the Group recorded a revenue of \$28.6 million, an increase of 4% as compared to \$27.4 million for the previous corresponding period ("Q2FY2015"). The increase was mainly contributed by the structural steel business.

The Group's profitability improved with gross profit margin rising from 24.1% in Q2FY2015 to 26.6% in Q2FY2016. This healthy improvement was mainly due to an increase in margins derived from the projects secured and executed during the reporting period.

Review of Group performance (cont'd)

For the half year ended 31 January 2016 (“1HFY2016”), the Group reported a revenue of \$54.2 million, an increase of 4% as compared to \$52.1 million for the previous corresponding period (“1HFY2015”). The increase was mainly contributed by the structural steel business.

The Group’s gross profit margin improved from 26.9% in 1HFY2015 to 28.3% in 1HFY2016. This improvement was due to better margins generated by the Group’s structural steel business.

Other gains decreased by 30% from \$0.8 million in 1HFY2015 to \$0.5 million in 1HFY2016. The higher amount recorded in 1HFY2015 was mainly due to the gain on disposal of quoted investment and higher sales of scrap material.

Administrative expenses increased by 6% from \$3.9 million in 1HFY2015 to \$4.1 million in 1HFY2016. This was mainly due to an increase in staff related cost.

Other losses decreased from \$1.5 million in 1HFY2015 to \$0.9 million in 1HFY2016. The higher amount recorded in 1HFY2015 was mainly due to an inventory written down of \$1.2 million.

Profit before tax of the Group was \$11.3 million in 1HFY2016 as compared to \$9.6 million in 1HFY2015. The increase was mainly contributed by the Group’s higher turnover, improved gross profit margin, decrease in other losses; and offset by the decrease in other gains and increase in administrative expenses as explained above.

Review of changes in working capital, assets and liabilities

The movement in the Group’s assets and liabilities are as follows:

- (i) Total assets decreased from \$151.6 million as at 31 July 2015 to \$140.7 million as at 31 January 2016. This was mainly due to decreases in cash and cash equivalents, property, plant and equipment and investment property as a result of depreciation; and offset by an increase in trade and other receivables, other assets and other financial assets.
- (ii) Total liabilities increased from \$22.9 million as at 31 July 2015 to \$30.1 million as at 31 January 2016. This was mainly due to increases in trade and other payables and other other liabilities.

Review of changes in cash flow

The net decrease in cash and cash equivalents for 1HFY2016 was \$23.9 million as compared to a net increase of \$7.4 million for 1HFY2015. This was mainly due to the higher net cash flows used in financing activities for the payment of dividend; and investing activities for purchase of other financial assets in the current reporting period as compared to the previous corresponding period.

Cash and cash equivalents for the statement of cash flows of the Group stood at \$60.1 million as at 31 January 2016, representing a decrease of \$5.1 million as compared to \$65.2 million as at 31 January 2015.

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

No quarterly forecast or prospect statement has been previously disclosed.

10 *A commentary at the date of announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.*

As at 7 March 2016, T T J's projects order book stood at \$106 million which it expects to substantially complete between FY2016 and FY2017. To date, the Group continues to experience a healthy level of enquiries for a mix of public and private sector projects. Going forward, the Group will continue to monitor its costs closely and enhance productivity to remain competitive.

11 *Dividend*

(a) Current financial period reported on 31 January 2016

- (i) Any dividend declared for the current financial period reported on? No
- (ii) Any dividend recommended for the current financial period reported on? No

Name of Dividend : NA
Dividend Type : NA
Dividend Amount per Share : NA
Tax Rate : NA

(b) Corresponding period of the immediately preceding financial year

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

Name of Dividend : NA
Dividend Type : NA
Dividend Amount per Share : NA
Tax Rate : NA

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

12 *If no dividend has been declared (recommended), a statement to that effect*

No dividend has been recommended for the period ended 31 January 2016.

- 13** *If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.*

The Group has not obtained a general mandate from its shareholders for IPTs.

- 14** *Confirmation by Directors pursuant to Rule 705(5) of the Listing Manual of SGX-ST*

The Board of Directors hereby confirms that, to the best of its knowledge, nothing has come to its attention which may render the financial results of the Group and the Company for the financial period ended 31 January 2016 to be false or misleading in any material aspect.

- 15** *Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1) of the Listing Manual of SGX-ST*

The Company hereby confirms that it has procured undertakings from all its Directors and Executive Officers in the format set out in Appendix 7.7.

BY ORDER OF THE BOARD

Teo Hock Chwee
Chairman and Managing Director

Chiong Su Been
Executive Director and Chief Financial Officer

7 March 2016
Singapore