

UNAUDITED FINANCIAL STATEMENTS AND RELATED ANNOUNCEMENT FOR THE FIRST QUARTER ENDED 31 OCTOBER 2017

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 31/10/17	3 months ended 31/10/16	Change
	S\$'000	S\$'000	%
Revenue	13,620	26,522	(49)
Cost of Sales	(11,460)	(21,109)	(46)
Gross Profit	2,160	5,413	(60)
Finance Income	162	230	(30)
Other Gains	256	416	(38)
Administrative Expenses	(1,830)	(1,696)	8
Finance Costs	(12)	-	(100)
Other Losses	-	-	-
Profit Before Tax	736	4,363	(83)
Income Tax Expense	(186)	(286)	(35)
Profit Net of Tax	550	4,077	(87)
Other Comprehensive Income:			
Items That May Be Reclassified Subsequently to Profit or Loss:			
Exchange Differences on Translating Foreign Operations, Net of Tax	243	225	8
Available-for-Sale Financial Assets, Net of Tax	122	18	578
Other Comprehensive Income for the Period, Net of Tax	365	243	50
Total Comprehensive Income	915	4,320	(79)
Profit Attributable to:			
Owners of the Parent, Net of Tax	760	4,077	(81)
Non-Controlling Interests, Net of Tax	(210)	-*	100
	550	4,077	(87)
Total Comprehensive Income Attributable to:			
Owners of the Parent	1,125	4,320	(74)
Non-Controlling Interests	(210)	-*	100
	915	4,320	(79)

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:

Allowance for impairment on trade receivables - reversal	-	10
Amortisation of lease premium prepayment	(2)	-
Depreciation of investment property	-	(617)
Depreciation of property, plant and equipment	(464)	(427)
Dividend income	40	39
Foreign exchange gains / (losses)	62	159
Government grants	43	43
Gain on disposal of plant and equipment	6	-

* amount less than \$500

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	
	31/10/17	31/07/17	31/10/17	31/07/17
	S\$'000	S\$'000	S\$'000	S\$'000
ASSETS				
<u>Non-Current Assets</u>				
Property, Plant and Equipment	23,217	22,530	–	–
Investment Property	–	–	–	–
Intangible Assets	283	283	–	–
Investments in Subsidiaries	–	–	6,770	6,790
Other Receivables	–	–	7,688	375
Other Financial Assets	2,893	2,752	2,893	2,752
Other Non-Financial Assets	2,202	2,191	–	–
Total Non-Current Assets	28,595	27,756	17,351	9,917
<u>Current Assets</u>				
Inventories	473	552	–	–
Trade and Other Receivables	47,618	42,652	10,617	2,776
Other Non-Financial Assets	670	437	23	27
Cash and Cash Equivalents	76,178	82,383	33,348	48,266
Total Current Assets	124,939	126,024	43,988	51,069
Total Assets	153,534	153,780	61,339	60,986
EQUITY AND LIABILITIES				
<u>Equity</u>				
Share Capital	22,890	22,890	22,890	22,890
Retained Earnings	110,375	109,615	36,789	36,642
Other Reserves	(881)	(1,246)	691	569
Equity, Attributable to Owners of the Parent, Total	132,384	131,259	60,370	60,101
Non-Controlling Interests	416	626	–	–
Total Equity	132,800	131,885	60,370	60,101
<u>Non-Current Liabilities</u>				
Deferred Tax Liabilities	1,165	1,159	–	–
Finance Leases	107	115	–	–
Other Financial Liabilities	2,560	2,594	–	–
Total Non-Current Liabilities	3,832	3,868	–	–
<u>Current Liabilities</u>				
Income Tax Payable	1,372	1,524	77	82
Trade and Other Payables	14,800	16,173	892	803
Finance Leases	32	32	–	–
Other Financial Liabilities	139	139	–	–
Other Non-Financial Liabilities	559	159	–	–
Total Current Liabilities	16,902	18,027	969	885
Total Liabilities	20,734	21,895	969	885
Total Equity and Liabilities	153,534	153,780	61,339	60,986

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

	As at 31/10/17	As at 31/07/17
	S\$'000	S\$'000
<u>Secured</u>		
Amount repayable in one year or less, or on demand	171	171
Amount repayable after one year	2,667	2,709
	2,838	2,880

Details of any collateral:

The Group's borrowings were secured by the legal mortgage on a Group's leasehold property and covered by corporate guarantee by 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 31/10/17	3 months ended 31/10/16
	S\$'000	S\$'000
<u>Cash Flows From Operating Activities</u>		
Profit Before Tax	736	4,363
Adjustments for:		
Interest Expenses	12	–
Interest Income	(162)	(230)
Amortisation of Lease Premium Prepayment	2	–
Depreciation of Property, Plant and Equipment	464	427
Depreciation of Investment Property	–	617
Dividend Income	(40)	(39)
Gain on disposal of Plant and Equipment	(6)	–
Operating Cash Flows Before Changes in Working Capital	1,006	5,138
Trade and Other Receivables	(4,879)	2,081
Inventories	78	1,900
Trade and Other Payables	(1,025)	(1,497)
Net Cash Flows From Operations	(4,820)	7,622
Income Taxes Paid	(515)	(1,213)
Income Taxes Refund	3	11
Net Cash Flows (Used In) / From Operating Activities	(5,332)	6,420
<u>Cash Flows From Investing Activities</u>		
Purchase of Property, Plant and Equipment	(1,022)	(723)
Proceeds from Disposal of Plant and Equipment	6	–
Dividend Received	21	21
Interest Received	162	230
Net Cash Flows Used In Investing Activities	(833)	(472)
<u>Cash Flows From Financing Activities</u>		
Cash restricted in use	157	–
Interest Paid	(12)	–
Repayment of Borrowings	(34)	–
Repayment of Finance Lease Obligations	(8)	–
Net Cash Flows From Financing Activities	103	–
Net (Decrease) / Increase in Cash and Cash Equivalents	(6,062)	5,948
Cash and Cash Equivalents, Statement of Cash Flows, Beginning Balance	82,226	89,196
Effect of Exchange Rate Changes on Cash and Cash Equivalents	14	184
Cash and Cash Equivalents, Statement of Cash Flows, Ending Balance	76,178	95,328

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

	Total Equity	Attributable to Parent Sub-total	Share Capital	Retained Earnings	Other Reserves	Non- Controlling Interests
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Group						
Current Year:						
Opening Balance at 1 August 2017	131,885	131,259	22,890	109,615	(1,246)	626
Movements in Equity:						
Total Comprehensive Income for the Period	915	1,125	–	760	365	(210)
Closing Balance at 31 October 2017	132,800	132,384	22,890	110,375	(881)	416
Previous Year:						
Opening Balance at 1 August 2016	125,792	125,788	22,890	104,610	(1,712)	4
Movements in Equity:						
Total Comprehensive Income for the Period	4,320	4,320	–	4,077	243	–*
Closing Balance at 31 October 2016	130,112	130,108	22,890	108,687	(1,469)	4
Company						
Current Year:						
Opening Balance at 1 August 2017	60,101	22,890	36,642	569		
Movements in Equity:						
Total Comprehensive Income for the Period	269	–	147	122		
Closing Balance at 31 October 2017	60,370	22,890	36,789	691		
Previous Year:						
Opening Balance at 1 August 2016	30,606	22,890	7,792	(76)		
Movements in Equity:						
Total Comprehensive Income for the Period	30,116	–	30,098	18		
Closing Balance at 31 October 2016	60,722	22,890	37,890	(58)		

* 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 July 2017.

During the financial period, the Company did not purchase any shares under the share buyback mandate. As at 31 October 2017, the Company held 500,000 treasury shares (31 October 2016: 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 October 2017, the total number of issued shares (excluding treasury shares) was 349,500,000 (31 July 2017: 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 2017.

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 31/10/17	3 months ended 31/10/16
	cents	cents
Basic earnings per share	0.22	1.17

Basic earnings per share for the period ended 31 October 2017 and 2016 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 ordinary shares.

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	
	31/10/17	31/07/17	31/10/17	31/07/17
	cents	cents	cents	cents
Net asset value per share	37.88	37.56	17.27	17.20

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 October 2017 and 31 July 2017.

- 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 first quarter ended 31 October 2017 ("1QFY2018"), the Group recorded a revenue of \$13.6 million, a decrease of 49% as compared to \$26.5 million for the previous corresponding period ("1QFY2017"). The decrease was mainly due to the decrease in structural steel business and expiry of tenure for the dormitory at Terusan Lodge I resulting in no revenue contribution from dormitory business.

The Group's gross profit margin stood at 15.9% in 1QFY2018. In comparison, the gross profit margin in 1QFY2017 was higher at 20.4% due to better gross margins derived from the projects executed during the reporting period and contribution from its dormitory business.

Review of Group performance (cont'd)

Administrative expenses increased by 8% from \$1.7 million in 1QFY2017 to \$1.8 million in 1QFY2018. This was mainly due to an increase in staff related costs.

Profit before tax of the Group was \$0.7 million in 1QFY2018 as compared to \$4.4 million in 1QFY2017.

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 \$153.8 million as at 31 July 2017 to \$153.5 million as at 31 October 2017. This was mainly due to a decrease in cash and cash equivalent; and partially offset by an increase in trade and other receivables and property, plant and equipment.
- (ii) Total liabilities decreased from \$21.9 million as at 31 July 2017 to \$20.7 million as at 31 October 2017. This was mainly due to a decrease in trade and other payables and income tax payable; and partially offset by an increase in other liabilities.

Review of changes in cash flow

The net decrease in cash and cash equivalents for 1QFY2018 was \$6.1 million as compared to a net increase of \$5.9 million for 1QFY2017. This was mainly due to the net cash flows of \$5.3 million and \$0.8 million used in operating activities and investing activities respectively in 1QFY2018.

Cash and cash equivalents for the statement of cash flows of the Group stood at \$76.2 million as at 31 October 2017, representing a decrease of \$19.1 million as compared to \$95.3 million as at 31 October 2016.

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 6 December 2017, T T J's projects order book stood at \$159 million which it expects to substantially complete between FY2018 and FY2021. 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.

On 30 November 2017, the Company's shareholders had approved at an extraordinary general meeting the Group's intention to diversify into the new business of waste management and treatment. The Company is now pursuing the opportunities in this new business and will provide updates as and when appropriate.

11 Dividend

(a) Current financial period reported on 31 October 2017

- (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 October 2017.

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 October 2017 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

6 December 2017
Singapore