

T T J HOLDINGS LIMITED

FY 2016 PRESENTATION

27 SEPTEMBER 2016



BUSINESS OVERVIEW



One of the largest **structural steel fabricators** with a reputation as a **leading structural steel specialist**

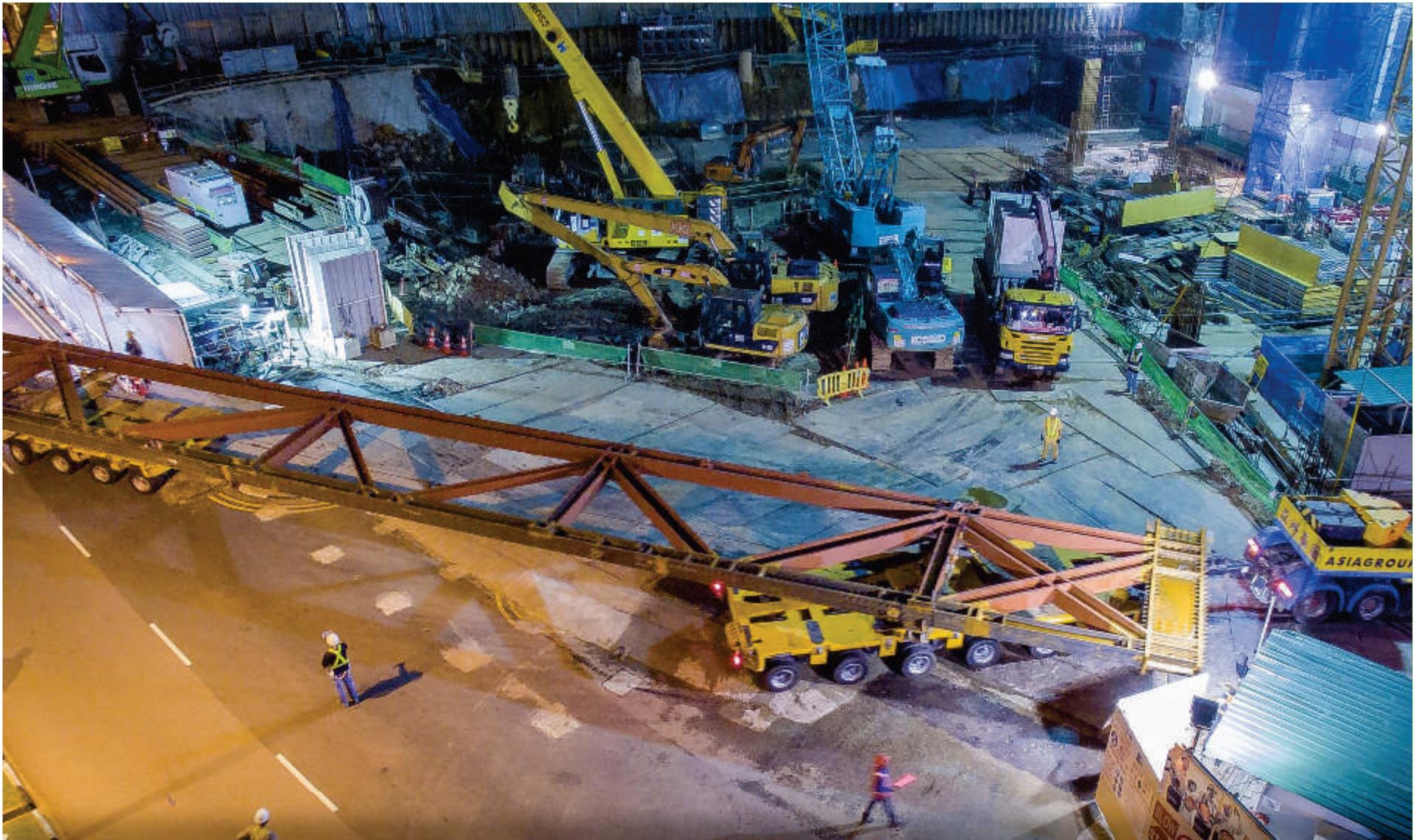
S1-accredited company with operations in Singapore and Malaysia

Provides structural steel for diverse industries including many iconic projects in Singapore

Max. annual capacity:
42,000 tonnes of normal structural steel

- Singapore: 20,000 tonnes
- Johor: 22,000 tonnes



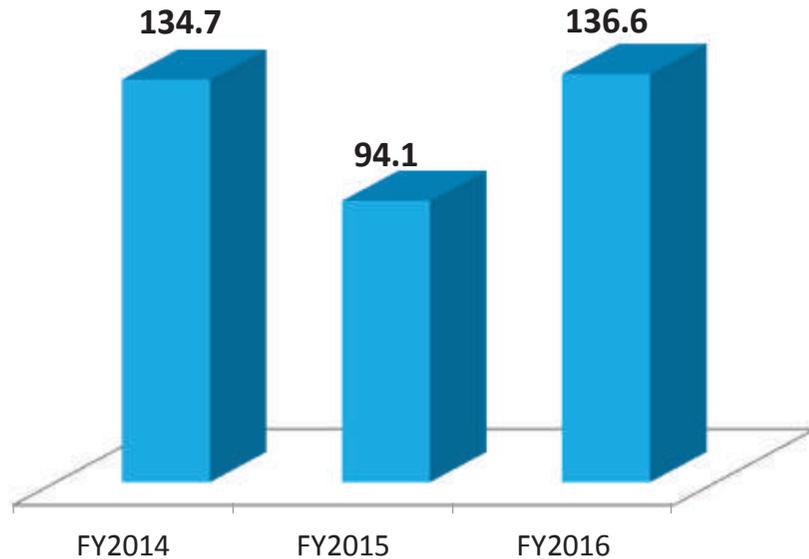


FINANCIAL PERFORMANCE

FY2016

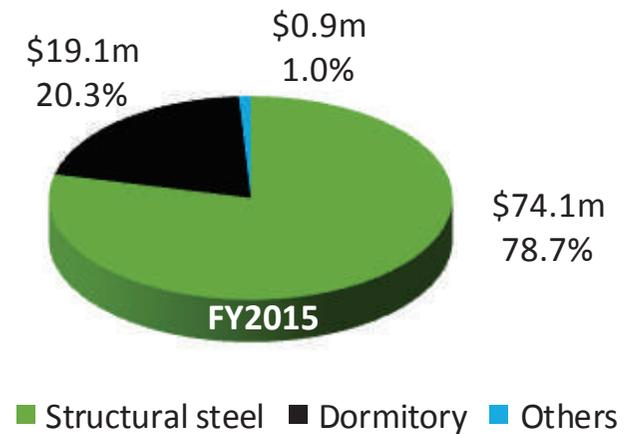
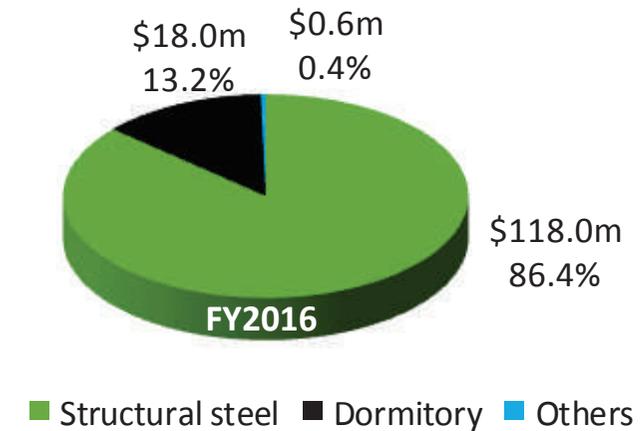


REVENUE



- **45% yoy revenue increase**
- **59% yoy increase in Structural Steel revenue**
 - More work completions and large scale projects
 - DUO, Tampines Town Hub, Jurong Island projects
- **6% yoy decrease in Dormitory revenue**
 - Lower occupancy rate

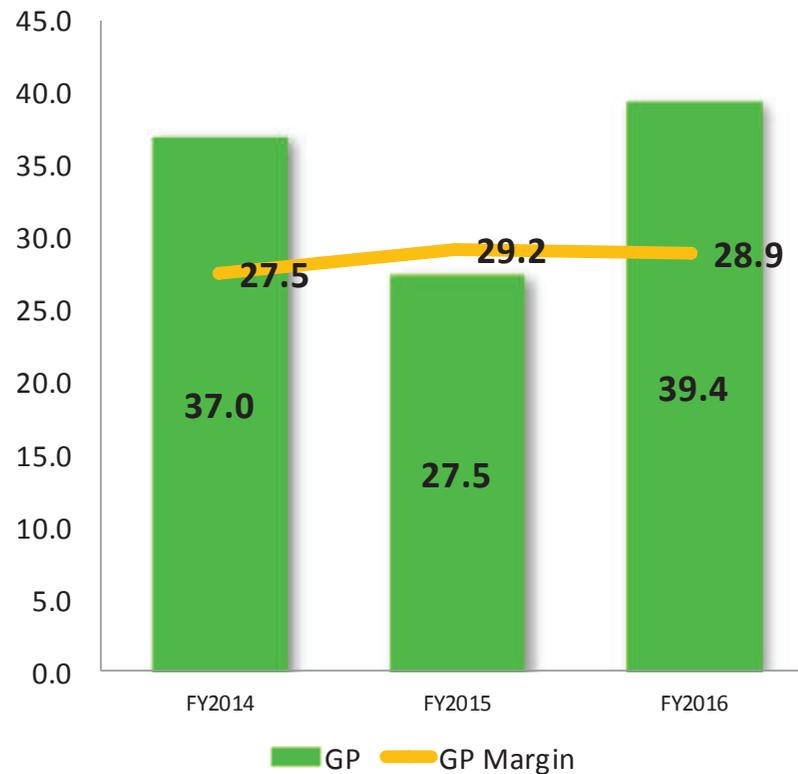
REVENUE BY BUSINESS SEGMENTS



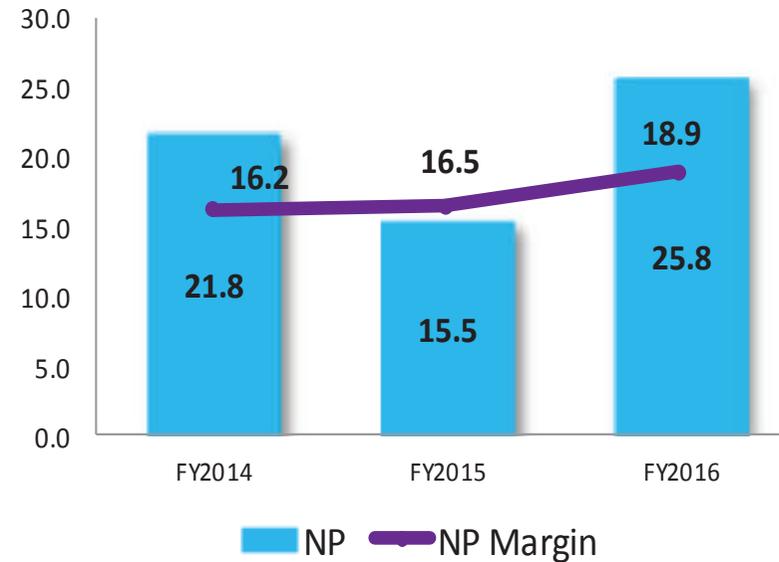


PROFITABILITY

Gross Profit (S\$'m) and GP Margin (%)



Net Profit (S\$'m) and NP Margin (%)



* Net profit attributable to owners



KEY FINANCIAL INDICATORS

PROFITABILITY RATIOS	FY2014	FY2015	FY2016
EPS (cents)	6.23	4.45	7.38
Return On Assets* (%)	14.7	10.3	16.2
Return On Equity*(%)	18.4	12.1	20.5
FINANCIAL POSITION (\$'M)	As At 31 JUL 2015	As At 31 JUL 2016	
Total assets	151.6	159.1	
Total liabilities	22.9	33.3	
Shareholders' equity	128.7	125.8	
NET ASSET VALUE	As At 31 JUL 2015	As At 31 JUL 2016	
NAV per share (cents)	36.82	35.99	
CASHFLOW (\$'M)	FY2015	FY2016	
Net cash from operating activities	30.9	35.4	
Net cash from / (used in) investing activities	1.0	(2.0)	
Net cash (used in) financing activities	(5.6)	(28.2)	
Cash and cash equivalents	84.1	89.2	

* Based on profit net of tax



BUSINESS UPDATES



PROJECTS & OTHER BUSINESS UPDATES IN FY2016

17 Sep 2015

**Secured contract:
\$16m**

- Civil defence doors (Thomson Line)
- LNG project at Pengerang, Johor

15 Oct 2015

**Secured contract:
\$31m**

- Chemical plant project on Jurong Island (additional contract from the same customer)
- Building project in Jurong West
- Defence-related projects in the public sector

3 Dec 2015

**Secured contract:
\$16m**

- Singapore LNG Terminal Phase 3
- Civil defence doors (Thomson-East Coast Line)

Total value of contracts secured: \$63m



ORDER BOOK @ 26 SEPTEMBER 2016

\$48 million to be substantially fulfilled between FY2017 and FY2018

On-going projects include:

- Projects on Jurong Island
- LNG project at Pengerang, Johor
- Civil defence doors for MRT stations along Thomson Line



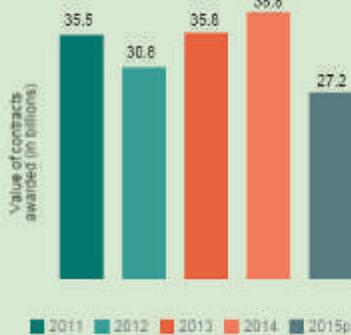
INDUSTRY OUTLOOK



SINGAPORE CONSTRUCTION DEMAND: BCA JANUARY 2016

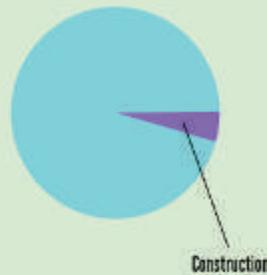


2015 S\$27.2 billion construction contracts awarded



S\$35 billion of construction output*

4.7% share of GDP



Construction output* to moderate between S\$32-34 billion

Average value of contracts to be awarded each year in:

2017-2018

S\$26-35 billion

2019-2020

S\$26-37 billion

2016

S\$27-34 billion worth of construction contracts to be awarded



Civil Engineering

S\$10.7-12.9b

Both public and private sector demand to increase, supported by major infrastructure projects.



Residential

S\$6.6-8.1b

Increase in public housing demand due to ramp-up in Home Improvement Programme to offset slowdown in private residential demand.



Industrial

S\$4.0-5.4b

Private sector demand to moderate due to uncertain economic outlook but supported by an increase in public industrial projects.



Institutional & Others

S\$3.9-5.2b

Total demand to moderate, with the bulk of demand coming from the public sector.



Commercial

S\$1.9-2.5b

Remain subdued but supported by upcoming asset enhancement projects and construction of mixed developments.

Highest proportion of public sector construction demand since 2002



Public sector (85%) Private sector (15%)

Key projects:

- Home Improvement Programme for HDB flats
- New National Cancer Centre
- State Courts' new building
- JTC's Integrated Logistics Hub
- PUB's water reclamation and sewerage projects
- Changi Airport's 3-runway system
- Improvement works to PIE and KJE
- Remaining Thomson-East Coast MRT line contracts



Source: Straits Times; BCA

*Construction output is measured in terms of certified progress payments for work done.



SOME POTENTIAL PROJECTS IN SINGAPORE

PUBLIC SECTOR PROJECTS

- **Buildings:** Furniture Hub at Sungei Kadut and Multi-User Industrial Development at Defu South, New National Cancer Centre
- **Changi Airport** T5, Terminal 1 Fixed Gangways/Aerobridges
- **Infrastructure:** KJE and PIE improvement works and KPE / TPE interchange expansion; and port/berth facilities,
- **MRT/Rail:** Thomson-East Coast Line and Changi Depot; Cross Island Line; Jurong Region Line; Eastern Region Line; and Singapore-KL high speed rail, LTA Contract T301 4-In-1 MRT & Bus Depot
- **Utilities:** PUB's water reclamation and sewerage projects; Singapore Power Transmission Cable Tunnel; and Chua Chu Kang Waterworks Contract 2

PRIVATE SECTOR PROJECTS

- Second LNG terminal in Singapore
- Petronas' Refinery and Petrochemical Integrated Development (RAPID) in Pengerang, Malaysia
- Phase 3 expansion of Jurong water reclamation plant
- Expansion of various plants on Jurong Island
- Paya Lebar Central commercial development
- Mixed Development at Funan Centre
- Mixed Development at Park Mall



OUTLOOK AND BUSINESS STRATEGY

Structural Steel opportunities in Singapore and Malaysia

Higher value projects to protect margins

Productivity and cost management to stay competitive

Explore new areas of business

Challenges:

- **Economic uncertainties**
 - **Increasing competition**
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THANK YOU
Q & A s