

Press Release

Structural steel specialist T T J announces earnings of S\$3.8 million for FY2019 with order book of S\$182 million

- Order book stands at S\$182 million, to be progressively delivered until FY2022

Financial highlights for the 12 months ended 31 July:

(S\$m)	FY2019	FY2018	Chg (%)
Revenue	76.6	92.5	(17)
Gross profit	12.0	19.0	(37)
Gross profit margin (%)	15.8	20.5	(4.7) points
Profit before tax	4.2	10.6	(61)
Net profit attributable to shareholders	3.8	8.9	(58)
Earnings per share (cts)	1.08	2.55	(58)

Singapore, 23 September 2019 – T T J Holdings Limited (“T T J” or together with its subsidiaries, the “Group”), one of Singapore’s largest structural steel specialists, reported a net attributable profit of S\$3.8 million for the 12 months period ended 31 July 2019 (“FY2019”).

Revenue for FY2019 came in lower year-on-year at S\$76.6 million due to comparatively lower revenue from the structural steel business, where fewer works were completed for on-going projects in FY2019 when compared to the previous reporting year. This was due to delays arising from rescheduling of certain projects, which impacted the Group’s revenue recognition for FY2019.

Its waste management and treatment business, still in its early stage, generated revenue of S\$0.7 million in FY2019 compared with S\$0.3 million last year.

Gross profit margin for FY2019 decreased to 15.8% from 20.5% in FY2018, due to lower gross margins derived from projects executed during FY2019 compared to the previous reporting year.

Moving forward, the Group expects the operating environment to be increasingly challenging amid ongoing macroeconomic uncertainties and Singapore’s declining GDP growth estimates,

although the Building and Construction Authority (“BCA”) has projected stronger construction demand over the medium term, at between S\$27 billion and S\$34 billion per year for 2020 and 2021.

Nonetheless, T T J has managed to secure a strong project order book of S\$182 million as of 23 September 2019, which is expected to be substantially completed between FY2020 and FY2022. The Group also continues to receive enquiries from a mix of public and private sector projects.

Commenting on the Group’s FY2019 performance, Mr Teo Hock Chwee (张福水), Chairman and Managing Director, says: “Despite operating challenges and increasing competition over FY2019, T T J continues to maintain a healthy order book that is expected to contribute to the Group’s income over the next few years.”

“We remain positive on the Group’s prospects as we continue our ongoing diversification into the wood pellet manufacturing business, where we have commenced enhancement and testing of the wood pellet manufacturing machinery at our facility in Thailand. Construction works are also underway at our wood recycling plant in Singapore to, amongst others, further enhance our production line as we prepare for anticipated growth in demand for wood pellets in Asia.”

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About T T J Holdings Limited

With a history that can be traced back to 1981, T T J is widely known as one of the largest structural steel fabricators based in Singapore with a current combined annual maximum production capacity of 42,000 tonnes of normal steel structure at its fabrication facilities located in Singapore and Johor, Malaysia. The Group’s core business lies in the design, supply, fabrication and erection of a wide spectrum of structural steelworks for use in the construction of buildings, factories, plants and infrastructure. Since 1 April 2010, T T J is listed on the Mainboard of the Singapore Stock Exchange. For more information, please visit <http://www.ttj.com.sg/>.

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