

**UNAUDITED FINANCIAL STATEMENTS AND RELATED ANNOUNCEMENT FOR THE FIRST QUARTER ENDED 31 OCTOBER 2019**

**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**

	<b>Group</b>		<b>Change</b>
	<b>3 months ended 31/10/19</b>	<b>3 months ended 31/10/18</b>	
	<b>S\$'000</b>	<b>S\$'000</b>	<b>%</b>
<b>Revenue</b>	16,297	18,999	(14)
Cost of Sales	(13,648)	(15,386)	(11)
<b>Gross Profit</b>	2,649	3,613	(27)
Finance Income	67	125	(46)
Other Income and Gains	232	351	(34)
Administrative Expenses	(2,105)	(2,894)	(27)
Finance Costs	(95)	(56)	70
Other Losses	(359)	(44)	716
<b>Profit Before Tax From Continuing Operations</b>	389	1,095	(64)
Income Tax Expense	(240)	(85)	182
<b>Profit From Continuing Operations, Net of Tax</b>	149	1,010	(85)
<b>Other Comprehensive Loss:</b>			
<b>Item That Will Not Be Reclassified to Profit or Loss:</b>			
Fair Value Changes on Equity Shares at FVTOCI, Net of Tax	(23)	(252)	(91)
<b>Items That May Be Reclassified Subsequently to Profit or Loss:</b>			
Exchange Differences on Translating Foreign Operations, Net of Tax	(463)	(341)	36
<b>Other Comprehensive Loss for the Period, Net of Tax</b>	(486)	(593)	(18)
<b>Total Comprehensive (Loss)/Income</b>	(337)	417	(181)
<b>Profit Attributable to:</b>			
Owners of the Parent, Net of Tax	326	976	(67)
Non-Controlling Interests, Net of Tax	(177)	34	(621)
<b>Profit Net of Tax</b>	149	1,010	(85)
<b>Total Comprehensive (Loss)/Income Attributable to:</b>			
Owners of the Parent	(162)	387	(142)
Non-Controlling Interests	(175)	30	(683)
<b>Total Comprehensive (Loss)/Income</b>	(337)	417	(181)

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  
 (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:

	<b>Group</b>	
	<b>3 months ended 31/10/19 S\$'000</b>	<b>3 months ended 31/10/18 S\$'000</b>
Amortisation of lease premium prepayment	(7)	(7)
Depreciation of property, plant and equipment	(921)	(625)
Dividend income	60	53
Foreign exchange losses	(359)	(44)
Government grants	59	63
Gain on disposal of plant and equipment	12	2

*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**

	<b>Group</b>		<b>Company</b>	
	<b>31/10/19</b>	<b>31/07/19</b>	<b>31/10/19</b>	<b>31/07/19</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
<b>ASSETS</b>				
<b><u>Non-Current Assets</u></b>				
Property, Plant and Equipment	74,761	72,821	–	–
Investments in Subsidiaries	–	–	6,923	6,923
Other Receivables	–	–	34,558	32,758
Other Financial Assets	3,001	2,997	3,001	2,997
Other Non-Financial Assets	888	895	–	–
<b>Total Non-Current Assets</b>	<b>78,650</b>	<b>76,713</b>	<b>44,482</b>	<b>42,678</b>
<b><u>Current Assets</u></b>				
Inventories	589	583	–	–
Trade and Other Receivables	20,765	21,129	758	1,544
Contract Assets	33,479	35,063	–	–
Other Non-Financial Assets	465	351	28	28
Cash and Cash Equivalents	37,260	39,329	12,495	13,142
<b>Total Current Assets</b>	<b>92,558</b>	<b>96,455</b>	<b>13,281</b>	<b>14,714</b>
<b>Total Assets</b>	<b>171,208</b>	<b>173,168</b>	<b>57,763</b>	<b>57,392</b>
<b>EQUITY AND LIABILITIES</b>				
<b><u>Equity</u></b>				
Share Capital	22,890	22,890	22,890	22,890
Retained Earnings	117,726	117,400	33,862	33,531
Other Reserves	(800)	(312)	692	715
<b>Equity, Attributable to Owners of the Parent, Total</b>	<b>139,816</b>	<b>139,978</b>	<b>57,444</b>	<b>57,136</b>
Non-Controlling Interests	3,054	3,229	–	–
<b>Total Equity</b>	<b>142,870</b>	<b>143,207</b>	<b>57,444</b>	<b>57,136</b>
<b><u>Non-Current Liabilities</u></b>				
Deferred Tax Liabilities	1,360	1,367	–	–
Finance Leases	7	10	–	–
Other Financial Liabilities	6,331	6,623	–	–
<b>Total Non-Current Liabilities</b>	<b>7,698</b>	<b>8,000</b>	<b>–</b>	<b>–</b>
<b><u>Current Liabilities</u></b>				
Income Tax Payable	758	650	106	128
Trade and Other Payables	17,223	19,123	213	128
Finance Leases	13	13	–	–
Other Financial Liabilities	1,435	1,389	–	–
Contract Liabilities	1,211	786	–	–
<b>Total Current Liabilities</b>	<b>20,640</b>	<b>21,961</b>	<b>319</b>	<b>256</b>
<b>Total Liabilities</b>	<b>28,338</b>	<b>29,961</b>	<b>319</b>	<b>256</b>
<b>Total Equity and Liabilities</b>	<b>171,208</b>	<b>173,168</b>	<b>57,763</b>	<b>57,392</b>

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

	<b>As at 31/10/19</b>	<b>As at 31/07/19</b>
	<b>S\$'000</b>	<b>S\$'000</b>
<b><u>Secured</u></b>		
Amount repayable in one year or less, or on demand	1,448	1,402
Amount repayable after one year	6,338	6,633
	<b>7,786</b>	<b>8,035</b>

**Details of any collateral:**

The Group's borrowings were secured by the legal mortgage on a Group's freehold land, freehold property, plant and machinery 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**

	<b>Group</b>	
	<b>3 months ended 31/10/19 S\$'000</b>	<b>3 months ended 31/10/18 S\$'000</b>
<b><u>Cash Flows From Operating Activities</u></b>		
Profit Before Tax	389	1,095
Adjustments for:		
Interest Expenses	95	56
Interest Income	(67)	(125)
Amortisation of Lease Premium Prepayment	7	7
Depreciation of Property, Plant and Equipment	921	625
Dividend Income	(60)	(53)
Gain on disposal of Plant and Equipment	(12)	(2)
Property, Plant and Equipment Written Off	–	–
Operating Cash Flows Before Changes in Working Capital	1,273	1,603
Trade and Other Receivables and Contract Assets	1,689	9,395
Inventories	(8)	151
Trade and Other Payables and Contract Liabilities	(1,383)	2,070
Net Cash Flows From Operations	1,571	13,219
Income Taxes Paid	(129)	(472)
Income Taxes Refund	–	–
<b>Net Cash Flows From Operating Activities</b>	<b>1,442</b>	<b>12,747</b>
<b><u>Cash Flows From Investing Activities</u></b>		
Dividend Received	32	32
Purchase of Property, Plant and Equipment	(3,134)	(3,796)
Proceeds from Disposal of Plant and Equipment	21	2
Acquisition of Non-Controlling Interest In a Subsidiary	–	(60)
Interest Received	67	125
<b>Net Cash Flows Used In Investing Activities</b>	<b>(3,014)</b>	<b>(3,697)</b>
<b><u>Cash Flows From Financing Activities</u></b>		
Decrease in Bills Payables	(139)	(690)
Interest Paid	(95)	(56)
Repayment of Borrowings	(203)	(33)
Repayment of Finance Lease Obligations	(3)	(8)
<b>Net Cash Flows Used In Financing Activities</b>	<b>(440)</b>	<b>(787)</b>
<b>Net (Decrease) / Increase in Cash and Cash Equivalents</b>	<b>(2,012)</b>	<b>8,263</b>
Cash and Cash Equivalents, Statement of Cash Flows, Beginning Balance	39,329	56,601
Effect of Exchange Rate Changes on Cash and Cash Equivalents	(57)	(34)
<b>Cash and Cash Equivalents, Statement of Cash Flows, Ending Balance</b>	<b>37,260</b>	<b>64,830</b>
<b><u>Cash and Cash Equivalents in the Statement of Cash Flows:</u></b>		
Cash and Cash Equivalents per Statement of Financial Position	37,260	64,914
Bank Overdrafts	–	(84)
Cash and Cash Equivalents for Statement of Cash Flows Purpose at End of Period	<b>37,260</b>	<b>64,830</b>

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**

	<b>Total Equity</b>	<b>Attributable to Parent Sub-total</b>	<b>Share Capital</b>	<b>Retained Earnings</b>	<b>Other Reserves<sup>1</sup></b>	<b>Non- Controlling Interests</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
<b>Group</b>						
<b>Current Year:</b>						
<b>Opening Balance at 1 August 2019</b>	143,207	139,978	22,890	117,400	(312)	3,229
<b>Changes in Equity:</b>						
Total Comprehensive Loss for the Period	(337)	(162)	–	326	(488)	(175)
<b>Closing Balance at 31 October 2019</b>	<b>142,870</b>	<b>139,816</b>	<b>22,890</b>	<b>117,726</b>	<b>(800)</b>	<b>3,054</b>
<b>Previous Year:</b>						
<b>Opening Balance at 1 August 2018</b>	139,045	138,791	22,890	116,091	(190)	254
<b>Movements in Equity:</b>						
Total Comprehensive Income for the Period	417	387	–	976	(589)	30
Acquisition of Non-Controlling Interest Without a Change in Control	(60)	(34)	–	(34)	–	(26)
<b>Closing Balance at 31 October 2018</b>	<b>139,402</b>	<b>139,144</b>	<b>22,890</b>	<b>117,033</b>	<b>(779)</b>	<b>258</b>
<b>Company</b>						
<b>Current Year:</b>						
<b>Opening Balance at 1 August 2019</b>	57,136	22,890	33,531	715		
<b>Movements in Equity:</b>						
Total Comprehensive Income for the Period	308	–	331	(23)		
<b>Closing Balance at 31 October 2019</b>	<b>57,444</b>	<b>22,890</b>	<b>33,862</b>	<b>692</b>		
<b>Previous Year:</b>						
<b>Opening Balance at 1 August 2018</b>	58,509	22,890	34,870	749		
<b>Movements in Equity:</b>						
Total Comprehensive Income for the Period	41	–	293	(252)		
<b>Closing Balance at 31 October 2018</b>	<b>58,550</b>	<b>22,890</b>	<b>35,163</b>	<b>497</b>		

<sup>1</sup> Other reserves consist of foreign currency translation reserve and equity instruments at fair value through other comprehensive income reserve.

**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 2019.

During the financial period, the Company did not purchase any shares under the share buyback mandate. As at 31 October 2019, the Company held 500,000 treasury shares (31 October 2018: 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 2019, the total number of issued shares (excluding treasury shares) was 349,500,000 (31 July 2019: 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 2019.

**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: -*

	<b>Group</b>	
	<b>3 months ended 31/10/19</b>	<b>3 months ended 31/10/18</b>
	<b>cents</b>	<b>cents</b>
Basic earnings per share	0.09	0.28

Basic earnings per share for the period ended 31 October 2019 and 2018 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.*

	<b>Group</b>		<b>Company</b>	
	<b>31/10/19</b>	<b>31/07/19</b>	<b>31/10/19</b>	<b>31/07/19</b>
	<b>cents</b>	<b>cents</b>	<b>cents</b>	<b>cents</b>
Net asset value per share	40.00	40.05	16.44	16.35

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 2019 and 31 July 2019.

- 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 2019 ("1QFY2020"), the Group recorded revenue of \$16.3 million, a decrease of 14% as compared to \$19.0 million for the previous corresponding period ("1QFY2019"). The decrease was due to the decrease in revenue from the structural steel business.

Administrative expenses decreased by 27% from \$2.9 million in 1QFY2019 to \$2.1 million in 1QFY2020. This was mainly due to the decrease in staff related costs and the reduction in donation.

Profit before tax of the Group was \$0.4 million in 1QFY2020 as compared to \$1.1 million in 1QFY2019.

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 \$173.2 million as at 31 July 2019 to \$171.2 million as at 31 October 2019. This was mainly due to decreases in cash and cash equivalents and contract assets, partially offset by an increase in property, plant and equipment as a result of the construction work on wood pellet manufacturing facility in Singapore.
- (ii) Total liabilities decreased from \$30.0 million as at 31 July 2019 to \$28.3 million as at 31 October 2019. This was mainly due to a decrease in trade and other payables, partially offset by an increase in contract liabilities.

Review of changes in cash flow

The net cash flows generated from operating activities amounted to \$1.4 million in 1QFY2020 as compared to \$12.8 million in 1QFY2019.

The net cash flows used in investing activities amounted to \$3.0 million in 1QFY2020 as compared to \$3.7 million in 1QFY2019. The major investing activities were mainly for the construction work in Singapore to enhance the production line for wood pellet manufacturing in 1QFY2020 while the investing activities in 1QFY2019 were mainly for the acquisition of property and equipment in Thailand in relation to the Group's waste management and treatment business.

The net cash flows used in financing activities amounted to \$0.4 million in 1QFY2020 as compared to \$0.8 million in 1QFY2019. The higher cash flows used in 1QFY2019 was mainly due to the repayment of bill payables.

Cash and cash equivalents for the statement of cash flows of the Group stood at \$37.3 million as at 31 October 2019, representing a decrease of \$27.5 million as compared to \$64.8 million as at 31 October 2018.

**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 4 December 2019, T T J's projects order book stands at \$161 million with projects expected to be substantially completed between FY2020 and FY2022.

The Ministry of Trade and Industry Singapore ("MTI") published its Singapore economy outlook report on 21 November 2019. Taking into account the global and domestic economic environment, MTI expects growth in the Singapore economy to pick up modestly in 2020 as compared to 2019. MTI also projects growth in the construction sector to be sustained in 2020.

Notwithstanding these projections, the Group expects the operating environment to remain challenging given that competition, margin pressures and collection risks in the construction industry have intensified. The Group will continue its proactive and prudent approach to mitigate these headwinds.

To date, the Group continues to receive a good mix of project enquiries from the public and private sectors. It intends to carefully evaluate potential projects to manage its risks.

The waste management and treatment business is relatively new and the Group is in the process of developing this business. The wood pellet manufacturing facility in Thailand recently completed an upgrading which has improved its efficiency and productivity. Production at the manufacturing facility in Thailand is expected to commence in 2QFY2020. The construction of a new-build wood pellet manufacturing plant in Singapore is in progress and is expected to enhance the Group's production of wood pellet manufacturing upon completion. The Board will continue to update shareholders as and when there are material developments in this business.

**11 Dividend**

**(a) Current financial period reported on 31 October 2019**

- (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.

**11 Dividend (Cont'd)**

**(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 2019.

**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 2019 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

4 December 2019  
Singapore