



**TRIYARDS HOLDINGS LIMITED**  
(Incorporated in Singapore)  
(UEN/Company Registration Number: 201210555Z)

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**RESPONSE TO SGX QUERIES ON THE COMPANY'S  
UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT  
FOR THE FIRST QUARTER ENDED 30 NOVEMBER 2015**

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The Board of Directors of Triyards Holdings Limited (the "**Company**") refers to its announcement ("**Results Announcement**") on 8 January 2016 on the Unaudited Financial Statements and Dividend Announcement for the First Quarter ended 30 November 2015. Capitalised terms not otherwise defined herein shall have the meanings respectively ascribed to them in the Results Announcement. In this regard, the Board would like to respond to the following queries ("**SGX's Query**") raised by the Singapore Exchange Securities Trading Limited (the "**SGX**") as follows:

***For SGX's Query (1):-***

During the first quarter of financial year 2016, balance of "cash pledged" increased from US\$2.938 million to US\$18.102 million (paragraph 1(b)(i)).

Please provide an explanation for the increase in the balance of "cash pledged".

**Company's response:**

We refer to Page 4 of the Results Announcement – Statement of Financial Position. Increase in cash pledged amounting to US\$15.164 million, from US\$2.938 million as at 31 August 2015 to US\$18.102 million as 30 November 2015, was mainly relating to cash pledged, of US\$15.3 million, with one of our banks as part of the security conditions for issuance of refund guarantees to one of our clients pursuant to the ship building contracts signed.

***For SGX's Query (2):-***

Please provide an explanation for the increase in the Group's borrowing and debt securities.

**Company's response:**

We refer to Page 4 of the Results Announcement – Aggregate amount of Group's Borrowings and Debt Securities. The aggregate amount of Group's borrowing increased by US\$9.22 million, from US\$104.12 million as at 31 August 2015 to US\$113.34 million as at 30 November 2015.

The increase was mainly attributable to drawdown by two of our subsidiaries, amounting to US\$11.4 million, from unsecured working capital facilities in order to fund working capital requirements for our shipyards in Vietnam, as well as for the purchases of raw material and equipment relating to our shipbuilding and fabrication projects secured in the previous financial year. This increase was partially offset by loan repayment of secured debt by one of the subsidiaries in Vietnam amounting to US\$2.3 million.

By Order of the Board

Yeo Keng Nien  
Company Secretary  
13 January 2016