

FULL YEAR FINANCIAL STATEMENTS AND RELATED ANNOUNCEMENT FOR THE YEAR ENDED 31 JULY 2014

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 | | Change % |
|---|-----------------------------|-----------------------------|---------------------|
| | 31/07/14 S\$'000 | 31/07/13 S\$'000 | |
| Revenue | 134,679 | 127,388 | 6 |
| Cost of Sales | (97,689) | (99,379) | (2) |
| Gross Profit | 36,990 | 28,009 | 32 |
| Other Items of Income | | | |
| Finance Income | 267 | 219 | 22 |
| Other Credits | 1,978 | 1,832 | 8 |
| Other Items of Expense | | | |
| Administrative Expenses | (12,170) | (11,747) | 4 |
| Finance Costs | (182) | (367) | (50) |
| Other Charges | (325) | (87) | 274 |
| Profit Before Tax | 26,558 | 17,859 | 49 |
| Income Tax Expense | (4,751) | (2,987) | 59 |
| Profit Net of Tax | 21,807 | 14,872 | 47 |
| Other Comprehensive Income: | | | |
| Items that may be reclassified subsequently to profit or loss: | | | |
| Exchange Differences on Translating Foreign Operations, Net of Tax | 250 | (14) | n.m. |
| Available-for-Sale Financial Assets, Net of Tax | | | |
| - Fair Value Gains / (Losses) | 79 | (26) | n.m. |
| - Reclassification | (11) | - | n.m. |
| Other Comprehensive Income / (Loss) for the Year, Net of Tax | 318 | (40) | n.m. |
| Total Comprehensive Income | 22,125 | 14,832 | 49 |
| Profit Attributable to: | | | |
| Owners of the Parent, Net of Tax | 21,806 | 14,871 | 47 |
| Non-Controlling Interests, Net of Tax | 1 | 1 | n.m. |
| | 21,807 | 14,872 | 47 |
| Total Comprehensive Income Attributable to: | | | |
| Owners of the Parent | 22,124 | 14,831 | 49 |
| Non-Controlling Interests | 1 | 1 | n.m. |
| | 22,125 | 14,832 | 49 |

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 other receivables – (loss) | (77) | - |
| Allowance for impairment on trade receivables – (loss) / reversal | (36) | 148 |
| Bad debts written off – trade receivables | (25) | (19) |
| Depreciation of investment property | (2,467) | (2,468) |
| Depreciation of property, plant and equipment | (1,882) | (1,810) |
| Foreign exchange losses | (26) | (54) |
| Gain on disposal of available-for-sale financial assets | 62 | 30 |
| Gain on disposal of property, plant and equipment | 29 | 79 |
| Government grants | 161 | 119 |
| Plant and equipment written off | (148) | (14) |
| Over provision of tax in respect of prior years | 68 | 126 |

* amount less than \$500

n.m. - not meaningful

I(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 | |
|--|-----------------|-----------------|-----------------|-----------------|
| | 31/07/14 | 31/07/13 | 31/07/14 | 31/07/13 |
| | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| ASSETS | | | | |
| <u>Non-Current Assets</u> | | | | |
| Property, Plant and Equipment | 21,865 | 21,818 | – | – |
| Investment Property | 5,963 | 8,430 | – | – |
| Investments in Subsidiaries | – | – | 6,440 | 6,440 |
| Trade and Other Receivables | – | – | 2,062 | – |
| Other Financial Assets | 1,866 | 481 | 1,085 | 208 |
| Total Non-Current Assets | 29,694 | 30,729 | 9,587 | 6,648 |
| <u>Current Assets</u> | | | | |
| Inventories | 5,806 | 2,764 | – | – |
| Trade and Other Receivables | 53,975 | 62,560 | 11,774 | 1,283 |
| Other Assets | 403 | 469 | 28 | 22 |
| Cash and Cash Equivalents | 58,082 | 42,386 | 12,781 | 19,843 |
| Total Current Assets | 118,266 | 108,179 | 24,583 | 21,148 |
| Total Assets | 147,960 | 138,908 | 34,170 | 27,796 |
| EQUITY AND LIABILITIES | | | | |
| <u>Equity</u> | | | | |
| Share Capital | 22,998 | 22,998 | 22,998 | 22,998 |
| Retained Earnings | 96,137 | 76,379 | 8,913 | 3,005 |
| Other Reserves | (397) | 385 | 76 | 524 |
| Equity, Attributable to Owners of the Parent, Total | 118,738 | 99,762 | 31,987 | 26,527 |
| Non-Controlling Interests | 3 | 2 | – | – |
| Total Equity | 118,741 | 99,764 | 31,987 | 26,527 |
| <u>Non-Current Liabilities</u> | | | | |
| Deferred Tax Liabilities | 1,395 | 1,363 | – | – |
| Finance Leases | – | 89 | – | – |
| Other Financial Liabilities | – | 2,838 | – | – |
| Total Non-Current Liabilities | 1,395 | 4,290 | – | – |
| <u>Current Liabilities</u> | | | | |
| Income Tax Payable | 4,391 | 3,075 | 2 | 21 |
| Trade and Other Payables | 21,677 | 25,947 | 2,181 | 1,248 |
| Finance Leases | – | 57 | – | – |
| Other Financial Liabilities | 720 | 4,876 | – | – |
| Other Liabilities | 1,036 | 899 | – | – |
| Total Current Liabilities | 27,824 | 34,854 | 2,183 | 1,269 |
| Total Liabilities | 29,219 | 39,144 | 2,183 | 1,269 |
| Total Equity and Liabilities | 147,960 | 138,908 | 34,170 | 27,796 |

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

| | As at 31/07/14 | As at 31/07/13 |
|--|-----------------------|-----------------------|
| | S\$'000 | S\$'000 |
| <u>Secured</u> | | |
| Amount repayable in one year or less, or on demand | 720 | 4,933 |
| Amount repayable after one year | – | 2,927 |
| | 720 | 7,860 |

Details of any collateral:

The Group's borrowings are covered by corporate guarantee of the Company.

I(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 | |
|--|-----------------|-----------------|
| | 31/07/14 | 31/07/13 |
| | S\$'000 | S\$'000 |
| <u>Cash Flows From Operating Activities</u> | | |
| Profit Before Tax | 26,558 | 17,859 |
| Adjustments for: | | |
| Interest Expenses | 182 | 367 |
| Interest Income | (267) | (219) |
| Depreciation of Investment Property | 2,467 | 2,468 |
| Depreciation of Property, Plant and Equipment | 1,882 | 1,810 |
| Dividend Income | (19) | – |
| Gain on Disposal of Available-for-Sale Financial Assets | (62) | (30) |
| Gain on Disposal of Property, Plant and Equipment | (29) | (79) |
| Plant and Equipment Written Off | 148 | 14 |
| Share-Based Payments | – | 244 |
| Operating Cash Flows before Changes in Working Capital | 30,860 | 22,434 |
| Cash Restricted in Use Over Three Months | 477 | 293 |
| Trade and Other Receivables | 8,936 | 2,729 |
| Inventories | (3,041) | (2,329) |
| Trade and Other Payables | (4,366) | (1,942) |
| Net Cash Flows from Operations | 32,866 | 21,185 |
| Income Taxes Paid | (3,496) | (3,781) |
| Income Taxes Refund | 103 | 156 |
| Net Cash Flows From Operating Activities | 29,473 | 17,560 |
| <u>Cash Flows From Investing Activities</u> | | |
| Dividend Received | 2 | – |
| Purchase of Property, Plant and Equipment | (1,875) | (1,028) |
| Purchase of Other Financial Assets | (2,196) | (1,155) |
| Proceeds from Disposal of Property, Plant and Equipment | 29 | 734 |
| Proceeds from Disposal of Other Financial Assets | 957 | 678 |
| Interest Received | 267 | 219 |
| Net Cash Flows Used in Investing Activities | (2,816) | (552) |
| <u>Cash Flows From Financing Activities</u> | | |
| Repayment of Borrowings | (3,252) | (451) |
| Decrease in Bill Payables | (3,691) | (2,215) |
| Finance Lease Repayments | (143) | (541) |
| Interest Paid | (182) | (367) |
| Dividend Paid to Equity Owners | (3,148) | (2,800) |
| Purchase of Treasury Shares | – | (56) |
| Net Cash Flows Used in Financing Activities | (10,416) | (6,430) |
| Net Increase in Cash and Cash Equivalents | 16,241 | 10,578 |
| Cash and Cash Equivalents, Statement of Cash Flows, Beginning Balance | 41,599 | 30,908 |
| Effect of Exchange Rate Changes on Cash and Cash Equivalents | (68) | 113 |
| Cash and Cash Equivalents, Statement of Cash Flows, Ending Balance | 57,772 | 41,599 |
| <u>Cash and Cash Equivalents in the Statement of Cash Flows:</u> | | |
| Cash and cash equivalents per statement of financial position | 58,082 | 42,386 |
| Cash restricted in use over three months | (310) | (787) |
| Cash and cash equivalents for statement of cash flows purpose at end of period | 57,772 | 41,599 |

Non-cash transactions:

During the year, there were acquisitions of property, plant and equipment with a total cost of \$313,000 (2013: \$86,000) acquired by means of vendor payables.

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 2013 | 99,764 | 99,762 | 22,998 | 76,379 | 385 | 2 |
| Movements in Equity: | | | | | | |
| Total Comprehensive Income for the Year | 22,125 | 22,124 | – | 21,806 | 318 | 1 |
| Transfer from Share-based Payments Reserve | – | – | – | 1,100 | (1,100) | – |
| Dividends Paid | (3,148) | (3,148) | – | (3,148) | – | – |
| Closing Balance at 31 July 2014 | 118,741 | 118,738 | 22,998 | 96,137 | (397) | 3 |

Previous Year:

| | | | | | | |
|---|---------------|---------------|---------------|---------------|------------|----------|
| Opening Balance at 1 August 2012 | 87,544 | 87,542 | 23,054 | 64,307 | 181 | 2 |
| Movements in Equity: | | | | | | |
| Total Comprehensive Income for the Year | 14,832 | 14,831 | – | 14,871 | (40) | 1 |
| Acquisition of Non-Controlling Interest without a Change in Control | – | 1 | – | 1 | – | (1) |
| Purchase of Treasury Shares | (56) | (56) | (56) | – | – | – |
| Share-based Payments | 244 | 244 | – | – | 244 | – |
| Dividends Paid | (2,800) | (2,800) | – | (2,800) | – | – |
| Closing Balance at 31 July 2013 | 99,764 | 99,762 | 22,998 | 76,379 | 385 | 2 |

| Total Equity | Share Capital | Retained Earnings | Other Reserves |
|-------------------------|--------------------------|------------------------------|---------------------------|
| S\$'000 | S\$'000 | S\$'000 | S\$'000 |

Company

Current Year:

| | | | | |
|--|---------------|---------------|--------------|-----------|
| Opening Balance at 1 August 2013 | 26,527 | 22,998 | 3,005 | 524 |
| Movements in Equity: | | | | |
| Total Comprehensive Income for the Year | 8,608 | – | 8,549 | 59 |
| Transfer from Share-based Payments Reserve | – | – | 507 | (507) |
| Dividends Paid | (3,148) | – | (3,148) | – |
| Closing Balance at 31 July 2014 | 31,987 | 22,998 | 8,913 | 76 |

Previous Year:

| | | | | |
|---|---------------|---------------|--------------|------------|
| Opening Balance at 1 August 2012 | 25,192 | 23,054 | 1,765 | 373 |
| Movements in Equity: | | | | |
| Total Comprehensive Income for the Year | 4,057 | – | 4,040 | 17 |
| Purchase of Treasury Shares | (56) | (56) | – | – |
| Share-based Payments | 134 | – | – | 134 |
| Dividends Paid | (2,800) | – | (2,800) | – |
| Closing Balance at 31 July 2013 | 26,527 | 22,998 | 3,005 | 524 |

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 2013.

During the financial year, the Company did not purchase any shares under the share buyback mandate. As at 31 July 2014, the Company held 200,000 treasury shares (31 July 2013: 200,000).

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 July 2014, the total number of issued shares (excluding treasury shares) was 349,800,000 (31 July 2013: 349,800,000).

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.

Except for adoption of the new and revised Financial Reporting Standards as disclosed in the paragraph 5 below, 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 2013.

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.*

The following new or revised Singapore Financial Reporting Standards were adopted for the first time in the current financial period:

| <u>FRS No.</u> | <u>Title</u> |
|----------------|---|
| FRS 1 | Amendment to FRS 1 Presentation of Financial Statements (Annual Improvements) |
| FRS 16 | Amendment to FRS 16 Property, Plant and Equipment (Annual Improvements) |
| FRS 19 | Employee Benefits (Revised) |
| FRS 32 | Amendment to FRS 32 Financial instruments: Presentation (Annual Improvements) |
| FRS 107 | Amendments to FRS 32 and 107 titled Offsetting Financial Assets and Financial Liabilities |
| FRS 113 | Fair Value Measurements |
| INT FRS 120 | Stripping Costs in the Production Phase of a Surface Mine (*) |

(*) Not relevant to the entity.

The adoption of the above FRSs does not have any significant impact on the 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 | |
|--------------------------|-----------------|-----------------|
| | 31/07/14 | 31/07/13 |
| | cents | cents |
| Basic earnings per share | 6.23 | 4.25 |

Basic earnings per share for the period ended 31 July 2014 and 2013 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 349,800,000 and 349,981,370 ordinary shares respectively.

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 | |
|---------------------------|-----------------|-----------------|-----------------|-----------------|
| | 31/07/14 | 31/07/13 | 31/07/14 | 31/07/13 |
| | cents | cents | cents | cents |
| Net asset value per share | 33.94 | 28.52 | 9.14 | 7.58 |

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 349,800,000 ordinary shares as at 31 July 2014 and 31 July 2013.

- 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 12 months ended 31 July 2014 ("FY2014"), the Group reported a 6% increase in revenue to \$134.7 million, as compared to \$127.4 million in the last financial year. This was underpinned by both its structural steel and dormitory businesses.

Revenue from the structural steel business increased from \$111.9 million in FY2013 to \$115.3 million in FY2014. The 3% increase was mainly due to the substantial completion of contract works for a number of major projects which included Methionine Plant; Lanxess Compass Project; Nalco Eastern Hemisphere Core Plant; and Liquefied Natural Gas (LNG) Train 9 project in Bintulu, Sarawak Malaysia for Petroliam Nasional Berhad (Petronas). The on-going projects which also contributed to the Group's revenue during the year included Tuas West MRT Extension Depot; National Art Gallery; and Tanjung Pagar Centre.

The revenue generated by the Group's dormitory business increased by 19.5% from \$15.1 million in FY2013 to \$18.0 million in FY2014, mainly due to a marginal increase in rental rates.

The Group's profitability improved with gross profit margin rising from 22.0% in FY2013 to 27.5% in FY2014. This healthy improvement was mainly due to the Group's dormitory business as well as marginal increase in margins derived from the projects secured and executed during the reporting period.

Other credits increased by 8%, from \$1.8 million in FY2013 to \$2.0 million in FY2014. The higher balance in FY2014 is mainly due to reversal of allowance for impairment on trade receivables of \$0.1 million.

Administrative expenses increased by 4% from \$11.7 million in FY2013 to \$12.2 million in FY2014. This was mainly due to increase in staff related cost.

Finance costs decreased by 50%, from \$0.4 million in FY2013 to \$0.2 million in FY2014. This was mainly due to the settlement of bank borrowings and lower utilization of banking facilities during the year.

Other charges amounted to \$0.3 million in FY2014 as compared to \$0.1 million in FY2013. The higher amount recorded in the current reporting period was mainly due to plant and equipment written off; allowance for impairment of trade and other receivables; and bad debts written off.

Profit before tax of the Group was \$26.6 million in FY2014 as compared to \$17.9 million in FY2013. The increase was mainly contributed by the higher revenue and better gross margin recorded as explained above, an increase in other credits and offset by an increase in other charges.

Review of changes in working capital, assets and liabilities

The movement in the Group's assets and liabilities are as follows:

- (i) Total assets increased from \$138.9 million in FY2013 to \$148.0 million in FY2014. This was mainly due to an increase in cash and cash equivalents and inventories; and offset by the decrease in trade and other receivables.
- (ii) Total liabilities decreased from \$39.1 million in FY2013 to \$29.2 million in FY2014. This was mainly due to the repayment of bank borrowings and a decrease in trade and other payables.

Review of changes in cash flow

The net cash flow from operating activities amounted to \$29.5 million in FY2014 as compared to \$17.6 million in FY2013.

The net cash flows used in investing activities amounted to \$2.8 million as compared to \$0.6 million in FY2013. The higher cash flows used in investing activities in FY2014 was mainly due to the increase in purchase of property, plant and equipment and other financial assets.

The net cash flows used in financing activities amounted to \$10.4 million in FY2014, compared to \$6.4 million in FY2013, which was mainly used for repayment of bank borrowings and payment of dividend.

Cash and cash equivalents of the Group stood at \$57.8 million as at 31 July 2014, representing an increase of \$16.2 million as compared to \$41.6 million as at 31 July 2013.

9 *Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.*

The Group had previously stated in its FY2014 third quarter results announcement that “Barring any unforeseen circumstances, the Group will be profitable in FY2014”.

As to date of this announcement, there is no variance from the above disclosure.

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.*

Order book and key ongoing projects

As at 25 September 2014, T T J’s projects order book stood at \$97 million following the substantial completion of a number of projects in FY2014. The Group expects the current order book, which includes Tuas West MRT Extension Depot; Tanjong Pagar Centre; Mediapolis @ one-North; DUO; Yishun Community Hospital; and the new State Courts complex at Havelock Square among others, to be substantively delivered within the next two financial years.

The competitive environment has become increasingly keen and the Group expects FY2015 to be a challenging year. Nevertheless, enquiries for public and private sector projects are still active as at to date and the Group will continue to bid for high-yield contracts. At the same time, the Group will continue to manage its costs prudently and strive for higher productivity to keep its costs under control.

11 Dividend

(a) Current financial period reported on 31 July 2014

- (i) Any dividend declared for the current financial period reported on? No
- (ii) Any dividend recommended for the current financial period reported on? Yes

Name of Dividend : First & Final
Dividend Type : Cash
Dividend Amount per Share : 1.4 cent per ordinary share
Tax Rate : Tax exempt (One-tier)

(b) Corresponding period of the immediately preceding financial year

Any dividend declared for the corresponding period of the immediately preceding financial year? Yes

Name of Dividend : First & Final
Dividend Type : Cash
Dividend Amount per Share : 0.9 cent per ordinary share
Tax Rate : Tax exempt (One-tier)

(c) Date payable

The proposed final dividend, if approved by the shareholders at the forthcoming AGM to be held on 28 November 2014, will be paid on 19 December 2014.

(d) Books closure date

The Share Transfer Books and Register of Members of the Company will be closed on 5 December 2014 for the preparation of dividend warrants. Duly completed transfers in respect of ordinary shares in the capital of the Company received by the Company's Registrar, B.A.C.S. Private Limited, up to 5.00 p.m. on 4 December 2014 will be registered to determine shareholders' entitlement to the proposed final dividend. Members whose Securities Accounts with The Central Depository (Pte) Limited are credited with Shares at 5.00 p.m. on 4 December 2014 will be entitled to the proposed final dividend.

12 If no dividend has been declared (recommended), a statement to that effect

Not applicable.

13 Interested Person Transactions

The Company has not obtained any general mandate pursuant to Rule 920 of the Listing Manual. The following is the aggregate value of transactions with interested persons for the financial period under review:

| Name of Interested Persons and Transactions | Aggregate value of all interested persons transactions (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920 of the Listing Manual) | |
|--|---|----------------------|
| | 31/07/2014 \$'000 | 31/07/2013 \$'000 |
| <u>Hup Hin Transport Co Pte Ltd</u> ⁽¹⁾ - Transport and crane services | 2,929 ⁽²⁾ | 3,777 ⁽²⁾ |

Note:

- (1) Chwee Cheng & Sons Pte Ltd is the controlling shareholder of Tat Hong Holdings Ltd and became a controlling shareholder of the Company with effect from 2 April 2012 under the definition of the SGX-ST Listing Rules. Hup Hin Transport Co Pte Ltd is a subsidiary of the Tat Hong Holdings Ltd. Following the sale of Hup Hin Transport Co Pte Ltd by Tat Hong Holdings Ltd on 31 July 2014, Hup Hin Transport Co Pte Ltd had ceased to be an interested person (as defined in the SGX-ST Listing Rules).
- (2) The aggregate value for the financial period under reviewed is less than 5% of the last audited net tangible assets of the Group as at 31 July 2013, being \$99,764,000.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

- 14 *Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.*

Profit or Loss from Continuing Operations and Reconciliations

| | Structural steel | Dormitory | Other | Adjustments and eliminations | Group |
|--|---------------------|-----------|---------|------------------------------------|---------------|
| | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| Continuing Operations FY2014 | | | | | |
| Revenue by Segment | | | | | |
| Sales to external parties | 115,250 | 18,037 | 1,392 | – | 134,679 |
| Inter-segment sales | – | 1,144 | 2,981 | (4,125) | – |
| Total revenue | 115,250 | 19,181 | 4,373 | (4,125) | 134,679 |
| Recurring EBITDA | | | | | |
| Depreciation | (1,697) | (2,571) | (81) | – | (4,349) |
| Finance costs | (182) | – | – | – | (182) |
| Interest income | 54 | 48 | 165 | – | 267 |
| Profit before tax from continuing operations | 14,630 | 11,076 | 852 | – | 26,558 |
| Income tax expenses | | | | | (4,751) |
| Profit from continuing operations | | | | | <u>21,807</u> |
| Continuing Operations FY2013 | | | | | |
| Revenue by Segment | | | | | |
| Sales to external parties | 111,852 | 15,096 | 440 | – | 127,388 |
| Inter-segment sales | – | 927 | 2,625 | (3,552) | – |
| Total revenue | 111,852 | 16,023 | 3,065 | (3,552) | 127,388 |
| Recurring EBITDA | | | | | |
| Depreciation | (1,674) | (2,577) | (27) | – | (4,278) |
| Finance costs | (367) | – | – | – | (367) |
| Interest income | 71 | 31 | 117 | – | 219 |
| Profit before tax from continuing operations | 9,297 | 8,342 | 220 | – | 17,859 |
| Income tax expenses | | | | | (2,987) |
| Profit from continuing operations | | | | | <u>14,872</u> |

Assets and Reconciliations

| | Structural steel | Dormitory | Other | Unallocated | Group |
|---|-------------------------|------------------|---------------|--------------------|---------------|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| 2014 | | | | | |
| Total assets for reportable segments | 111,964 | 15,028 | 20,912 | – | 147,904 |
| Unallocated: | | | | | |
| Tax recoverable | – | – | – | 56 | 56 |
| Total group assets | 111,964 | 15,028 | 20,912 | 56 | 147,960 |
| 2013 | | | | | |
| Total assets for reportable segments | 99,963 | 18,343 | 20,541 | – | 138,847 |
| Unallocated: | | | | | |
| Tax recoverable | – | – | – | 61 | 61 |
| Total group assets | 99,963 | 18,343 | 20,541 | 61 | 138,908 |
| Expenditure for non-current assets | | | | | |
| 2014 | 2,105 | 3 | 80 | – | 2,188 |
| 2013 | 905 | 5 | 204 | – | 1,114 |

Liabilities and Reconciliations

| | Structural steel | Dormitory | Other | Unallocated | Group |
|---|-------------------------|------------------|---------------|--------------------|---------------|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| 2014 | | | | | |
| Total liabilities for reportable segments | 17,122 | 4,056 | 2,255 | – | 23,433 |
| Unallocated: | | | | | |
| Income tax payable | – | – | – | 4,391 | 4,391 |
| Deferred tax liabilities | – | – | – | 1,395 | 1,395 |
| Total group liabilities | 17,122 | 4,056 | 2,255 | 5,786 | 29,219 |
| 2013 | | | | | |
| Total liabilities for reportable segments | 29,613 | 3,729 | 1,364 | – | 34,706 |
| Unallocated: | | | | | |
| Income tax payable | – | – | – | 3,075 | 3,075 |
| Deferred tax liabilities | – | – | – | 1,363 | 1,363 |
| Total group liabilities | 29,613 | 3,729 | 1,364 | 4,438 | 39,144 |

Geographical Information

| | Revenue | | Non-current assets | |
|-----------|-----------------|-----------------|---------------------------|-----------------|
| | 31/07/14 | 31/07/13 | 31/07/14 | 31/07/13 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Singapore | 125,236 | 126,148 | 14,194 | 16,810 |
| Malaysia | 9,298 | 800 | 13,392 | 13,193 |
| India | 145 | 440 | 242 | 245 |
| Total | 134,679 | 127,388 | 27,828 | 30,248 |

15 *In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.*

Please refer to paragraph 8.

16 *A breakdown of sales as follows:-*

| | Group | | |
|---|-----------------------------------|-----------------------------------|---------------------------|
| | 31/07/14 S\$'000 | 31/07/13 S\$'000 | Change % |
| (a) Sales reported for first half year | 73,263 | 75,449 | (3) |
| (b) Operating profit after tax before deducting non-controlling interests reported for first half year | 9,927 | 7,345 | 35 |
| (c) Sales reported for second half year | 61,416 | 51,939 | 18 |
| (d) Operating profit after tax before deducting non-controlling interests reported for second half year | 11,880 | 7,527 | 58 |

17 *A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:-*

| | As at 31/07/14 S\$'000 | As at 31/07/13 S\$'000 |
|-----------------------------------|---|---|
| Proposed first and final dividend | 4,897 | 3,148 |

18 *Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer.*

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Company confirms that, to the best of its knowledge, there is no person occupying a managerial position in the Company or in any of its principal subsidiaries, who is a relative of a Director or Chief Executive Officer or Substantial Shareholder of the Company.

BY ORDER OF THE BOARD

Teo Hock Chwee
Chairman and Managing Director

Chiong Su Been
Executive Director and Chief Financial Officer

25 September 2014
Singapore