

PRESS RELEASE

Structural steel specialist T T J's revenue up 25% in 1HFY2020

- Revenue growth mainly due to increased revenue from structural steel business
- Order book stands at S\$139 million as at 4 March 2020

Financial highlights for the second quarter and six months ended 31 January:

(S\$m)	Q2FY2020 3M	Q2FY2019 3M	Chg (%)	1HFY2020 6M	1HFY2019 6M	Chg (%)
Revenue	26.1	14.8	76	42.4	33.8	25
Gross profit	3.5	2.6	35	6.2	6.2	(1)
Profit before tax	1.8	1.1	64	2.2	2.2	-
Net profit attributable to owners of the parent	1.0	0.9	12	1.4	1.9	(28)
Gross profit margin (%)	13.4	17.5	(4.1) pts	14.5	18.4	(3.9) pts
Earnings per share (cts)	0.30	0.26	15	0.39	0.54	(28)

SINGAPORE – 4 March 2020 – T T J Holdings Limited (“T T J” or together with its subsidiaries, the “**Group**”) today reported a 25% year-on-year (“**yoy**”) increase in revenue to S\$42.4 million for the six months ended 31 January 2020 (“**1HFY2020**”) from S\$33.8 million for the six months ended 31 January 2019 (“**1HFY2019**”). This was achieved on the back of improved revenue from its structural steel business.

The Group, however, reported lower net attributable profit of S\$1.4 million and gross margin of 14.5% in spite of the higher revenue in 1HFY2020, compared to S\$1.9 million and 18.4% respectively in 1HFY2019, as projects undertaken by the Group in 1HFY2019 had better gross margins.

It was a strong quarter for the Group. For the three months ended 31 January 2020 (“**Q2FY2020**”), T T J’s revenue rose 76% yoy to S\$26.0 million compared to S\$14.8 million for the three months ended 31 January 2019 (“**Q2FY2019**”), while net attributable profit increased 12% yoy to S\$1.0 million from S\$0.9 million across the same periods. The improvements in both the Group’s revenue and earnings for the quarter were mainly underpinned by revenue growth in its structural steel business.

Commenting on the latest set of results, T T J's Chairman and Managing Director, Mr Teo Hock Chwee (张福水) said, "T T J is pleased to report double-digit revenue growth for both Q2FY2020 and 1HFY2020 due to higher revenue contributions from our structural steel business. We continue to face gross margin pressures from competition as well as an increasingly challenging operating environment in the construction industry. Nevertheless, our order book to-date remains robust at S\$139 million and we will continue to develop our waste management and treatment business to diversify and strengthen our income base."

The Group's recently-upgraded wood pellet manufacturing facility in Thailand has commenced operations in Q2FY2020, while the construction of its new-build wood pellet manufacturing plant in Singapore is progressing.

Outlook

The Building and Construction Authority's ("**BCA**") outlook on the Singapore construction sector remains bullish for 2020, projecting total construction demand to range between S\$28 billion and S\$33 billion¹ for 2020. Public sector construction demand is expected to account for 60% of the projected demand, spurred by major infrastructure projects including the Integrated Waste Management Facility, infrastructure works for Changi Airport Terminal 5, as well as the Jurong Region and Cross Island MRT lines. Meanwhile, private sector construction demand, projected to range between S\$10.5 billion and S\$12.5 billion, will continue to be supported by projects such as the redevelopment of en-bloc sale sites, and recreational developments at Mandai park, Changi Airport net taxiway, and berth facilities at Jurong Port and Tanjong Pagar Terminal.

T T J's project order book stands at S\$139 million as at 4 March 2020, which is expected to be substantially completed between FY2020 and FY2022. The Group continues to receive a mix of project enquiries from the public and private sectors, and plans to carefully evaluate potential projects to manage its risks.

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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

¹ *BCA Press Release: 'Singapore's Construction demand for 2020 expected to remain strong', dated 8 Jan 2020*

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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