



**TIONG WOON CORPORATION HOLDING LTD**  
(Company Registration No. 199705837C)

**First Quarter Financial Statement And Dividend Announcement**  
**For The Period Ended 30 September 2015**

**1(a)(i) A statement of comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.**

	<b>The Group</b>		Increase/ (Decrease)
	<b>1Q FY 2016</b>	1Q FY 2015	%
	<b>S\$'000</b>	S\$'000	
Turnover	<b>33,098</b>	36,842	(10%)
Cost of sales	<b>(25,120)</b>	(26,536)	(5%)
Gross profit	<b>7,978</b>	10,306	(23%)
Other income	<b>30</b>	41	(27%)
Other (loss) / gains - net	<b>(567)</b>	567	NM
Expenses			
- Administrative	<b>(438)</b>	(402)	9%
- Other operating	<b>(10,872)</b>	(5,991)	81%
- Finance	<b>(875)</b>	(304)	188%
Share of (loss)/profit of associated companies	<b>(7)</b>	204	NM
Share of (loss)/profit of a joint venture	<b>(42)</b>	16	NM
<b>(Loss)/profit before income tax</b>	<b>(4,793)</b>	4,437	NM
Income tax expense	<b>(250)</b>	(1,303)	(81%)
<b>Total (loss)/profit</b>	<b>(5,043)</b>	3,134	NM
<b>Other comprehensive income:</b>			
Items that may be reclassified subsequently to profit or loss:			
Currency translation differences arising from consolidation			
- (Loss)/ profit	<b>(1,202)</b>	1,064	NM
Fair value (loss)/gain on cash flow hedges	<b>(72)</b>	82	NM
	<b>(1,274)</b>	1,146	NM
<b>Total comprehensive (loss)/income</b>	<b>(6,317)</b>	4,280	NM
<b>(Loss)/profit attributable to:</b>			
Equity holders of the Company	<b>(3,610)</b>	3,467	NM
Non-controlling interest	<b>(1,433)</b>	(333)	330%
	<b>(5,043)</b>	3,134	NM
<b>Total comprehensive (loss)/ income attributable to:</b>			
Equity holders of the Company	<b>(4,884)</b>	4,613	NM
Non-controlling interest	<b>(1,433)</b>	(333)	330%
	<b>(6,317)</b>	4,280	NM

Denotes: NM - not meaningful

**1(a)(ii) Notes to the statement of comprehensive income**

	<b>The Group</b>		Increase/ (Decrease) %
	<b>1Q FY 2016</b> <b>S\$'000</b>	1Q FY 2015 S\$'000	
<b>(Loss)/profit after tax was stated after (charging)/crediting:-</b>			
Depreciation of property, plant and equipment	<b>(7,705)</b>	(7,307)	5%
Currency exchange (loss)/gain - net	<b>(807)</b>	397	NM
Gain on disposal of property, plant and equipment	<b>28</b>	493	(94%)
Fair value loss on derivative financial instruments	<b>-</b>	(4)	(100%)
Fair value loss on financial assets at fair value through profit or loss	<b>(101)</b>	(36)	181%
Impairment loss on trade receivables	<b>(4,900)</b>	-	NM
Write-back of allowance for doubtful debts	<b>200</b>	218	(8%)
Negative goodwill arising from additional investment in a subsidiary	<b>33</b>	-	NM
Interest income	<b>30</b>	41	(27%)
Interest expense	<b>(673)</b>	(668)	1%
Over/(under) provision in prior years' current income tax	<b>166</b>	(42)	NM
(Under)/over provision in prior years' deferred tax	<b>(62)</b>	98	NM

**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**

	The Group		The Company	
	30/09/2015 S\$'000	30/06/2015 S\$'000	30/09/2015 S\$'000	30/06/2015 S\$'000
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	15,368	19,828	279	53
Financial assets, at fair value through profit or loss	495	597	-	-
Trade and other receivables	60,327	62,684	-	-
Tax recoverable	140	145	-	-
Inventories	1,947	2,057	-	-
Other current assets	3,100	2,984	26	18
Derivative financial instruments	-	7	-	-
	<b>81,377</b>	<b>88,302</b>	<b>305</b>	<b>71</b>
<b>Non-current assets</b>				
Other assets	114	114	-	-
Other receivables	-	-	47,813	47,937
Investment in associated companies	3,498	3,455	1,020	1,020
Investment in a joint venture	1,881	1,802	2,074	2,074
Investment in subsidiaries	-	-	42,021	42,021
Property, plant and equipment	398,506	399,056	-	-
Deferred income tax assets	134	133	-	-
	<b>404,133</b>	<b>404,560</b>	<b>92,928</b>	<b>93,052</b>
<b>Total assets</b>	<b>485,510</b>	<b>492,862</b>	<b>93,233</b>	<b>93,123</b>
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Trade and other payables	48,763	56,103	1,894	1,684
Current income tax liabilities	1,900	2,217	-	-
Borrowings	33,579	35,317	-	-
Derivative financial instruments	24	-	-	-
	<b>84,266</b>	<b>93,637</b>	<b>1,894</b>	<b>1,684</b>
<b>Non-current liabilities</b>				
Trade and other payables	1,760	1,760	-	-
Borrowings	108,657	100,349	-	-
Derivative financial instruments	68	27	-	-
Deferred income tax liabilities	28,382	28,302	-	-
	<b>138,867</b>	<b>130,438</b>	<b>-</b>	<b>-</b>
<b>Total liabilities</b>	<b>223,133</b>	<b>224,075</b>	<b>1,894</b>	<b>1,684</b>
<b>NET ASSETS</b>	<b>262,377</b>	<b>268,787</b>	<b>91,339</b>	<b>91,439</b>
<b>EQUITY</b>				
<b>Capital and reserves attributable to equity holders of the Company</b>				
Share capital	87,340	87,340	87,340	87,340
Other reserves	(2,961)	(1,687)	-	-
Retained earnings	181,292	184,902	3,999	4,099
	<b>265,671</b>	<b>270,555</b>	<b>91,339</b>	<b>91,439</b>
<b>Non-controlling interest</b>	<b>(3,294)</b>	<b>(1,768)</b>	<b>-</b>	<b>-</b>
<b>Total equity</b>	<b>262,377</b>	<b>268,787</b>	<b>91,339</b>	<b>91,439</b>

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

	<b>As at 30/09/2015</b>		As at 30/06/2015	
	<b>S\$'000</b>		S\$'000	
	<b>Secured</b>	<b>Unsecured</b>	Secured	Unsecured
<b>Amount repayable in one year or less, or on demand</b>	<b>32,179</b>	<b>1,400</b>	32,212	3,105

	<b>As at 30/09/2015</b>		As at 30/06/2015	
	<b>S\$'000</b>		S\$'000	
	<b>Secured</b>	<b>Unsecured</b>	Secured	Unsecured
<b>Amount repayable after one year</b>	<b>108,657</b>	<b>-</b>	100,349	-

**Details of any collateral**

Secured borrowings relate to hire purchase and bank loans which are collateralised against certain property, plant and equipment.

**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**

	<b>The Group</b>	
	<b>1Q FY 2016</b>	<b>1Q FY 2015</b>
	<b>S\$'000</b>	<b>S\$'000</b>
<b>Cash flows from operating activities</b>		
Total (loss) / profit	<b>(5,043)</b>	3,134
Adjustments for:		
Income tax expense	<b>250</b>	1,303
Depreciation of property, plant and equipment	<b>7,705</b>	7,307
Gain on disposal of property, plant and equipment	<b>(28)</b>	(493)
Fair value loss on derivative financial instruments	<b>-</b>	4
Fair value loss on financial assets at fair value through profit or loss	<b>101</b>	36
Negative goodwill arising from additional investment in a subsidiary	<b>(33)</b>	-
Interest income	<b>(30)</b>	(41)
Interest expense	<b>673</b>	668
Share of loss / (profit) of associated companies	<b>7</b>	(204)
Share of loss / (profit) of a joint venture	<b>42</b>	(16)
Unrealised translation loss	<b>1,344</b>	460
<b>Operating cashflow before working capital changes</b>	<b>4,988</b>	12,158
Change in operating assets and liabilities:		
Inventories	<b>111</b>	970
Trade and other receivables	<b>2,067</b>	7,735
Other current assets	<b>(115)</b>	(1,549)
Trade and other payables	<b>586</b>	(3,919)
Cash generated from operations	<b>7,637</b>	15,395
Income tax paid	<b>(421)</b>	(498)
<b>Net cash generated from operating activities</b>	<b>7,216</b>	14,897
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	<b>(15,560)</b>	(5,533)
Purchase of financial assets at fair value through profit or loss	<b>-</b>	(44)
Additional investment in a subsidiary	<b>(60)</b>	-
Interest received	<b>30</b>	41
Fixed deposit pledged	<b>(5)</b>	(211)
Proceeds from disposal of subsidiaries	<b>-</b>	3,000
Proceeds from disposal of property, plant and equipment	<b>211</b>	1,582
<b>Net cash used in investing activities</b>	<b>(15,384)</b>	(1,165)
<b>Cash flows from financing activities</b>		
Proceeds from borrowings	<b>13,102</b>	-
Repayment of borrowings	<b>(2,933)</b>	(4,771)
Repayment of finance lease liabilities	<b>(5,793)</b>	(4,798)
Interest paid	<b>(673)</b>	(668)
<b>Net cash provided by / (used in) financing activities</b>	<b>3,703</b>	(10,237)
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>(4,465)</b>	3,495
Cash and cash equivalents at beginning of financial period	<b>17,428</b>	16,693
<b>Cash and cash equivalents at end of financial period</b>	<b>12,963</b>	20,188
Cash and cash equivalents at end of financial period	<b>15,368</b>	22,601
Less: Fixed deposit pledged	<b>(2,405)</b>	(2,413)
<b>Cash and cash equivalents per statement of cash flows</b>	<b>12,963</b>	20,188

**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**

	Share Capital S\$'000	Other Reserves S\$'000	Retained Earnings S\$'000	Total S\$'000	Non- controlling Interest S\$'000	Total Equity S\$'000
<b>1Q FY 2016</b>						
Balance at 1 July 2015	87,340	(1,687)	184,902	270,555	(1,768)	268,787
Total comprehensive income / (loss)	-	(1,274)	(3,610)	(4,884)	(1,433)	(6,317)
Additional interest in a subsidiary	-	-	-	-	(93)	(93)
<b>Balance at 30 September 2015</b>	<b>87,340</b>	<b>(2,961)</b>	<b>181,292</b>	<b>265,671</b>	<b>(3,294)</b>	<b>262,377</b>

<b>1Q FY 2015</b>						
Balance at 1 July 2014	87,340	(1,870)	174,804	260,274	(1,289)	258,985
Total comprehensive income / (loss)	-	1,146	3,467	4,613	(333)	4,280
Balance at 30 September 2014	87,340	(724)	178,271	264,887	(1,622)	263,265

**The Company**

	Share Capital S\$'000	Retained Earnings S\$'000	Total Equity S\$'000
<b>1Q FY 2016</b>			
Balance at 1 July 2015	87,340	4,099	91,439
Total comprehensive loss	-	(100)	(100)
<b>Balance at 30 September 2015</b>	<b>87,340</b>	<b>3,999</b>	<b>91,339</b>

<b>1Q FY 2015</b>			
Balance at 1 July 2014	87,340	3,691	91,031
Total comprehensive loss	-	(43)	(43)
Balance at 30 September 2014	87,340	3,648	90,988

**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 were no treasury shares and outstanding convertibles as at 30 September 2015 and 30 September 2014.

**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.**

	<b>30/09/2015</b>	30/06/2015
Total number of issued ordinary shares	<b>464,470,512</b>	464,470,512

**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.**

Not applicable.

**2 Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.**

The figures presented are not audited or reviewed.

**3 Whether 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 has applied the same accounting policies and methods of computation in financial statements for the first quarter ended 30 September 2015 as compared with the audited financial statements for the year ended 30 June 2015.

**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.**

On 1 July 2015, the Group adopted the new or amended FRS and Interpretations to FRS ("INT FRS") that are mandatory for application from that date. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

The adoption of these new or amended FRS and INT FRS did not result in substantial changes to the Group's accounting policies and had no material effect on the amounts reported for the current or prior financial years.

**6 Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

	<b>The Group</b>	
	<u><b>1Q FY 2016</b></u>	<u><b>1Q FY 2015</b></u>
EPS based on weighted average number of ordinary shares in issue (cents)	<b>(0.78)</b>	0.75
On a fully diluted basis (cents)	<b>(0.78)</b>	0.75
Weighted average number of ordinary shares in issue	<b>464,470,512</b>	464,470,512

There were no potential dilutive ordinary shares in existence for the three months ended 30 September 2015 and 30 September 2014.

**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>The Group</b>		<b>The Company</b>	
	<b>30/09/2015</b>	30/06/2015	<b>30/09/2015</b>	30/06/2015
Net asset value per ordinary share (cents)	<b>57.20</b>	58.25	<b>19.67</b>	19.69
Ordinary shares at the end of the current financial period and immediately preceding financial year	<b>464,470,512</b>	464,470,512	<b>464,470,512</b>	464,470,512

**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.**

**Statement of Comprehensive Income**

<b>Turnover</b>	<b>1Q FY 2016</b>	1Q FY 2015	Increase/ (Decrease)
	<b>S\$'000</b>	S\$'000	%
Heavy Lift and Haulage	<b>31,056</b>	32,791	(5%)
Marine Transportation	<b>1,065</b>	2,120	(50%)
Engineering Services	<b>907</b>	315	188%
Trading	<b>70</b>	1,616	(96%)
	<b><u>33,098</u></b>	<u>36,842</u>	<u>(10%)</u>

The Group registered a turnover of S\$33.1 million for the first quarter ended 30 September 2015, a decrease of 10% over the S\$36.8 million it recorded for the previous corresponding quarter. The decrease in the Group's turnover was mainly attributed to the decrease in contributions from Heavy Lift and Haulage, Marine Transportation and Trading segments.



Turnover from Heavy Lift and Haulage segment decreased by 5% or S\$1.7 million from S\$32.8 million to S\$31.1 million, mainly due to a decrease in heavy lift and installation projects undertaken by the Group in the Asia Pacific region.

Turnover from Marine Transportation segment decreased by 50% for the first quarter ended 30 September 2015 to S\$1.1 million as compared to the previous corresponding quarter due mainly to fewer chartering projects undertaken during the quarter.

Engineering Services segment registered a turnover of S\$0.9 million for the first quarter ended 30 September 2015, compared to S\$0.3 million in the previous corresponding quarter. The increase in revenue was mainly due to new engineering services projects executed in the current quarter.

Trading segment registered a turnover of S\$0.1 million for the first quarter ended 30 September 2015 as compared to S\$1.6 million in the previous corresponding quarter as there was no sale of equipment for the current quarter.

Gross profit for the Group decreased by 23% from S\$10.3 million to S\$8.0 million, mainly due to the decrease in turnover and lower gross profit margins from Heavy Lift and Haulage and Marine Transportation segments.

Other (loss)/gain - net recorded a loss of S\$0.6 million for the first quarter ended 30 September 2015 as compared to a gain of S\$0.6 million in the same quarter last year. This was mainly due to an operational exchange loss of S\$0.6 million for the current quarter ended 30 September 2015 compared to an operational exchange gain of S\$0.03 million for the previous corresponding quarter. Gain on disposal of fixed assets was also lower at S\$0.03 million for the current quarter ended 30 September 2015 compared to S\$0.5 million for the previous corresponding quarter.

Other operating expenses increased by 81% from S\$6.0 million to S\$10.9 million for the first quarter ended 30 September 2015 mainly due to S\$4.9 million impairment loss on trade receivables. The impairment loss was made based on information that had recently come to the attention of the management and the board, advice of our legal counsels and discussions with auditors.

Finance expenses increased to S\$0.9 million for the current quarter ended 30 September 2015 from S\$0.3 million in the previous correspondingly quarter. This was mainly due to a currency translation loss of S\$0.2 million relating to foreign currency denominated borrowings for the current quarter ended 30 September 2015, compared to a currency translation gain of S\$0.4 million in the previous corresponding quarter.

<b>Profit/(Loss) Before Tax</b>	<b>1Q FY 2016</b>	1Q FY 2015	Increase/ (Decrease)
	<b>S\$'000</b>	S\$'000	%
Heavy Lift and Haulage	<b>1,672</b>	4,730	(65%)
Marine Transportation	<b>(2,495)</b>	457	NM
Engineering Services	<b>(4,007)</b>	(665)	503%
Trading	<b>37</b>	(85)	NM
	<b>(4,793)</b>	4,437	NM

The Group registered a loss before tax of S\$4.8 million for the first quarter ended 30 September 2015 as compared to a profit before tax of S\$4.4 million in the previous corresponding quarter.

Profit before tax from Heavy Lift and Haulage segment decreased by 65% from S\$4.7 million to S\$1.7 million for the first quarter ended 30 September 2015 due to the lower turnover and gross profit margin. There was also an impairment loss on trade receivables of S\$0.8 million.

Marine Transportation segment registered a loss of S\$2.5 million for the first quarter ended 30 September 2015 as compared to a profit of S\$0.5 million in the last corresponding quarter. This was mainly due to the lower turnover and a significant impairment loss on trade receivables of S\$1.1 million for the current quarter ended 30 September 2015.

Engineering Services segment incurred a loss of \$4.0 million for the first quarter ended 30 September 2015 compared to S\$0.7 million in the previous corresponding quarter. This was mainly due to the higher costs incurred for projects executed and a significant impairment loss on trade receivables of S\$3.0 million during the current quarter.

Trading segment recorded a profit before tax of S\$0.04 million for the first quarter ended 30 September 2015 as compared to a loss of S\$0.1 million in the previous corresponding quarter mainly due to currency translation gain arising from the revaluation of foreign currency denominated trade receivables.

### **Statement of Financial Position**

Financial assets at fair value decreased by 17% from S\$0.6 million as at 30 June 2015 to S\$0.5 million as at 30 September 2015 due to the decrease in market value of the marketable securities held.

Trade and other payables decreased by 13% from S\$56.1 million as at 30 June 2015 to S\$48.8 million as at 30 September 2015 mainly due to lower amount of certified progress claims owing to the main contractor for the re-development of premises at No. 15 Pandan Crescent of S\$3.5 million as at 30 September 2015 compared to S\$12.1 million as at 30 June 2015.

The S\$1.8 million non-current trade and other payables as at 30 September 2015 pertains to the non-current portion of the retention sum for the redevelopment of 15 Pandan Crescent.

As at 30 September 2015, the Group's current liabilities exceeded its current assets due to S\$3.5 million that was owing to the main contractor for the re-development of its premises at 15 Pandan Crescent. This amount was included within trade and other payables. Of the S\$3.5 million owing to the main contractor as at 30 September 2015, S\$3.2 million would be re-financed via the construction loan to be repaid over a period of 5 to 20 years and S\$3.1 million would be classified as non-current borrowing. Had this amount been deemed as non-current liabilities as at 30 September 2015, the Group would have been in a net current asset position.

### **Statement of Cash Flows**

The Group's net cash provided by financing activities for the first quarter ended 30 September 2015 increased by S\$13.9 million and net cash used in investing activities increased by S\$14.2 million mainly due to S\$13.1 million of construction loan drawdown for the re-development of 15 Pandan Crescent.

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

There was no forecast, or any prospect statement previously disclosed to shareholders.

**10 A commentary at the date of the 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.**

The operating environment continues to be challenging amid slowing demand and volatile currency markets. The on-going public sector infrastructure development in Singapore is expected to lend some support to the demand for heavy lift and haulage services.

Meanwhile, the Group will continue to effectively manage costs and risks to remain competitive. It will also continue to look out for strategic collaborations and leverage on its capabilities and track record as a one-stop integrated services provider to target complex and high value projects to grow the business further.

**11 Dividend**

**(a) Current Financial Period Reported On  
Any dividend declared for the current financial period reported on?**

No.

**(b) Corresponding Period of the Immediately Preceding Financial Year  
Any dividend declared for the corresponding period of the immediately preceding financial year?**

No.

**(c) Date payable**

Not applicable.

**(d) Book closure date**

Not applicable.

**12 If no dividend has been declared / recommended, a statement to that effect**

The Group did not declare any dividend during the three months ended 30 September 2015 and 30 September 2014.

**13 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.**

Not applicable.

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

Not applicable.

**15 A breakdown of sales and profit after taxation (before deduction non-controlling interests) as follows:-**

Not applicable.

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

Not applicable.

**17 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 Company does not have any shareholder's mandate for interested person transactions pursuant to Rule 920(1)(a)(ii) of the listing manual.

**18. Negative confirmation pursuant to Rule 705(5).**

The board confirms that, to the best of its knowledge, nothing has come to its attention which may render the interim financial results to be false or misleading in any material aspect. A statement signed by two directors is on record.

**By Order of the Board**

Mr Ang Kah Hong  
Chairman and Managing Director

11 November 2015  
Singapore