



TIONG WOON CORPORATION HOLDING LTD

(Company Registration No. 199705837C)

## MEDIA RELEASE

# TIONG WOON ACHIEVES REVENUE OF S\$114.8 MILLION IN FY2017

*Highlights:-*

- **Gross profit margin was 23.2% in FY2017**
- **Net asset value per share at S\$1.06**

**SINGAPORE, 24 August 2017**– Mainboard-listed **Tiong Woon Corporation Holding Ltd** (長運集團) (“**Tiong Woon**” or together with its subsidiaries, the “**Group**”), a leading one-stop integrated heavy lift specialist and services provider, today announced that it had achieved revenue of S\$114.8 million for the financial year ended 30 June 2017 (“**FY2017**”). This was 18% lower compared to FY2016, mainly due to lower contribution from its Heavy Lift and Haulage segment, particularly in Singapore, India and the Middle East.

Cost of sales declined 17% in FY2017 to S\$88.1 million, in tandem with the decline in revenue. Gross margin was slightly lower at 23.2% in FY2017 compared to 23.8% in FY2016, mainly due to lower margins from the Heavy Lift and Haulage segment.

The Group recorded other gains amounting to S\$2.6 million in FY2017, compared to other losses of S\$0.3 million recorded a year ago. The gains were mainly attributable to the gain on disposal of plant and equipment of S\$1.6 million, operational exchange gain of S\$0.6 million and gain from the disposal of a subsidiary of S\$0.3 million. Administrative expenses was S\$1.4 million in FY2017 compared to S\$1.8 million in FY2016, mainly due to lower professional fees incurred. Other operating expenses was S\$32.2 million in FY2017 compared to S\$37.3 million in FY2016, mainly due to lower net impairment loss on receivables as well as a reduction in manpower costs and other operating

expenses in FY2017. Correspondingly, the Group recorded net loss attributable to shareholders of S\$9.6 million in FY2017, marginally lower than the net loss attributable to shareholders of S\$9.7 million recorded in FY2016.

Mr Ang Kah Hong (洪加丰), Tiong Woon's Group Chairman and Managing Director, said: ***“Our results reflect the very challenging and competitive environment that we currently operate in. We will continue to monitor our costs, as we work towards improving profitability. The Group will continue our efforts to build on our core strengths and capabilities to maintain existing business relationships and seek out new opportunities.”***

### **Segment Highlights**

Revenue from the **Heavy Lift and Haulage** segment was S\$98.3 million in FY2017, a decline of 20% from FY2016, as there were fewer projects executed in Singapore, India and the Middle East compared with the previous year. Lower gross profit margins, an exchange gain of S\$0.4 million and net impairment loss of receivables of S\$2.9 million in FY2017 resulted in the segment recording a profit before tax of S\$1.7 million.

Revenue from the **Marine Transportation** segment decreased by 14% to S\$3.3 million in FY2017, mainly due to fewer chartering jobs secured as a result of the downturn in the offshore and marine industry. With a net write-back of impairment loss on trade receivables amounting to S\$0.4 million, the segment recorded a loss before tax of S\$2.9 million for the year.

The **Engineering Services** segment recorded a decline in revenue by 6% to S\$10.3 million in FY2017, mainly due to the substantial completion of a project in the Middle East. The segment recorded a net loss before tax of S\$6.2 million in FY2017, mainly due to an impairment loss on trade receivables of S\$4.2 million during the year.

Revenue from the **Trading** segment improved by 119% to S\$2.9 million in FY2017, as the Group sold more equipment. As a result, the segment reversed from a loss position in the previous year, to profit before tax of S\$0.02 million in FY2017.

## **Financial Position**

The Group has net assets of S\$246.7 million as at 30 June 2017, which translates into a net asset value per share of S\$1.06.

## **Business Outlook**

The operating environment continues to be challenging and competitive amid the slowdown in demand in the key markets that the Group operates in. On-going public sector infrastructure development in Singapore is likely to provide support for more business opportunities.

The Group remains committed to continue to effectively manage operating costs and business risks to remain competitive. It will also continue to explore strategic collaborations and leverage on its capabilities and track record as a one-stop integrated heavy lift specialist and service provider to target complex and high value projects to grow the business.

~~ End ~~

*This press release is to be read in conjunction with the Company's announcement posted on the SGX website on 24 August 2017.*

**About Tiong Woon Corporation Holding Ltd (SGX Stock code: BQM)**

Listed in 1999, Tiong Woon Corporation Holding Ltd (長運集團) (“**Tiong Woon**” or together with its subsidiaries, “**the Group**”) is a leading one-stop integrated heavy lift specialist and service provider, supporting mainly the oil and gas, petrochemical, infrastructure and construction sectors.

The Group manages turnkey projects for engineering, procurement and construction (EPC) contractors and project owners from planning and design of heavy lifting and haulage requirements to the execution stage in which the heavy equipment are transported, lifted and installed at customers' facilities. Tiong Woon also possesses its own heavy lift and haulage equipment, tugboats and barges which enable the Group to widen its integrated services offering to its clients.

Headquartered in Singapore, Tiong Woon has establishments in Malaysia, Indonesia, Thailand, Philippines, Vietnam, China, Myanmar, India, Saudi Arabia and Sri Lanka. It is ranked as the 18th largest crane owning company worldwide by International Cranes and Specialized Transport, a reputable trade magazine, in its IC50 2017 survey.

Tiong Woon is committed to providing high quality and safe services, on time and on budget to its clients anywhere in the world.

For more information, please visit the company website at [www.tiongwoon.com](http://www.tiongwoon.com)

---

Issued on behalf of Tiong Woon Corporation Holding Ltd by

**WATERBROOKS CONSULTANTS PTE LTD**

Tel: (+65) 6100 2228

Ms Lynette Tan (M): +65 9687 2023 [lynette@waterbrooks.com.sg](mailto:lynette@waterbrooks.com.sg)

Mr Wayne Koo (M): +65 9338 8166 [wayne.koo@waterbrooks.com.sg](mailto:wayne.koo@waterbrooks.com.sg)

---