



TIONG WOON CORPORATION HOLDING LTD

(Company Registration No. 199705837C)

MEDIA RELEASE

TIONG WOON ACHIEVES S\$33.1 MILLION REVENUE IN 1Q FY2016

Highlights:-

- Gross profit of S\$8.0 million
- Net asset value per share of 57.20 cents
- Redeveloped headquarters to be ready early next year

SINGAPORE, 11 November 2015 – Mainboard-listed **Tiong Woon Corporation Holding Ltd** (長運集團) and together with its subsidiaries (“**Tiong Woon**” or the “**Group**”), a leading one-stop integrated heavy lift specialist and services provider, today announced that it has recorded revenue of S\$33.1 million for the three months ended 30 September 2015 (“**1Q FY2016**”).

Gross profit decreased by 23% to S\$8.0 million in 1Q FY2016 mainly due to lower revenue and gross profit margins in the Heavy Lift and Haulage and Marine Transportation segments.

Lower gross profit, coupled with a net currency exchange loss of S\$0.8 million and impairment loss on trade receivables of S\$4.9 million led to a loss attributable to shareholders of S\$3.6 million in 1Q FY2016.

Commenting on the results, Mr Ang Kah Hong (洪加豐), Tiong Woon’s Group Chairman and Managing Director, said: “**Amid a challenging operating environment, we strive to keep a tight control over costs and remain vigilant for strategic business opportunities.**

Construction of our new headquarters premise is progressing well and is targeted to complete early next year. The facility will not only feature the world's first rooftop parking for cranes, but also allow the Group to venture into warehousing and increase its crane storage capabilities to optimise land use."

Segment Highlights

Turnover from the **Heavy Lift and Haulage** segment declined by 5% to S\$31.1 million as Tiong Woon undertook fewer heavy lift and installation projects in the Asia Pacific region. The segment reported a profit before tax ("PBT") of S\$1.7 million in 1Q FY2016, down 65% on lower revenue, gross profit margin and an impairment loss on trade receivables of S\$0.8 million.

Turnover from the **Marine Transportation** segment fell 50% to S\$1.1 million in 1Q FY2016 mainly due to fewer chartering projects. Lower revenue coupled with a significant impairment loss on trade receivables of S\$1.1 million led to a loss of S\$2.5 million in 1Q FY2016, compared to a profit of S\$0.5 million in the previous corresponding quarter.

The **Engineering Services** segment recorded turnover of S\$0.9 million in 1Q FY2016, up from S\$0.3 million in the previous corresponding period, mainly due to new engineering services projects executed in the current quarter. However, higher costs incurred for projects and a significant impairment loss on trade receivables of S\$3.0 million during the current quarter led to a loss of S\$4.0 million in 1Q FY2016.

In 1Q FY2016, the **Trading** segment revenue is S\$0.1 million, compared with S\$1.6 million in the previous corresponding quarter. The segment delivered a profit before tax of S\$0.04 million in 1Q FY2016 from a loss of S\$0.1 million in the previous corresponding period mainly due to currency translation gain arising from the revaluation of foreign currency denominated trade receivables.

Financial Position

As at 30 September 2015, the Group had net assets of S\$265.7 million and cash and cash equivalents of S\$15.4 million. Net asset value per share stood at 57.20 cents as at 30 September 2015, compared with 58.25 cents as at 30 June 2015.

Business Outlook

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.

~~ End ~~

This press release is to be read in conjunction with the Company's announcement posted on the SGX website on 11 November 2015.

About Tiong Woon Corporation Holding Ltd (SGX Stock code: T06)

Listed in 1999, Tiong Woon Corporation Holding Ltd (長運集團) and together with its subsidiaries (“**Tiong Woon**” or the “**Group**”) is a leading one stop integrated services specialist and provider, supporting mainly the oil & 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 13th largest crane owning company worldwide by International Cranes and Specialized Transport, a reputable trade magazine, in its IC50 2015 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

Issued on behalf of Tiong Woon Corporation Holding Ltd by

WATERBROOKS CONSULTANTS PTE LTD

Tel: (+65) 6100 2228

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

Ms Jean Yang (M): +65 9363 6369 jean@waterbrooks.com.sg
