



TIONG WOON CORPORATION HOLDING LTD

(Company Registration No. 199705837C)

MEDIA RELEASE

TIONG WOON DELIVERS REVENUE OF S\$35.4M IN 2QFY2016

Highlights:-

- **Gross profit of S\$8.2 million**
- **Net asset value per share of 56.77 cents**

SINGAPORE, 3 FEBRUARY 2016 – 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 and profit before tax of S\$35.4 million and S\$424,000 respectively, for the three months ended 31 December 2015 (“**2QFY2016**”).

Revenue was 11% lower in the current quarter, mainly due to a decrease in contributions from the Heavy Lift and Haulage, Marine Transportation and Trading segments. With costs continuing to hold up, gross profit fell 35% to S\$8.2 million while profit before tax was lower at S\$424,000. A net loss attributable to equity holders of S\$67,000 was recorded.

Revenue stood at S\$68.5 million for 1H FY 2016, 10 % lower than S\$76.5 million in the preceding 1H FY 2015.

Mr Ang Kah Hong (洪加豐), Tiong Woon’s Group Chairman and Managing Director, commented: **“The operating environment remains challenging amid low oil prices and stiff industry competition. We will tap on our resources and networks to strengthen our operations and focus on developing new emerging markets to harness the growth momentum in the developing economies.”**

Segment Highlights

The **Heavy Lift and Haulage** segment recorded a 10% decline in revenue to S\$31.6 million due to a decrease in heavy lift and installation projects in the Asia Pacific region. Profit before tax (“PBT”) decreased by 65% to S\$1.8 million in 2QFY2016, on lower revenue and gross profit margin.

The **Marine Transportation** segment recorded revenue of S\$1.0 million in 2QFY2016, down 60%, mainly due to fewer chartering projects. As such, a loss of S\$0.7 million was incurred in 2QFY2016, compared to a profit before tax of S\$0.4 million in the previous corresponding quarter.

The **Engineering Services** segment saw an increase in turnover to S\$2.1 million in 2QFY2016, up from S\$0.5 million in the previous corresponding period, mainly due to new engineering services projects executed in the current quarter. A loss of S\$588,000 was incurred in 2QFY2016, compared with a loss of S\$598,000 in the previous quarter.

In 2QFY2016, the **Trading** segment revenue was S\$0.7 million, compared with S\$1.4 million in the previous corresponding quarter due to fewer equipment sold during the current quarter. A loss of S\$71,000 was incurred in 2QFY2016.

Financial Position

As at 31 December 2015, the Group had net assets of S\$263.7 million, translating into net asset per share of 56.77 cents. Cash and cash equivalents stood at S\$12.9 million. Net cash generated from operating activities was positive at S\$7.7 million in 2QFY2016.

Business Outlook

The operating environment continues to be challenging amid the slowdown in demand in the key Asian/ASEAN markets we operate in. The on-going public sector infrastructure development in Singapore is expected to support the impetus for heavy lift and haulage services.

Meanwhile, the Group will 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 services provider to target complex and high value projects to grow the business further.

The Group will focus on developing new emerging markets to harness the growth momentum in the developing economies.

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This press release is to be read in conjunction with the Company's announcement posted on the SGX website on 3 February 2016.

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. It also owns Terex Demag CC 8800-1 cranes which are recognised as one of the largest cranes with the capacity of 1,600-tonne lift and above.

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

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