



TIONG WOON CORPORATION HOLDING LTD

(Company Registration No. 199705837C)

MEDIA RELEASE

TIONG WOON ACHIEVES S\$139.4 MILLION REVENUE FOR FINANCIAL YEAR ENDED 30 JUNE 2016

Highlights:-

- **Proposed dividend of 0.2 cent per ordinary share**
- **Gross profit margin at 24.0%**
- **Net asset value is S\$1.11 per share**

SINGAPORE, 23 August 2016 – Mainboard-listed **Tiong Woon Corporation Holding Ltd** (長運集团) and together with its subsidiaries (“**Tiong Woon**” or the “**Group**”), a leading one-stop integrated heavy lift specialist and service provider, today announced that it has achieved revenue of S\$139.4 million for the 12 months ended 30 June 2016 (“FY2016”). This is 4% lower than the S\$145.7 million recorded in the previous financial year (“FY2015”).

The decrease in revenue was mainly due to decrease in contributions from Heavy Lift and Haulage, Marine Transportation and Trading Segments.

Gross profit was S\$33.2 million in FY2016, a decrease of S\$7.4 million or 18% from S\$40.6 million in FY2015. Gross profit margin was 24.0% in FY2016 compared to 27.8% in FY2015. This was mainly due to the lower contributions from Marine Transportation and Engineering Services segments.

Other Operating Expenses were S\$37.3 million in FY2016, an increase of S\$9.2 million or 32% from S\$28.1 million in FY2015. This was mainly due to higher net impairment loss on trade receivables (including write-back) of S\$9.8 million in FY2016 as compared to S\$1.0 million in FY2015.

Loss before Income Tax was S\$8.7 million in FY2016 as compared to a profit before income tax of S\$14.7 million in FY2015 mainly due to the weaker performance for all segments.

Mr Ang Kah Hong (洪加豐), Tiong Woon's Group Chairman and Managing Director, said:

“Despite the challenging business environment, we have managed to achieve turnover of S\$139.4 million. We will continue to exercise prudence to safeguard the long term interest of our shareholders. We remain committed to reward our shareholders with the proposed dividend payout of 0.2 cent per share.”

Segment Highlights

Heavy Lift and Haulage segment revenue decreased by S\$5.3 million or 4% from S\$128.5 million to S\$123.2 million, mainly due to a decrease in contributions from the Singapore and Malaysia. This was offset by an increase from the Middle East and India. Heavy Lift and Haulage segment profit before tax was S\$6.9 million in FY2016, a decrease of S\$8.7 million or 56% from S\$15.6 million in FY2015, mainly due to an exchange loss, lower gain on disposal of plant and equipment, higher depreciation and impairment loss on trade receivables.

Marine Transportation segment revenue decreased by S\$5.0 million or 56% from S\$8.9 million to S\$3.9 million, mainly due to fewer chartering jobs secured as a result of the downturn in the marine and offshore industry. Marine Transportation segment registered a loss before income tax of S\$5.1 million in FY2016 as compared to a profit before income tax of S\$0.7 million in FY2015, mainly due to the lower revenue and gross profit margin and impairment loss on trade receivables in FY2016.

Engineering Services segment revenue increased by S\$8.0 million or 272% from S\$3.0 million to S\$11.0 million, mainly due to an increase in progress from a project in the Middle East. Engineering Services segment incurred a loss before income tax of S\$10.1 million in FY2016, an increase of S\$8.6 million from S\$1.5 million in FY2015 despite the higher revenue. This was mainly due to an impairment loss on trade receivables and higher costs incurred for projects executed in FY2016.

Trading segment revenue decreased by S\$4.0 million or 75% from S\$5.3 million to S\$1.3 million, mainly due to fewer equipment sold. Trading segment recorded a loss before income tax of S\$0.4 million in FY2016 due to lower revenue.

Financial Position

As at 30 June 2016, the Group's net assets stood at S\$257.1 million and net asset value per share of S\$1.11.

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 heavy lift specialist and service provider to target complex and high value projects to grow the business.

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This press release is to be read in conjunction with the Company's announcement posted on the SGX website on 23 August 2016.

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

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 heavy lift specialist and service 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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