



TIONG WOON CORPORATION HOLDING LTD

(Company Registration No. 199705837C)

MEDIA RELEASE

For Immediate Release

Tiong Woon posts S\$125.9 m turnover and S\$17.2 m net profit for nine months ended 31 March 2014

SINGAPORE, 7 May 2014 – MAINBOARD-LISTED Tiong Woon Corporation Holding Ltd (長運集團) (“Tiong Woon” or “the Group”) registered a turnover of S\$125.9 million for the first nine months ended 31 March 2014 (9M2014), as compared to the S\$144.2 million it recorded for the same period in the last financial year. Net profit attributable to equity holders rose 32% to S\$17.2 million from S\$13.1 million.

Despite a lower turnover, the gross profit for 9M2014 increased by 9% from S\$39.6 million to S\$43.0million. The stronger gross profit margin was due to a 21% decrease in cost of sales achieved by the Group.

Commenting on the results, Mr Ang Kah Hong, Tiong Woon’s Group Chairman and Managing Director (洪加豐) said: “The Group has braved a challenging quarter and realigned our business strategy accordingly. Moving forward, we will remain vigilant in growing our core businesses and strive for greater improvements in operational efficiency, cost control and financial management.”

“Tiong Woon will actively pursue new business opportunities in the oil and gas as well as petrochemical sector in Singapore and the region,” commented Mr Ang.

Segment Highlights

The turnover from the Heavy Lift and Haulage segment for 9M2014 at S\$109.5 million was comparable to the results for the corresponding period last year.

The turnover from the Marine Transportation segment decreased by 2% to S\$7.9 million for 9M2014, as compared to the same period last year, as a result of lower utilisation of the Group's vessels.

The Engineering Services segment registered a lower turnover of S\$4.0 million for 9M2014, mainly due to a significant reduction in engineering services projects executed in the period.

The Trading segment registered a turnover of S\$4.4 million for 9M2014 as the Group sold less equipment in the current period.

Financial Position and Fleet Size

As at 31 March 2014, the Group's net assets was S\$255.2 million, translating to a net asset value per share of 54.95 Singapore cents.

Tiong Woon has a fleet of 430 cranes in lifting assets, 270 vehicles and equipment in haulage assets and 19 tugs and barges in marine assets as at 31 March 2014.

Tiong Woon has a market capitalisation of S\$155.6 million, based on 6 May 2014 closing price of 33.5 Singapore cents per share. The total number of shares issued as of this date is 464.5 million.

Business Outlook

The demand for heavy lift and haulage from the oil and gas, and petrochemical industries is expected to be resilient in the region. In Singapore, the Group's heavy lift and haulage businesses will be well supported by the strong pipeline of petrochemicals and infrastructure projects. In other ASEAN countries and the Middle East, the Group will also focus on oil & gas and petrochemical, infrastructure development and construction opportunities. The development in the Iskandar region of Johor, Malaysia, also provides business development opportunities for heavy lift and haulage. The Group will forge strategic alliances and cooperation with international contractors and industry players to jointly participate in the bidding for projects.

While there are ample business opportunities, it is clear that labour and other operating costs continue to be on the rise. To improve productivity and operational efficiency, the Group will continue to upgrade the skills of its workforce. The Group will stay competitive by making continued improvements in operational efficiency, cost control and prudent financial management. It will continue to invest in higher capacity and specialised equipment, so as to widen the range of service offerings to its clients and stay ahead of competition.

The Group will continue to leverage on its competitive strength as a one-stop integrated services provider in project management for heavy lift and haulage, marine transportation and engineering services.

In anticipation of the increased operational needs of the Group's future expansion, the Group will invest and redevelop its headquarter premises at 15 Pandan Crescent in Singapore.

This press release should be read in conjunction with the full SGX announcement released by Tiong Woon dated 7 May 2014. A copy of the announcement is available on www.sgx.com.

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About Tiong Woon Corporation Holding Ltd (www.tiongwoon.com)

Listed in 1999, Tiong Woon Corporation Holding Ltd (Tiong Woon) 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 equipments are transported, lifted and installed at customers' facilities. Tiong Woon also possesses its own heavy lift and haulage equipments, 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 and Saudi Arabia. It is ranked as the 15th largest crane owning company worldwide by International Cranes and Specialized Transport, a reputable trade magazine, in its IC50 2013 survey. In addition, it is one of the top 10 companies in the world in terms of crawler crane ownership. It also owns Terex Demag CC 8800-1 cranes which are recognized 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.

Issued on behalf of **Tiong Woon Corporation Holding Ltd** by Waterbrooks Consultants Pte Ltd

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