



TIONG WOON CORPORATION HOLDING LTD

(Company Registration No. 199705837C)

TIONG WOON ACHIEVES S\$34.4 MILLION REVENUE FOR FIRST QUARTER ENDED 30 SEPTEMBER 2016

SINGAPORE, 10 November 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 service provider, today announced that it has achieved revenue of S\$34.4 million in first quarter ended on 30 September 2016 (“1QFY2017”), an increase of S\$1.3 million or 4% from S\$33.1 million in first quarter ended on 30 September 2015 (“1QFY2016”). The increase was mainly attributed to the increase in contributions from Engineering Services and Trading segments.

Gross profit was S\$7.5 million in 1QFY2017, a decrease of S\$0.5 million or 6% from S\$8.0 million in 1QFY2016. Gross profit margin was lower at 22% in 1QFY2017 as compared to 24% in 1QFY2016.

The Group reported a profit before income tax of S\$2.1 million in 1QFY2017 as compared to a loss before income tax of S\$4.8 million in 1QFY2016, mainly due to higher gain on disposal of plant and equipment, gain from the disposal of a subsidiary, exchange gain and lower impairment loss on trade receivables.

Mr Ang Kah Hong (洪加丰), Tiong Woon’s Executive Chairman and Managing Director, said: “Despite the challenging and competitive business environment, we have managed to maintain our strong market share and remain focused on our core businesses. We strive to optimise our cost management and productivity to enhance our competitive edge.”

Segment Highlights

Heavy Lift and Haulage segment revenue decreased by S\$3.7 million or 12% from S\$31.1 million to S\$27.4 million, mainly due to fewer projects executed in India and Thailand. Heavy Lift and Haulage segment recorded a profit before income tax of S\$3.1 million in 1QFY2017, an increase of S\$1.4 million from S\$1.7 million in 1QFY2016, mainly due to higher operational exchange gain and no provision made for impairment loss on trade receivables.

Marine Transportation segment revenue decreased by S\$0.2 million or 20% from S\$1.1 million to S\$0.9 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\$0.2 million in 1QFY2017, as compared to a loss of S\$2.5 million in 1QFY2016, mainly due to gain on disposal of plant and equipment and lower impairment loss on trade receivables.

Engineering Services segment revenue increased by S\$4.7 million or 522% from S\$0.9 million to S\$5.6 million, mainly due to an increase in progress from a project in the Middle East. Engineering Services segment incurred loss before income tax of S\$1.0 million in 1QFY2017, a decrease of S\$3.0 million from S\$4.0 million in 1QFY2016 due to impairment loss on trade receivable in 1QFY2016.

Trading segment revenue increased by S\$0.4 million or 574% from S\$0.1 million to S\$0.5 million, mainly due to a crane sold in 1QFY2017. Trading segment recorded profit before income tax of S\$0.2 million in 1QFY2017.

Financial Position

The overall financial position of the Group has improved as at 30 September 2016. The Group's net assets stood at S\$258.5 million as at 30 September 2016. The Group's net asset value per share was S\$1.11.

Business Outlook

The operating environment continues to be challenging and competitive amid the slowdown in demand in the key markets we operate in. The Group expects that the on-going public sector infrastructure development in Singapore will 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 10 November 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 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 14th largest crane-owning company worldwide by International Cranes and Specialized Transport, a reputable trade magazine, in its IC50 2016 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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