



TIONG WOON CORPORATION HOLDING LTD

(Company Registration No. 199705837C)

MEDIA RELEASE

For Immediate Release

Tiong Woon's revenue rose 36% to S\$200.5 million with S\$17.6 million of net profit for FY2013

Continuing Operations (S\$m)	FY2013	FY2012	▲/▼
Turnover	200.5	148.0	▲36%
Gross Profit	59.1	32.6	▲81%
Gross Profit Margin	29%	22%	▲7ppts
Profit/(loss) Before Tax	23.9	(0.08)	NM
Net Profit/(loss) after tax attributable to shareholders	17.6	(4.8)	NM
<ul style="list-style-type: none">Proposes 0.4 cent dividend per shareNAV per share of 51.22 cents as at 30 June 2013			

SINGAPORE, 26 August 2013 – MAINBOARD-LISTED Tiong Woon Corporation Holding Ltd (長運集團) (Tiong Woon or the Group) today announced its results for the 12 months ended 30 June 2013 (FY2013). Revenue rose 36 per cent to S\$200.5 million with net profit attributable to equity holders of the Company of S\$17.6 million.

The Board has proposed a final one-tier tax-exempt dividend of 0.4 cent per ordinary share, representing a dividend payout ratio of about 11 per cent based on FY2013 profits, payable in November 2013.

Commenting on the results, Mr Ang Kah Hong, Tiong Woon's Group Chairman and Managing Director (洪加豐) said: ***"We are pleased to see the good recovery of our***

results for FY2013. In view of the Group's performance, the Board is pleased to propose a final dividend of 0.4 Singapore cent to our shareholders. While we witnessed a substantial improvement in revenue across most of our business segments, we have also been working diligently on improving our profitability. This has been achieved by enhancing our operational efficiency and utilisation of our equipment fleet, and at the same time, securing better-margin projects."

Gross profit for FY2013 jumped 81 per cent from S\$32.6 million to S\$59.1 million with improved Gross profit margin of 29 per cent as compared to 22 per cent recorded in FY2012.

As a result of the improved profits, earnings per share for FY2013 rose significantly to 4.23 Singapore cents as compared to a negative of 0.35 Singapore cent recorded in FY2012.

Segmental revenue performance

S\$m	FY2013	FY2012	▲/▼
Heavy Lift and Haulage	154.4	114.8	▲35%
Marine Transportation	10.6	16.4	▼36%
Engineering Services	23.3	10.6	▲121%
Trading	12.2	6.2	▲97%
Total	200.5	148.0	▲36%

The Heavy Lift and Haulage division rose 35 per cent to S\$154.4 million, contributing 77 per cent of revenue and 94 per cent of profit before tax. The performance of the Heavy Lift and Haulage division was mainly attributed to higher equipment utilisation rate and an increase in the number of heavy lift and installation projects undertaken by the Group in the region.

Turnover for Marine Transportation division decreased by 36 per cent from S\$16.4 million to S\$10.6 million due to less Heavy Lift and Haulage projects which required integration with Marine Transportation. However, the Engineering Services division's turnover grew by a strong 121 per cent to S\$23.3 million. This was mainly due to higher percentage of completion of the Tuas New Yard Phase 1 project and the Tuaspring Desalination project. Similarly, the Trading division which handles supply and distribution of machinery, equipment and spare parts, registered a strong 97 per cent increase in turnover to S\$12.2 million.

Healthy financial position

Tiong Woon's performance resulted in an improvement to the balance sheet and cash flow. As at 30 June 2013, net assets was S\$237.9 million, translating to a net asset value attributable to equity holders of the Company per share of 51.22 Singapore cents, a 7 per cent increase as compared to 47.85 Singapore cents per share a year ago. Net cash from operating activities was S\$41.6 million for FY2013 as compared to S\$35.5 million in FY2012. The Group has a cash balance of S\$26.2 million and a net debt to total equity ratio of 32 per cent as at 30 June 2013.

Tiong Woon has a market capitalisation of S\$171.9 million, based on 23 August 2013 closing price of 37.0 Singapore cents per share. The total number of shares issued is 464.5 million.

As at 30 June 2013, Tiong Woon has a fleet of 427 cranes in lifting assets, 233 vehicles and equipment in haulage assets and 19 tugs and barges in marine assets.

Regional and international sales

Singapore continues to be a major market for the Group and contributed to 56 per cent of revenue. The Middle East contributed 16 per cent, Malaysia 8 per cent, while India, Indonesia, Thailand, China and Other Countries accounted for the remaining portion of revenue. The strong demand for the Group's services in Singapore stemmed from public sector infrastructure development projects as well as projects from the oil & gas and petrochemical sectors.

One-stop shop for heavy lift and haulage solutions

In FY2013, there were more complex projects involving project management and integration of heavy lift and haulage, marine transportation, logistics, civil engineering and installation. One such example was the haulage and lifting work for Jurong Aromatics Corporation's (JAC) Xylene splitter column. Standing 108m tall and weighing 1,147 tonnes, the transportation, lifting and installation of the column required precise logistical planning and

coordination across land and sea. Works included the design and construction of a temporary RORO jetty on Jurong and road modification works for the transportation from RORO jetty to the installation site; including the process of removing and replanting of the 300 trees along the route.

Outlook

“The outlook for the year ahead will continue to be challenging as the world economy is still beset by uncertainties. As such, we continue to actively pursue business opportunities in ASEAN and the Middle East, focusing on infrastructure development and construction opportunities in the oil & gas and petrochemical industries,” added Mr Ang.

Moving forward, the Group will continue to execute the following strategies to drive future growth:

Grow core business

- Leverage on its competitive strength and capabilities as a one-stop shop for heavy lift and haulage solutions;
- Consistently expand the range of its service offerings;
- Focus on projects with better margins such as for complex projects in the oil & gas and petrochemical sectors.

Expand geographical markets

- Actively pursue business opportunities in Singapore, Malaysia, Thailand and the Middle East;
- Forge strategic alliances to bid for projects in China, India and the Middle East.

Enhance productivity to alleviate rising costs

- Continue to invest in specialised equipment with higher capacity; and
- Upgrade labour skills to improve productivity.

This press release should be read in conjunction with the full SGX announcement released by Tiong Woon dated 26 August 2013. A copy of the announcement is available on www.sgx.com.

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

Tiong Woon Corporation Holding Ltd (長運集團) is a leading one-stop, integrated services specialist and provider of infrastructure businesses, supporting mainly the oil and gas, as well as petrochemical, power 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 possesses its own heavy lift and haulage equipment, tugboats and barges which enable them to widen its integrated services offering to its customers.

Headquartered in Singapore, the Group has establishments in Malaysia, Indonesia, Thailand, Philippines, Vietnam, China, India and Saudi Arabia. It is ranked as the 15th largest crane owning company worldwide by International Cranes and Specialised Transport, a reputable trade magazine, in its IC50 2013 survey. It is one of 10 companies in the world to have a single largest crane of 1,600-tonne lift and above, namely, its Terex Demag CC 8800-1 crane.

Tiong Woon is committed to delivering high quality, reliable facilities and services on time, on delivery, on budget and with world class safety. It is listed on the Mainboard of the Singapore Exchange since 1999.

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

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