

Main Board-listed Tiong Woon Corporation Holding Ltd, a leading heavy lift, haulage and marine transportation company, has teamed up with heavy handling specialist Fagioli PSC Limited to tap each others expertise and equipment in pursuing project work in Asia.

Fagioli PSC, a member of the Italian Fagioli Group of companies with a paid-up capital of US\$600 million, is one of the world's foremost international heavy weight handling specialists. With its range of strand jacks, power packs and towerlifts, Fagioli PSC provides heavy lift services to a wide range of industries including offshore construction, refining and petrochemicals, power generation, civil and structural engineering.

Some of the projects that Fagioli PSC has undertaken in Singapore and the region include the lowering of thirty five 3,000 tonnes weight tunnel segments at the Pulau Seraya Cable Tunnel Project in Singapore for the Public Utilities Board; lifting of 44 Mitsui designed container gantry cranes, each weighing 280 tonnes for the Port of Singapore Authority; and the erection of a 70 metres by 36 metres cold box weighing 450 tonnes at Gresik Process Plant in Indonesia.

Tiong Woon Chairman Ang Kah Hong, who is also the Company's Managing Director, said: "We have signed a Memorandum of Understanding with Fagioli PSC recently to supply equipment to each other where appropriate. We hope that this will help us to clinch more heavy lift projects in Asia."

"The long term aim of the MOU is to form a joint venture company that can incorporate the major activities of our two companies and offer total turnkey packages in heavy lift and heavy transportation to customers in the Far East," he said.

Tiong Woon and Fagioli PSC have already clinched a joint project to skid and weigh a 2,800-ton cantilever structure with a total volume of 42,000 cu metres (70 metres height x 50 metres width x 12 metres length) being built by a local shipyard for an offshore rig. Tiong Woon is also supplying a unit of its Demag CC2600 crawler crane with a lifting capacity of 550 tons or 800 tons (with a super lift attachment) to assist in the fabrication of the cantilever structure.

Tiong Woon, a leading specialist in heavy lift, heavy haulage and marine transportation services, owns 300 units of heavy lift and haulage equipment while its wholly-owned subsidiary, Tiong Woon Marine Pte Ltd, operates 7 tug boats and 14 barges.

Meanwhile, Tiong Woon's efforts to expand its business regionally were given a boost recently when the Group succeeded in getting its first ever heavy lift projects in Vietnam and Thailand.

The project awarded to Tiong Woon in Vietnam is for the supply of Demag CC2600 crawler cranes with a lifting capacity of 550 tons each or 800 tons (with a superlift attachment). The customer is fabricating an offshore platform module weighing more than 9,200 tons and intends to do the bulk of the pre-fabrication work on the ground to save time and money. This also reduces the risk of his workers having to work at great heights.

The use of Tiong Woon's cranes, which can reach a total height of 120 metres, allows larger blocks to be fabricated on the ground before being lifted to the required elevation for subsequent assembly. The contract has been secured for a period of two years. Tiong Woon Marine will supply the tug and barges to transport the cranes and accessories to the work site.

The Thailand project involves the lifting of several pieces of equipment, including a process column weighing 300 tons, for a chemical plant in Maptaput. One unit of Demag CC2600 crawler crane complete with super-lift attachment was supplied as the main crane in the lifting and erection of the process column, for about five weeks earlier this year to undertake this project.

The super-lift attachment consisting of 250-ton super-lift counterweights mounted on a carrier stabilizes the crane and allows it to lift heavier loads. With such super-lift configuration, its lifting capacity is increased to 800 tons. The crane and accessories were transported to and fro by Tiong Woon Marine's tug and barges.

Mr Ang said: "We are very pleased to have clinched these two projects as they represent a breakthrough in our efforts to penetrate the Thai and Vietnamese markets. Now that we have a track record there, I believe it will be easier for us to get additional jobs in these two markets after this."

Tiong Woon has also clinched several other projects in the region. The major ones include work on a chemical plant shutdown in Indonesia, the BLNG Stern Loader Dismantling project in Brunei and the construction of semi-submersible oil rig project in Singapore.

The chemical plant shutdown project in Indonesia involves the supply of one unit of Demag CC2600 with super-lift configuration to remove a unit of old process reactor weighing 330 tons and replacing it with a new one. The Demag CC2600 was delivered by Tiong Woon's barge to the job site.

For the Brunei project, Tiong Woon supplied a 550 ton crane barge for dismantling the stern loader. This consist of a Demag CC2600 crawler crane mounted on a 230 feet barge belonging to Tiong Woon Marine.

Tiong Woon is participating in the semi-submersible oil rig construction project of a Singapore shipyard by offering its Demag CC6400, the 1,000-ton crawler crane or 1,600 tons lift capacity (with superlift attachment), in a SWSL configuration to lift several sections of the leg of the rig. The most spectacular of the lift is the lifting of the last section of the leg weighing 52-ton to a dramatic height of 170 m.

In March 2002, Tiong Woon reported a 29-fold jump in interim group operating profit after tax of \$2.0 million for the six months ended 31 December 2001. Group turnover was up 19 per cent at \$19.5 million compared with \$16.5 million in the previous first half. Tiong Woon has said it expects the Group's turnover and profit for the second half of the financial year to be in line with the first.

This improvement in the Group's performance is largely due to Tiong Woon's strategy of focusing on its core competence of heavy lift and haulage as well as expanding these services outside Singapore. The contribution from business outside Singapore has grown significantly in the current financial year. This is in line with Tiong Woon's goal of having overseas business contribute a higher percentage than local sales to the Groups total business over time.