



Pacific Radiance expects to reap stronger growth in Indonesia through JV's IPO

- ◆ 49%-owned PT Logindo Samudramakmur Tbk plans to issue up to 193.3m new shares before end 2013; IPO will be value accretive
- ◆ Funds will be used to expand and upgrade PT Logindo's fleet, enabling it to seize a larger share of Indonesia's high-growth & 'protected' market
- ◆ Pacific Radiance is working to widen its foothold in other high-potential markets as well, riding robust growth in E&P spending worldwide

SINGAPORE ◆ 18 November 2013

For immediate release

Pacific Radiance Ltd. (Pacific Radiance or the Group), a Singapore-based provider of integrated offshore marine services in Asia and beyond, announced today updates in relation to the initial public offering (IPO) of its joint venture company, PT Logindo Samudramakmur Tbk (PT Logindo).

According to PT Logindo's Abridged Prospectus which was published on 14 November 2013 in its local Indonesian newspaper, the company plans to issue up to 193,277,175 new shares representing up to 30% of its enlarged issued and paid up capital. The bulk of the funds to be raised have been earmarked for fleet upgrade and expansion.

Mr Pang Yoke Min (冯学民), the Executive Chairman of Pacific Radiance, said: "We are excited about PT Logindo's IPO because this access to the capital markets will enable Pacific Radiance to reap stronger growth in Indonesia, Asia's fastest growing E&P market in the next five years, and will be value accretive to the Group.

"We partnered PT Logindo because we recognised the huge potential that could be harnessed by gaining access to Indonesia's cabotage-protected market. The results so far have clearly demonstrated that we have made the right decision. Now, we are ready to move with PT Logindo as it takes the next step to strengthen its leading position there."

PT Logindo owns and operates a fleet of 58 offshore vessels that are supplied to the offshore oil and gas industry in Indonesia. Established in 1995, the company plays a key



role in the Group's plans to widen its foothold in Indonesia, which has been identified as a high-growth market that is critical to its overall expansion abroad. Currently, PT Logindo is 49%-owned by the Group's wholly owned subsidiary, Alstonia Offshore Pte. Ltd. The remaining stake is held by its joint venture partners, Mr Rudy Kurniawan Logam, Mr Eddy Kurniawan Logam and Ms Merna Logam.

In the latest nine-month results ended 30 September 2013 reported by Pacific Radiance (9MFY13), the Group's joint venture companies contributed a 71% higher pre-tax profit of US\$9.1 million to its earnings, of which nearly 60% was due to PT Logindo. The Group itself saw a 37% increase in its net attributable profit to US\$40.2 million in 9MFY13.

Mr Pang added: "We have 17 vessels in our newbuild programme and some are earmarked for the Indonesian market. This is in line with our plans to enable our JVs and associates to accelerate their growth and widen our foothold in these markets where E&P spending remains robust.

"Hence, we sell our vessels to our partners in order to access the cabotage markets, and as part of our regular fleet review programme. We have been reaping vessel sale gains over the past five years but while these gains are part of our operations, they can vary from quarter to quarter."

In the third quarter ended 30 September 2013, the Group saw vessel sale gains of US\$0.2 million compared to US\$11.7 million in the previous corresponding period. For 9MFY13, Pacific Radiance reaped vessel sale gains of nearly US\$12 million versus US\$13 million for 9MFY12.

Pacific Radiance recently completed its own IPO, joining the main board of the Singapore Exchange on 13 November 2013. The listing raised net proceeds of S\$150.6 million, most of which is earmarked for fleet expansion. The funds will enable the Group to boost its presence in the high-growth markets of Malaysia, Indonesia, Africa, Australia and Latin America, where E&P budgets are expected to expand rapidly.

ABOUT THE COMPANY

www.pacificradiance.com ♦ SGX mainboard listing: 13 November 2013

Pacific Radiance Ltd. provides offshore support solutions to an expanding client base, catering to their key basic needs throughout the oil and gas (O&G) project life cycle. Our offshore support services division owns and charters out a young and diverse offshore vessel fleet that helps ensure efficient and successful project



execution. We also offer subsea inspection, repair and maintenance (IRM) services as well as light construction services. Our value-added services include ship repair, project logistics and the supply, rental and maintenance of deck equipment.

Our Group's fleet of more than 130 vessels has given us a strong foothold across Asia, and we are well-placed to benefit from the growth in exploration and production (E&P) and subsea spending in the region. At the same time, we have started to move decisively into high-growth markets, namely Africa, Australia and Latin America.

Despite the competitive landscape, we have been able to carve out a definitive presence in strategic market segments and geographies through our intimate knowledge of how these markets operate, and by securing the 'right assets' and entering into key local partnerships in cabotage-protected markets such as Indonesia and Malaysia.

Having control over our supply chain, we are always improving our processes and resource management systems in order to further enhance our competitiveness and maximise cost-effectiveness.

As part of continued efforts to upgrade our offerings and provide value-added solutions, we will launch our ship-repair yard in 2015, which will provide us with greater control over our fleet enhancement programme. Augmenting the fleet will enable us to stay relevant to the market and expand our services in tandem with our clients' needs.

Our proven commitment to maintaining rigorous safety and service standards that help prevent undue delays and rein in costs has also allowed us to build a strong track record and win over clients who value our ability to deliver their projects promptly and cost-effectively.

FOR FURTHER ENQUIRIES

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Other media releases on the company can be accessed at www.oaktreadvisers.com



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M E D I A R E L E A S E

The initial public offering of Pacific Radiance Ltd. was sponsored by United Overseas Bank Limited and UOB Kay Hian Private Limited (the "Joint Issue Managers"). The Joint Issuer Managers assume no responsibility for the contents of this announcement.

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