

Pacific Radiance clinches contract worth up to US\$100m for first newbuild delivered in FY2014

- ◆ This latest Maintenance Work Vessel (MWV) will be chartered to an international oil major for up to 7 years, including extensions
- ◆ Reinforces Pacific Radiance's firm standing in Asia's offshore O&G support services sector; MWV to contribute to earnings from 2QFY2014
- ◆ Win underlines Group's strategy to add larger and more sophisticated vessels, yet keeping fleet diverse and relevant

SINGAPORE ◆ 31 March 2014

For immediate release

Affirming its already strong standing in Asia's offshore Oil & Gas support services sector, Pacific Radiance Ltd. (Pacific Radiance or the Group), a Singapore-based provider of integrated offshore marine services in Asia and beyond, has bagged a contract worth up to US\$100 million for its latest maintenance work vessel (MWV) which is also the first of the 14 newbuilds scheduled for delivery in the current financial year FY2014.

Under the terms of the contract, the MWV, which joined the Group's diverse fleet in the first quarter of FY2014, will be chartered to an international oil major for up to seven years, including extensions. The Group expects the MWV, which will be deployed to provide maintenance services for a project in South East Asia, to contribute to its earnings from 2QFY14.

The MWV has accommodation for 208 men and is equipped with a 64 tonne crane. The Dynamic Positioning Class 2 enabled MWV is also able to work in deeper waters and enhances Pacific Radiance's overall fleet capabilities.

Mr Pang Yoke Min (冯学民), the Executive Chairman of Pacific Radiance, said: "This latest win reinforces Pacific Radiance's firm standing in the sector and underlines our strategy to add larger and more sophisticated vessels while keeping our fleet diverse and relevant to market trends.

Furthermore, our strategic newbuild programme places the Group in a prime position to widen our footprint in Asia as well as make inroads into our target markets in Africa, Australia, South and Central America where E&P spending is expected to rise."

Under the Group's strategic newbuild programme, Pacific Radiance expects 13 more vessels ranging from Platform Supply Vessels and Anchor Handling Tug & Supply Vessels, to a ROV support vessel, to be delivered in FY2014. These diverse newbuilds which are more technologically advanced, will enhance the Group's medium to deepwater capabilities to capture opportunities in the market as its clients move into deeper waters.

Last month, Pacific Radiance announced a 76% jump in Group net attributable profit to US\$56.8 million in FY2013, on the back of revenue growth of 29%. This is the result of higher utilisation and firm charter rates of its fleet of offshore support vessels.

The Board has also proposed a final tax-exempt ordinary dividend of 2 Singapore cents per share for FY2013 which is expected to be paid on 23 May 2014 when approved by shareholders at the upcoming Annual General Meeting.

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 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.



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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

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.