

## **Pacific Radiance refinances term loans and renews revolving credit facilities with key lenders totalling approximately US\$185m**

- ◆ This support from bankers is estimated to reduce the Group's term loan principal repayment by approximately US\$103m through to 2019
- ◆ Interest rates of newly refinanced loans remain largely status quo
- ◆ Term loan repayment profile extended to 12 years from 7 years previously

SINGAPORE ◆ 25 October 2016

For immediate release

Pacific Radiance Ltd., a provider of integrated offshore marine support services, has negotiated a series of agreements with its main bankers/financial partners to refinance its existing term loans and renew revolving credit facilities totalling approximately US\$185 million due in the near to medium term.

With the support of the Group's key lenders, the profile of the term loans has been refinanced to twelve years from an average of seven years previously, and the maturity have largely been extended from 2019 to 2021.

As a result, the Group's loan principal repayment burden will reduce by approximately US\$103 million over the next three years to 2019. This is expected to enhance the Group's liquidity position and financing cash flows in the near to medium term.

Mr Pang Yoke Min (冯学民), the Executive Chairman of Pacific Radiance, said: "The new arrangements represent a clear vote of confidence from our key financial partners – not just in our financial standing but also in our strategic plans for the future.

The timely extension of our long-term financial arrangements has secured us a stronger footing to weather this gruelling industry downturn as we await the sector recovery."

Pacific Radiance has worked to proactively strengthen its financials and enhance cashflows since the onset of the industry downturn in late 2014, in line with its risk mitigation

strategy. This includes the successful amendment of a financial covenant in November 2015 under the Group's only bond issue due in August 2018 to avoid any technical breaches.

In addition, Pacific Radiance has not committed to any new capital expenditure for its fleet expansion programme since mid-2014 – the last of the newbuild vessel deliveries that it committed to previously is expected to be made by early 2017.

The Group also recently entered into a settlement agreement to receive the full refund of US\$10.6 million in pre-delivery instalments for the construction of two platform supply vessels.

#### ABOUT THE COMPANY

[www.pacificradiance.com](http://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.

Our Group's fleet of more than 140 vessels has given us a strong foothold across Asia and other emerging O&G markets, namely Africa, Latin America, and Australia. We are well placed to benefit from the eventual growth in exploration and production (E&P) and subsea spending in these regions in the long term.

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 better 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 commenced operations of our ship-repair yard in August 2016, which will provide us with greater control over our fleet maintenance programme, and better manage repair, maintenance, and docking expenses. Rejuvenation of our fleet will also enable us to stay relevant to the market and expand our services in tandem with our clients' needs.



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

FOR FURTHER ENQUIRIES

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