



## **Pacific Radiance makes further headway in fast liberalising Mexican offshore oil & gas market**

- ◆ Will transfer its key Mexico operations and assets to indirect JV Navigatis Radiance; JV partner will invest up to US\$40m
- ◆ Move will improve cost efficiency and strengthen Group's position to benefit from expected upturn in offshore activity in the Gulf of Mexico
- ◆ E&P awards to foreign oil companies due to Mexico's energy reforms expected to drive demand for offshore support vessels and services

SINGAPORE ◆ 22 December 2016

For immediate release

Pacific Radiance Ltd. (Pacific Radiance or the Group), a provider of integrated offshore marine support services, is making further headway in the fast liberalising Mexican offshore oil & gas (O&G) market.

In its latest move, the Group will transfer its key operations and assets in Mexico to Navigatis Radiance Pte. Ltd. (Navigatis Radiance), its 51%-owned indirect joint venture (JV) with Navigatis S. De. R.L. De C.V (Navigatis). Navigatis is a special purpose entity set up by Mexican private equity firm Axis Capital Management which manages US\$1.5 billion of assets. Navigatis will in turn invest up to US\$40 million, adding to the standing of the JV which was formed only on 27 September 2016.

When the transfer is completed, Navigatis Radiance will own approximately 40% effective interest in CR Offshore S.A.P.I. de C.V, a ship management company, 99% in vessel leasing company CEIBA Maritima S.A.P.I de C.V, SOFOM ENR, as well as two anchor handling tug supply (AHTS) vessels and a maintenance work boat (MWB). All three vessels are currently employed in the Gulf of Mexico. The Group also plans to merge its back-end operations in Mexico which will improve the cost efficiency of the JV.

Mr Pang Yoke Min (冯学民), the Executive Chairman of Pacific Radiance, said: "Navigatis Radiance, with its enlarged operations and balance sheet as well as a modern and efficient fleet of support vessels, will sharpen our overall competitive edge in the Gulf of Mexico.



Also, our collaboration with Navigatis and indirectly with Axis and its partners, underscores the confidence they have in Pacific Radiance's operational experience and relevant fleet to secure opportunities in the region.”

Just last month, the Group secured a long term contract worth US\$73 million including options for its MWB which was delivered in 1H FY16. The work boat is currently performing platform maintenance, diving and subsea maintenance, as well as offshore construction work in the Gulf of Mexico.

Commenting on the prospects of Mexico's offshore sector, Mr Pang added: “We are positive on the long term prospects which are being driven by government efforts to quickly liberalise Mexico's energy market. Our JV is expected to grow with the pick up in E&P activity in the Gulf of Mexico now that foreign companies are allowed greater participation to develop the country's large and potentially accessible hydrocarbon resources.”

The Mexican government's energy reforms to boost the country's dwindling O&G output have picked up pace since it opened up the country's hydrocarbon market in December 2013.

These reforms allow the private sector, including the large independent oil companies, to enter into profit sharing, production sharing and even hydrocarbon licensing agreements with Petroleos Mexicanos or Pemex, the country's state-owned energy company.

In July 2015, the Mexican government awarded two production-sharing contracts for shallow-water fields in the Gulf of Mexico to locally incorporated companies. This was followed by strong bids from independent oil majors as well as China National Offshore Oil Corporation, China's national oil company, for 10 deepwater blocks, of which eight were awarded on 5 December 2016.

#### 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.



Pacific Radiance Ltd.

15 Pandan Road  
Singapore 609263

Tel: +65 6238 8881  
Fax: +65 6278 2759

Our Group’s fleet of more than 130 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.

**FOR FURTHER ENQUIRIES**

MR. JAMES PANG	+65 6568 3238	PACIFIC RADIANCE LTD. james.pang@pacificradiance.com
MS CAROL CHONG	+65 9475 3167	OAKTREE ADVISERS carolchong@oaktreadvisers.com
MS NORA CHENG	+65 9634 7450	OAKTREE ADVISERS noracheng@oaktreadvisers.com

**ABOUT AXIS GROUP**

Headquartered in Mexico City, Axis Group (“Axis”) is an investment firm established in 1990, specialized in private equity investments and structured finance. During its 25-year history, the firm has executed over US\$14 billion in transactions and has distinguished itself by designing and executing innovative solutions to complex financial needs and situations. Axis has US\$1.5 billion in assets under management from a wide variety of institutional and private investors.

Axis’s principal investment platforms include: i) Navix - a non-bank financial intermediary specialized in structured finance across a wide range of industries; ii) Oro Negro - an offshore drilling company with the largest and most modern fleet operating in Mexico iii) Axis Capital/Navitas Investments - a private lending vehicle focused on offshore infrastructure projects with proprietary NY-law Note Purchase Program funding structure subscribed by diverse international institutional investors; iv) Aspen Partners - control investment of real estate investment platform focused on land entitlement and zoning arbitrage in central Mexico; v) Sahuayo - control acquisition of the largest non-perishable distribution company in Mexico.