



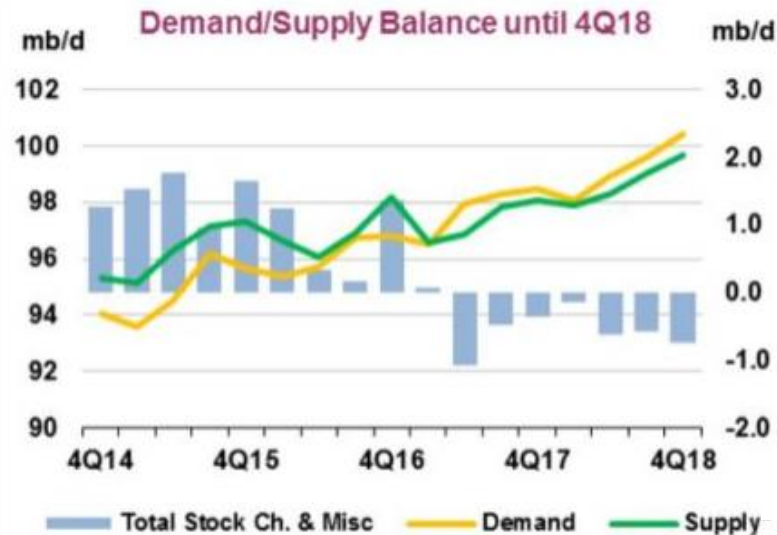
PACC Offshore Services Holdings Ltd.

*Results Presentation
1H FY18 Results
6 Aug 2018*



	Page
1. Industry Outlook and Key Highlights	3
2. Financial Highlights	5
3. Business Strategy	15
4. Appendices	16

Oil market remained in balance despite slight increase in OPEC Production



Source: International Energy Agency, Oil Market Report

- Global oil supply rose by 370 kb/d in June mainly due to higher Saudi Arabian and Russian output as parties agree to the Vienna Agreement
- OPEC crude production in June reached a four-month high of 31.87 mb/d, with the surge from Saudi Arabia offsetting losses from Angola, Libya, and Venezuela
- Overall, oil prices reached highest levels since 2014 and stayed above USD70/bbl, driven by growth in demand and threats to global supply
- Oil and gas activities picking up, especially for brownfield sites but vessel charter rates continue to be depressed given vessel oversupply

Key Highlights – Q2 FY2018

- Revenue of US\$83.1 million; an increase of 95% (Q2 FY17: US\$42.6 million) due to higher contribution from all business segments.
- Net loss attributable to shareholder reduced 47% to US\$5.8 million (Q2 FY17: US\$11.0 million).
- The Group reported a gross profit of US\$14.2 million compared with a gross loss of US\$2.6 million in Q2 FY17.
- All the 13 vessels for Middle East long-term contracts have been fully deployed.
- Continue to focus on operational excellence, cost competitiveness and maximising utilisation of our vessels.
- In progress of setting up overseas offices in Angola and Brunei and strengthening our existing offices in the Kingdom of Saudi Arabia and Mexico to widen our market reach and improve proximity with our clients in key markets.
- The Group has recently incorporated a subsidiary, POSH Subsea Pte Ltd, to enter into subsea construction, installation, SURF, IMR related services.
- The Group enters Taiwan Offshore Renewables Market through a JV with Kerry TJ Logistics. This JV will provide an integrated solutions platform for offshore wind farm developers, EPCI contractors & wind turbine manufacturers.

FINANCIAL HIGHLIGHTS



Group Financial Highlights

SUMMARY

US\$'M	Q2 FY18	Q2 FY17	Change	1H FY18	1H FY17	Change
	Actual	(Restated) ¹		Actual	(Restated) ¹	
Gross Revenue	83.1	42.6	95%	153.7	77.2	99%
Gross Profit/(Loss)	14.2	(2.6)	NM	24.2	(7.4)	NM
Share of JV Results	(1.0)	2.6	NM	(0.5)	(2.2)	-79%
Net Loss after Tax ²	(5.8)	(11.0)	-47%	(13.0)	(29.6)	-56%
EBITDA	19.8	10.5	89%	37.3	11.9	213%

¹: The Group has adopted the new Singapore Financial Reporting Standards (International) ("SFRS(I)") framework for the financial year ending 31 December 2018 and has applied SFRS(I) with 1 January 2017 as the date of transition.

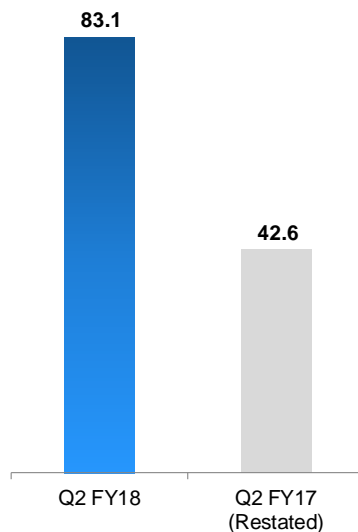
²: Net (Loss)/Profit after tax attributable to shareholders

Group Financial Highlights – Q2 FY18

In US\$'M

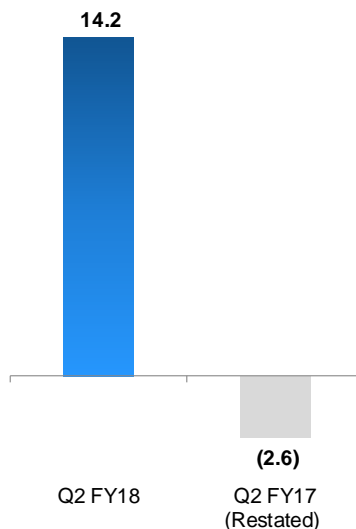
Gross Revenue

YoY 95%



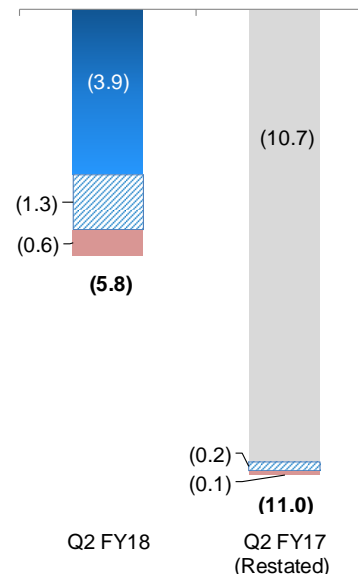
Gross Profit/(Loss)

YoY NM



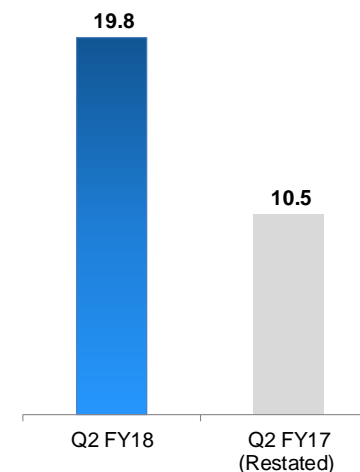
Net Loss after Tax¹

YoY -47%



EBITDA

YoY 89%



///: Allowance for doubtful debt
■: Loss on disposal of fixed assets

- Revenue increased due to higher contribution from all business segments.
- Gross profit instead of gross loss mainly due to higher contribution from OA, OSV & T&I.
- Lower Net Loss mainly due to higher gross profit, offset by higher G&A, allowance for doubtful debt, finance cost & taxation and lower share of JV.

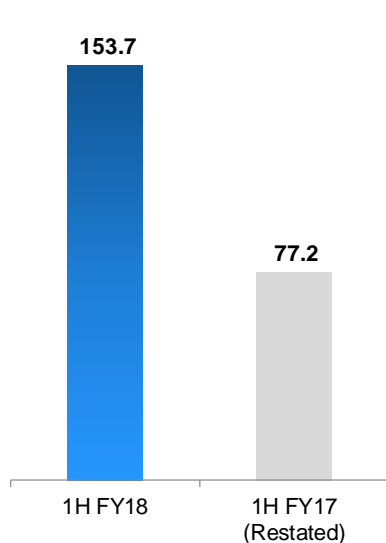
¹: Net (Loss)/Profit after tax attributable to shareholders

Group Financial Highlights – 1H FY18

In US\$'M

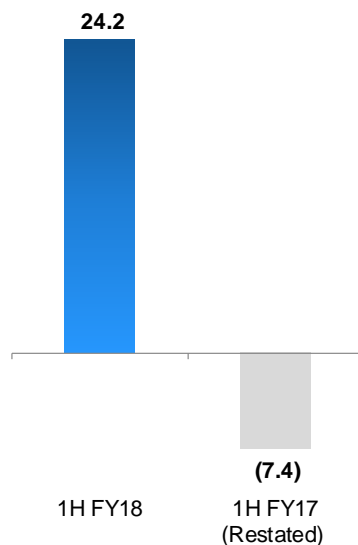
Gross Revenue

YoY 99%



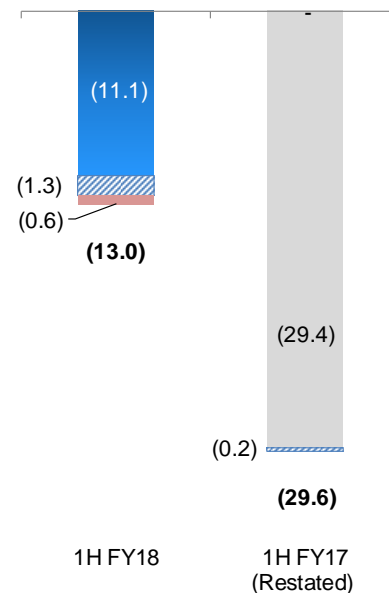
Gross (Loss)/Profit

YoY NM



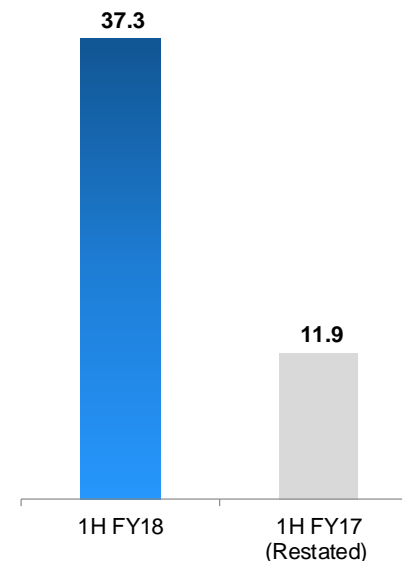
Net Loss after Tax¹

YoY -56%



EBITDA

YoY 213%



///: Allowance for doubtful debt
 ■: Loss on disposal of fixed assets

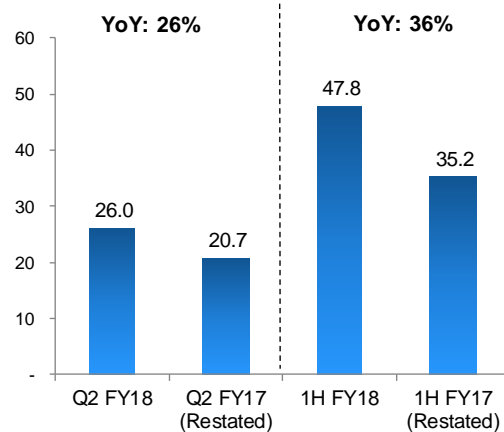
- Revenue increased mainly due to higher contribution from all business segments.
- Gross profit instead of gross loss mainly due to higher contribution from OA & OSV.
- Lower Net Loss mainly due to higher gross profit and contribution from JVs, offset by higher G&A, allowance for doubtful debt, finance cost & taxation.

¹: Net (Loss)/Profit after tax attributable to shareholders

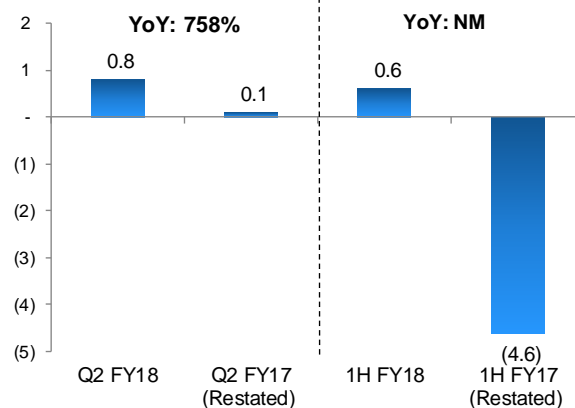
Financial Highlights - OSV

In US\$'M

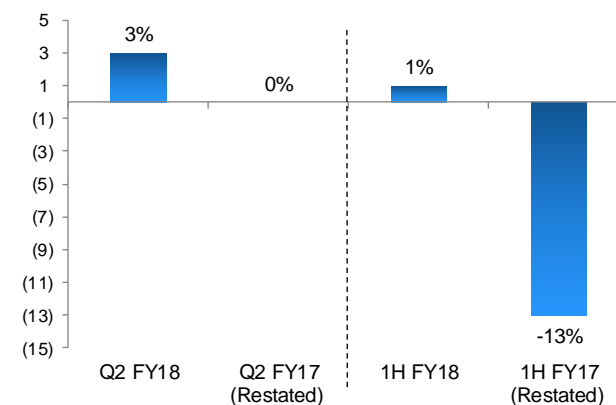
Gross Revenue



Gross Profit/(Loss)



Gross Profit/(Loss) Margin (%)

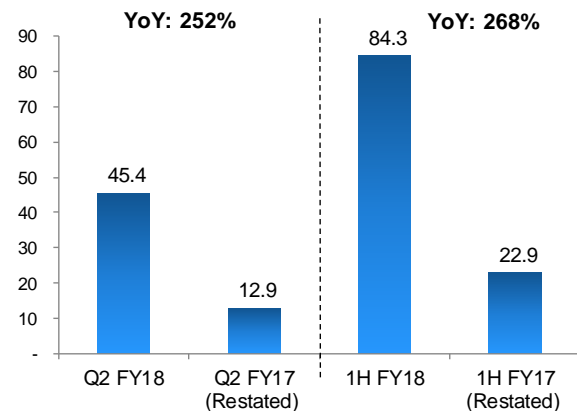


- Revenue increased in Q2 FY18 mainly from long-term charters to the Middle East and higher utilisation of remaining OSV vessels despite lower average daily charter rates.
- Utilisation of 76% in Q2 FY18, compared to 64% in Q2 FY17.

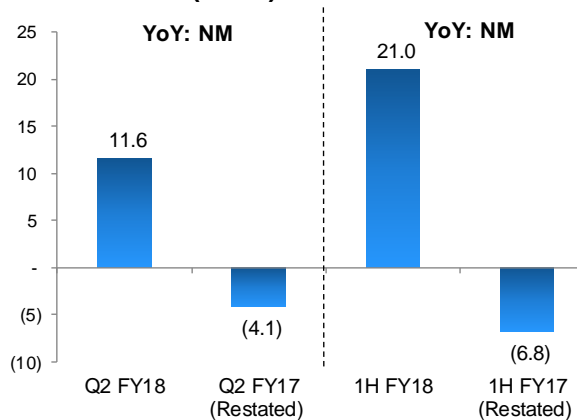
Financial Highlights - OA

In US\$'M

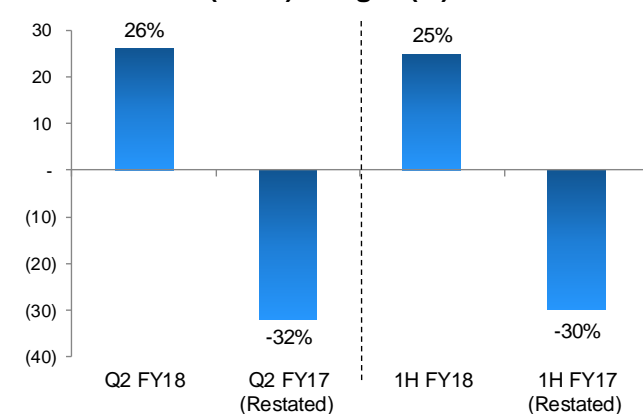
Gross Revenue



Gross Profit/(Loss)



Gross Profit/(Loss) Margin (%)

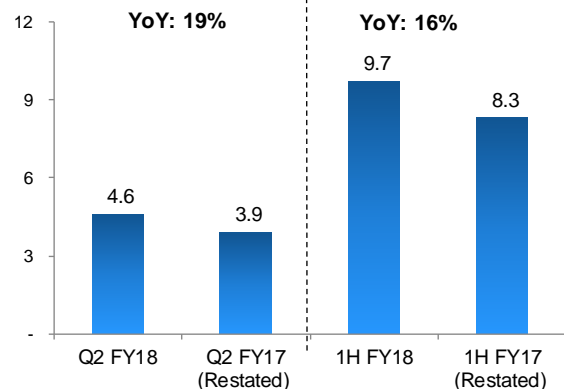


- Revenue increased in Q2 FY18 mainly due to both POSH Xanadu and POSH Arcadia (2 SSAVs) continuing their charter for Chevron Big Foot project and Shell Prelude project respectively; and higher average daily charter rates and utilisation of other OA vessels.
- Gross profit in Q2 FY18 instead of gross loss, as a result of higher revenue.

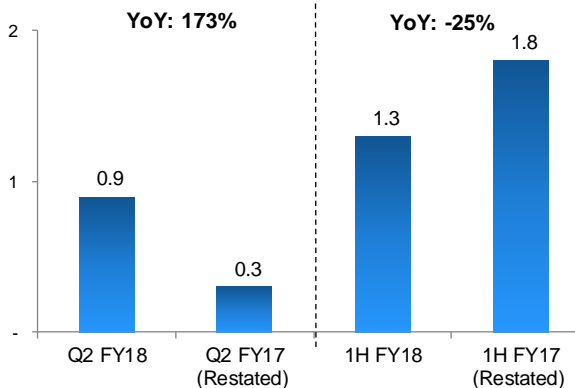
Financial Highlights – T&I

In US\$'M

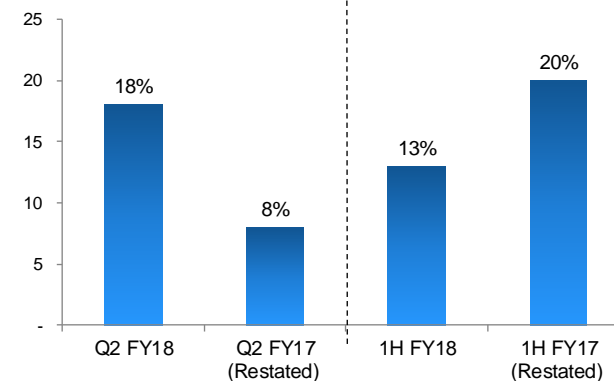
Gross Revenue



Gross Profit



Gross Profit Margin (%)

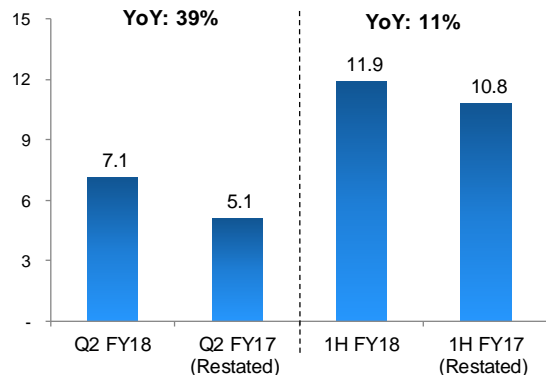


- Revenue increased in Q2 FY18 mainly due to higher vessel utilisation.
- Utilisation of 75% in Q2 FY18, compared to 48% in Q2 FY17.

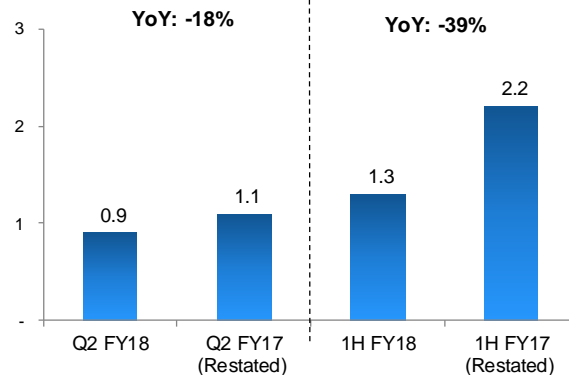
Financial Highlights – HSER

In US\$'M

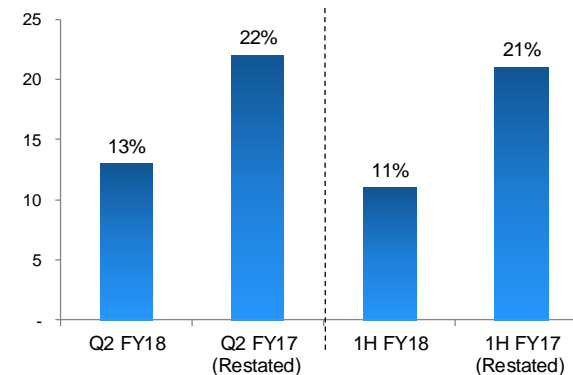
Gross Revenue



Gross Profit

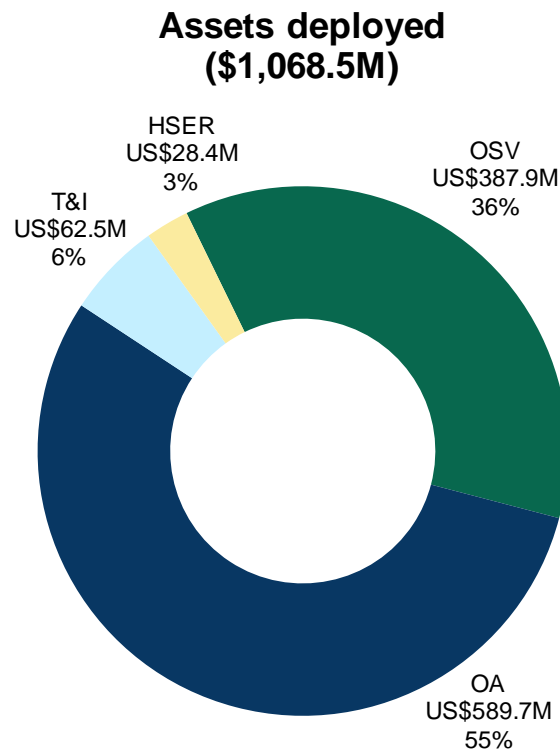
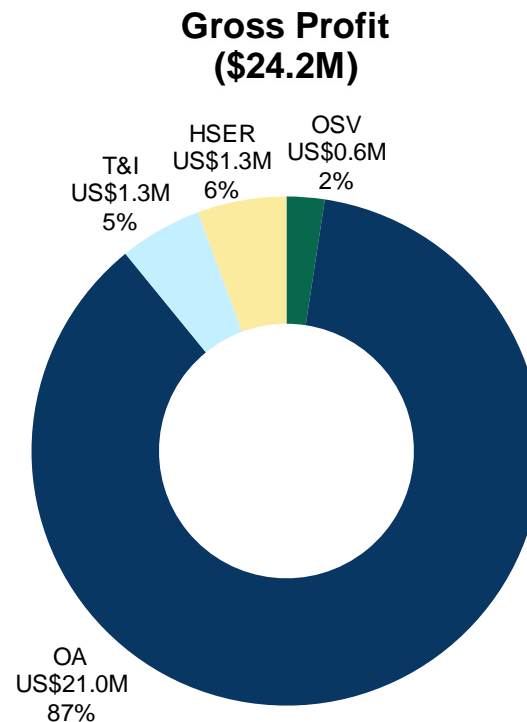
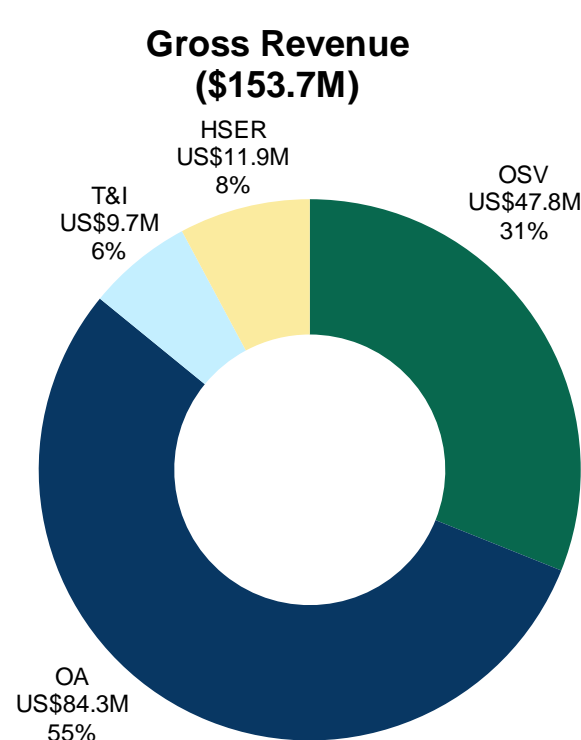


Gross Profit Margin (%)



- Higher revenue in Q2 FY18 mainly due to higher HS revenue from southern pool and overseas, higher heavy lift and salvage revenue.

Segments results¹ & Assets deployed²



¹: For period ended 30 Jun 18

²: As at 30 Jun 18

Capital Structure

US\$'000	30 Jun 18	(Restated) 31 Dec 17
Net Debt	755,800	751,837
Equity ¹	454,610	460,183
Net Debt/Equity	166%	163%

¹: Equity attributable to shareholders of the Company

- The Group has net current liabilities of US\$170.2 million mainly due to bank borrowings due within a year.
- The Group has undrawn bank lines of approximately US\$118.9 million as at 30 Jun 18.

	Wholly owned	Owned by JVs	Under Construction
Number of Vessels¹	86	37	-
Net Book Value²	US\$1,068.5M	-	-

¹: See Appendix for details

²: as at 30 Jun 18

- The Group has received delivery of all its new build vessels.
- The last vessel under construction was delivered in Q2 2018 and immediately deployed to start its long term charter with a Middle East National Oil Company.

2018 Focus: Pursuit of Accretive Growth Underpinned by Strong Fundamentals

Strategic Initiatives in 2018



Pursuing Growth in the Maintenance Space

- The offshore maintenance segment is expected to pick up due to previously deferred maintenance jobs
- Leverage on our ability to provide a wide spectrum of walk-to-work solutions
- Actively explore entry into adjacencies including the subsea Inspection, Maintenance and Repair (IMR) sector



Getting Closer to Our Customers

- Looking to establish and expand offices in key markets to interface directly with and better serve our customers
- Aim to expand suite of services to provide more value-add and be a one-stop solutions provider to customers



Increase Fleet Utilisation through New Business Segments

- Identify new or adjacent business segments where existing assets can be readily deployed
- Identified business segments include subsea operations and offshore windfarm development

UNDERPINNED BY

Excellence in Service and Safety

- Uncompromising commitment to operational and safety excellence

Upgrading our Human Capital

- Continual investment in talent development and capability building

Exercising Fiscal Prudence

- Prudent capital management, pursue charters that generate positive cash flow and EBITDA

Appendix

Overview of Business Segments

	Offshore Supply Vessels (OSV)	Offshore Accommodation (OA)	Transportation and Installation (T&I)	Harbour Services and Emergency Response (HSER)
Description	<ul style="list-style-type: none"> ▪ AHTS and PSV: Mid to deepwater oilfield operations in exploration, development, construction and production phases 	<ul style="list-style-type: none"> ▪ Offshore accommodation, workshop and storage facilities: Offshore construction and maintenance operations 	<ul style="list-style-type: none"> ▪ AHT: Ocean towage of FPSOs and large offshore structures; shallow-water pipelay and construction works ▪ Barge: Transportation, floatovers and launching of platform jackets 	<ul style="list-style-type: none"> ▪ Harbour Services: Support harbour towage operators and provide heavy lift services to shipyards ▪ Emergency Response: Salvage, wreck removal, rescue and oil-spill response operations globally
Fleet	<ul style="list-style-type: none"> ▪ Operates 42 vessels (JV: 5) including: <ul style="list-style-type: none"> • 5,150 – 16,000 BHP AHTS • 2,600 – 3,150 BHP MUV • 2,346 – 4,100 DWT PSVs ▪ One of the youngest deepwater and midwater AHTS/PSV fleets globally ▪ Average vessel age of 4.9 years 	<ul style="list-style-type: none"> ▪ Operates 12 vessels (JV: 1) with total capacity of approximately 3,400 persons ▪ Average vessel age of 5.7 years 	<ul style="list-style-type: none"> ▪ Operates 38 vessels (JV: 13) including: <ul style="list-style-type: none"> • 12,000 – 16,300 BHP AHTs • 4,000 – 8,000 BHP AHTs • Barges, including submersible barges and launch barge • Average vessel age of 9.1 years 	<ul style="list-style-type: none"> ▪ Operates 31 vessels (JV: 18) including: <ul style="list-style-type: none"> • 3,200 – 5,000 BHP Azimuth Stern Drive (ASD) harbour tugs • Heavy lift crane barges • Average vessel age of 6.9 years
Typical Contract Type	<ul style="list-style-type: none"> ▪ Mix of short and long-term charters and spot contracts 	<ul style="list-style-type: none"> ▪ Mix of long and short-term contracts 	<ul style="list-style-type: none"> ▪ Short-term charters or lump-sum project contracts 	<ul style="list-style-type: none"> ▪ MPA license to provide port towage services in Singapore ▪ Retainer agreements for emergency response services

Fleet Optimisation Program

Type of vessels	Current fleet	
	Wholly owned	Owned by JVs
AHTS	20	4
PSV	13	1
Maintenance Utility Vessels	4	0
AHT	9	9
Towing Tugs	2	0
Barges	14	4
SSAV	2	0
Accommodation Vessels	6	1
IMR/MPSV	3	0
Harbour Tugs	11	16
Crane Barges	0	2
Utility Workboats	2	0
Total as at 30 Jun 18	86	37

- Young fleet of customized new builds to meet customers' needs
- Focus on high-capacity and high-specification offshore accommodation vessels
- Entry into Inspection, Maintenance and Repair (IMR) segment with construction of IMR vessels

Disclaimer

The information contained in this presentation is for information purposes only, and does not constitute or form part of any offer or invitation to sell or the solicitation of an offer or invitation to purchase or subscribe for, or any offer to underwrite or otherwise acquire any securities of PACC Offshore Services Holdings Ltd. (the "Company") or any other securities, nor shall any part of this presentation or the fact of its distribution or communication form the basis of, or be relied on in connection with, any contract, commitment or investment decision in relation thereto in Singapore or any other jurisdiction. No reliance may be placed for any purpose whatsoever on the information set forth in this presentation or on its completeness. This presentation has been prepared solely for information used by the Company for presentation purposes and may not be reproduced or redistributed to any other person.

The information ("Confidential Information") contained in this presentation does not contain all relevant information relating to the Company or its securities, particularly with respect to the risks and special considerations involved with an investment in the securities of the Company. No part of this document shall form the basis of or be relied upon in connection with any contract or commitment whatsoever. This presentation is strictly confidential and has been prepared by the Company to you solely for your reference. The Confidential Information is subject to change without notice, its accuracy is not guaranteed and it may not contain all material information concerning the Company. The information contained in this presentation has not been independently verified. No representation, warranty or undertaking, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or the opinions contained herein. Neither the Company nor any of their respective directors makes any representation or warranty (express or implied) regarding, and assumes any responsibility or liability for, the accuracy or completeness of, or any errors or omissions in, any information or opinions contained herein. None of the Company or any of its members, directors, officers, employees, affiliates, advisors or representatives nor any other person will be liable (in negligence or otherwise) for any loss howsoever arising from any use of this presentation or its contents or otherwise arising in connection with the presentation.

This presentation may contain forward-looking statements which are statements that are not historical facts that may be identified by their use of words like "plans," "expects," "will," "anticipates," "believes," "intends," "depends," "projects," "estimates" or other words of similar meaning and that involve substantial risks and uncertainties. You should not unduly rely on such statements. All statements that address expectations or projections about the future, including, but not limited to, statements about the strategy for growth, product development, market position, expenditures, and financial results, are forward-looking statements. Forward-looking statements are based on certain assumptions and expectations of future events. The Company does not guarantee that these assumptions and expectations are accurate or will be realised. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions.

Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from other companies, shifts in customer demands, customers and partners, changes in operating expenses including employee wages, benefits and training, governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward-looking statements, which are based on current view of the Company's management on future events. The Company do not assume any responsibility to amend, modify or revise any forward-looking statements, on the basis of any subsequent developments, information or events, or otherwise.

The information in this presentation has not been independently verified, approved or endorsed by any manager or adviser retained by the Company. No representation, warranty, express or implied, is made as to, and no reliance, in whole or in part, should be placed on, the fairness, accuracy, completeness or correctness of the information and opinions in this presentation. It is not intended that these materials provide, and you may not rely on these materials as providing, a complete or comprehensive analysis of the Company. The information and opinions in these materials are provided as at the date of this presentation, and are subject to change without notice. None of the Company or its affiliates, advisers or representatives, makes any representation as to, or assumes any responsibility with regard to, the accuracy or completeness of any information contained here or undertakes any responsibility for any reliance which is placed by any person on any statements or opinions appearing herein or which are made by the Company or any third party, or undertakes to update or revise any information subsequent to the date hereof, whether as a result of new information, future events or otherwise and none of them shall have any liability (in negligence or otherwise) for nor shall they accept responsibility for any loss or damage howsoever arising from any information or opinions presented in these materials or use of this presentation or its contents or otherwise arising in connection with this presentation.

The distribution of this presentation in certain jurisdictions may be restricted by law and, accordingly, this presentation is being communicated only to persons who have requisite experience in matters relating to investments and are persons to whom it may be lawful to communicate it without contravention of any unfulfilled registration requirements or other legal restrictions in the jurisdiction in which they reside or conduct business or in which they receive this presentation.