PEC LTD.
(Incorporated in the Republic of Singapore)
(Registration No. 198200079M)

PROFIT GUIDANCE FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

The Board of Directors (the "**Board**") of PEC Ltd. (the "**Company**", together with its subsidiaries, the "**Group**") refers to the following:

(a) the announcement dated 27 August 2015 by the Company in relation to the unaudited financial statements of the Group for the financial year ended 30 June 2015 ("**FY2015**"); and

(b) the announcement dated 1 October 2015 by the Company in relation to Jurong Aromatics Corporation Pte Ltd ("**JAC**"), an existing client of the Group which has been put into receivership ("**October Announcement**").

As mentioned in the October Announcement, JAC is a client of the Group and as at 30 June 2015, the Group has provided services, for which an amount of approximately S$19 million remains outstanding. The Company is currently in discussions with the receivers of JAC with regard to the payment and depending on the outcome of such discussions, the Group may report a net loss for FY2015 if the Group is required to make any specific provision of doubtful debts in its FY2015 accounts.

Further details of the Group's performance will be disclosed when the Group releases its final audited financial statements for FY2015.

The information contained in this announcement is based on information currently available to the Group and a preliminary assessment of the management accounts of the Group. It is not based on any figures or information that has been audited by the Company's auditors.

There is no assurance or certainty that the parties will enter into any transaction or reach an agreement pursuant to the Company's discussions with the receivers of JAC. Shareholders and investors are advised to exercise caution when dealing in the shares of the Company. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor, accountant or other professional advisers.

The Board will, in compliance with the applicable rules (including Rule 704(5) of the Listing Manual of the Singapore Exchange Securities Trading Limited), update the shareholders of the Company in due course and make further announcements as appropriate.

Submitted by Edna Ko Poh Thim, Executive Chairman on 7 October 2015 to the SGX-ST.