

NEWS RELEASE

Vallianz Posts Net Profit of US\$5.5 Million in 1Q2015

- Group delivered stable bottom line result despite challenging industry conditions
- Revenue grew 119% to US\$60.7 million, lifted by maiden contributions from recent acquisitions
- EBITDA increased 78% year-on-year to US\$19.8 million
- Order book of US\$461.6 million as at 31 March 2015

Singapore, 11 May 2015 – Vallianz Holdings Limited (“**Vallianz**” and together with its subsidiaries, the “**Group**”), a fast growing provider of offshore support vessels and integrated marine solutions to the oil and gas industry, today reported a steady net profit of US\$5.5 million for the three months ended 31 March 2015 (“**1Q2015**”) despite the challenging business environment in the oil and gas industry.

Group revenue in 1Q2015 grew 119% to US\$60.7 million. This was driven by higher revenue from the Group’s offshore support vessel (“**OSV**”) chartering operations and new revenue streams from subsidiaries that it acquired in the last quarter of 2014. As a result, gross profit increased 55% to US\$16.0 million in 1Q2015. The Group’s gross profit margin however decreased to 26.4% from 37.3% for the three months ended 31 March 2014 (“**1Q2014**”) due mainly to the change in its revenue mix and expansion of owned fleet.

The Group also recorded maiden profit contribution of US\$1.04 million from its 49%-owned associate, PT Vallianz Offshore Maritim (“**PTVOM**”), which the Group acquired in December 2014 as a platform to penetrate the cabotage-protected market in Indonesia.

At the bottom line, the Group registered muted net profit growth in 1Q2015 due to additional administrative expenses of the acquired subsidiaries and increased finance costs. Nonetheless, its EBITDA (earnings before interest, depreciation and amortisation) increased 78.0% to US\$19.84 million compared to US\$11.1 million in 1Q2014.

CEO of Vallianz, Mr Ling Yong Wah said, “Vallianz was still able to deliver a respectable set of results in 1Q2015 amid one of the toughest periods in the history of the oil and gas industry. We believe our resilient performance can be attributed to the robust business model that we have built for the Group.”

Vallianz’s OSV chartering business focuses on supporting shallow water oilfield activities which are less susceptible to capital expenditure reductions of the oil companies compared to projects in deep water oil fields. The Group also has a successful record of securing mainly long term charter contracts of between 3 and 5 years which provide stable revenue streams. In addition, the Group serves primarily national oil companies which have less volatile exploration and production (“**E&P**”) spending patterns.

“One of the Group’s key strengths is the strong foothold that we have established in the Middle East, the world’s largest oil producing region. In fact, the Group is a premier OSV supplier to one of the world’s largest national oil companies in the Middle East. With OPEC members continuing to maintain high levels of oil production output and E&P spending in the Middle East projected to increase in 2015, we are in prime position to capitalise on the expected growth in demand for OSVs in this region,” Mr Ling said.

While the prevailing weak oil price environment continues to cloud the near-term outlook of the oil and gas industry, the Group remains positive of its long term growth prospects.

“We continue to focus on increasing the Group’s penetration in the Middle East, Asia, Latin America and West Africa to maintain our status as a major OSV player. To this end, we are actively bidding for new contracts totaling US\$1.2 billion in these target markets,” added Mr Ling.

To offer a broader range of product offerings to customers, the Group is also exploring opportunities to expand and enhance its fleet with specialised vessels. It presently owns a fleet of 39 OSVs while PTVOM operates another 20 vessels.

As at 31 March 2015, the Group’s chartering services order book stood at approximately US\$461.6 million.

This news release should be read in conjunction with the Group’s announcement posted on the SGX website on 11 May 2015.

About Vallianz Holdings Limited

Vallianz Holdings Limited is a fast growing provider of offshore support vessels and integrated offshore marine solutions to the oil and gas industry. Headquartered in Singapore, the Group provides offshore marine services to oil majors and national oil companies worldwide. Today, Vallianz owns a young fleet of 39 offshore support vessels and covers markets in Asia Pacific, the Middle East, Latin America and West Africa. To strengthen its foundation for growth, the Group is currently executing initiatives to expand its asset base and geographical reach, as well as broaden its range of vessel offerings. The Group also continues to seek opportunities and strategic alliances to increase its penetration in the major and emerging offshore oil and gas exploration markets. Listed on SGX-Catalist, Vallianz is helmed by an experienced Board and management team. For more details, please refer to www.vallianzholdings.com

This news release has been prepared by the Company and its contents have been reviewed by the Company’s sponsor, Stamford Corporate Services Pte. Ltd. (“Sponsor”), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (“SGX-ST”). The Sponsor has not independently verified the contents of this news release.

This news release has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this news release including the correctness of any of the statements or opinions made or reports contained in this announcement.

*The contact person for the Sponsor is Mr. Bernard Lui.
Telephone number: 6389 3000 Email: bernard.lui@stamfordlaw.com.sg*

Media and Investor Relations Contact

Octant Consulting | phone (65) 6296 3583

Herman Phua | mobile 9664 7582 | email herman@octant.com.sg

Lisa Heng | mobile 9090 9887 | email lisa@octant.com.sg