



Atlantic Navigation Holdings (Singapore) Limited
(Company Registration No. 200411055E)

MEDIA RELEASE

Atlantic Navigation reports 61% increase in net profit

- **61.0% surge in net profit to US\$3.0 million achieved on back of 9.6% increase in revenue**
- **Gross profit jumped 42.9% to US\$4.6 million with gross profit margin improving from 31.5% to 41.0%**
- **Fleet expansion includes one new vessel added in 1Q2014 and two new vessels under construction, one of which is expected to join the fleet in 2Q2014.**

US\$ million	1Q2014	1Q2013	% chg ⁺⁺
Revenue by segment			
- Marine logistics services	10.5	9.7	8.8
- Ship repair, fabrication & others	0.7	0.6	24.5
Group Revenue	11.2	10.2	9.6
Gross Profit by segment			
- Marine logistics services	4.4	3.0	49.5
- Ship repair, fabrication & others	0.2	0.3	(33.9)
Group Gross Profit	4.6	3.3	42.9
Gross Profit Margin	41.0%	31.5%	+9.5pps
Pretax Profit	3.0	1.9	61.0
Net Profit	3.0	1.9	61.0
Basic EPS (US cents)*	1.16	0.72	
Diluted EPS (US cents) ⁺	1.15	0.72	

* Based on weighted average number of shares of 260.6 million as at 31 March 2014 (31 March 2013: 260.6 million)

+ Based on weighted average number of shares as at 31 March 2014, adjusted for the dilutive effect of 4.1 million share options (31 March 2013: N/A)

⁺⁺ The percentage change is computed based on the dollar amounts rounded to the nearest thousand

25 April 2014 – Atlantic Navigation Holdings (Singapore) Limited (“Atlantic Navigation” or “the Group”), a leading provider of marine logistics services in the Middle East, has reported a net profit of US\$3.0 million for the three months ended 31 March 2014 (“1Q2014”), compared to US\$1.9 million for the corresponding three-month period in 2013 (“1Q2013”). Group revenue rose 9.6% from US\$10.2 million in 1Q2013 to US\$11.2 million in 1Q2014.

Review of 1Q2014 Operating Results

Marine logistics services continued to be the main driver of the increase in Group revenue, with the segment contribution growing 8.8% from US\$9.7 million in 1Q2013 to US\$10.5 million in 1Q2014. An

improvement in gross profit margins, from 30.6% to 42.1%, also helped gross profit for the segment to rise from US\$3.0 million in 1Q2013 to US\$4.4 million in 1Q2014, an increase of 49.5%. The improved performance was attributable to lower cost of services, the deployment of a new vessel added during the quarter, a full quarter of contributions from the jack-up accommodation barge deployed since end-January 2013, and higher overall utilisation for the Group's own fleet. The improved utilisation rate helped to offset a US\$1.1 million decrease in cross chartering revenue which was due to the completion of charters for two third-party vessels that were deployed in 1Q2013.

Revenue from ship repair, fabrication, and other marine services improved marginally from US\$0.6 million in 1Q2013 to US\$0.7 million in 1Q2014 due to a higher level of business activity. However, gross profit declined from US\$0.3 million to US\$0.2 million as margins were compressed due to increased competition in this business segment.

Administrative expenses increased marginally by US\$0.1 million compared to 1Q2013 mainly due to the increase in payroll costs. Finance costs increased by approximately US\$0.1 million to US\$0.4 million due to borrowings related to the Group's jack-up accommodation barge.

Net profit for 1Q2014 jumped to US\$3.0 million, a 61.0% quarter-on-quarter improvement on the back of higher revenue, lower cost of services, and the resultant improvement in gross profit and margins.

Outlook and Strategy

The Group expects to take delivery of a 60.5-metre multipurpose offshore support vessel in 2Q2014, and also has a 75-metre platform supply vessel being constructed, which is expected to be delivered in 2Q2015.

“It has been a good start to the year for the Group, and we strive to continue building on our momentum in marine logistics services to capitalise on opportunities in the Middle East, as well as in other markets where we see good potential. Although there was a dip in revenue from cross charter contracts in 1Q2014, our own fleet's utilisation rate remains high and we are also actively expanding our fleet to drive earnings growth.”

Mr. Wong Siew Cheong, Executive Chairman and CEO of Atlantic Navigation

About Atlantic Navigation Holdings (Singapore) Limited (Bloomberg: ATL SP, Reuters: ATLA.SI)

Atlantic Navigation Holdings (Singapore) Limited is an investment holding company with a vertically integrated offering of marine logistics services as well as ship repair and maintenance services. It owns, operates, and charters its fleet of 13 offshore support vessels to leading offshore oil and gas companies primarily in the Middle East and India. It also manages the sourcing and cross-chartering of third party vessels to match customers' requirements where necessary. Additionally, the Group provides ship repair, fabrication, maintenance, and other services at its workshop facility in Sharjah, UAE.

The Group was established in the UAE in 1997, and completed a reverse acquisition of Fastube Limited on 30 July 2012. The entity was renamed as Atlantic Navigation Holdings (Singapore) Limited and has been trading under this name on SGX Catalist (stock code: 5UL) since 1 October 2012.

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*This press release has been prepared by the Company and its contents have been reviewed by the Company's sponsor ("**Sponsor**"), Canaccord Genuity Singapore Pte. Ltd., for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"). Canaccord Genuity Singapore Pte. Ltd. has not independently verified the contents of this press release.*

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