NEWS RELEASE

Vallianz Doubled Net Profit to a Record of US$20.4 Million in FY2014

- Revenue for FY2014 surged to US$153.7 million from US$20.0 million a year ago
- Group continues to participate actively in new OSV tenders for shallow-water oil field operations
- Robust order book of US$540.0 million at the end of FY2014

Singapore, 25 February 2015 – Vallianz Holdings Limited ("**Vallianz**" and together with its subsidiaries, the "**Group**"), a fast growing provider of offshore support vessels ("**OSV**") and integrated marine solutions to the oil and gas industry, today unveiled a sterling set of results for the financial year ended 31 December 2014 ("**FY2014**") as net profit has doubled to US$20.4 million from US$10.3 million a year ago.

The sharp jump in profitability was fuelled mainly by a surge in revenue to US$153.7 million in FY2014, compared to US$20.0 million in FY2013. Around 78% of revenue was derived from the Group's vessel chartering business. This segment's revenue grew significantly on the back of contributions from its OSV chartering operations in the Middle East, as well as the start of new charters during the fourth quarter of 2014. The remaining revenue was generated from ship management services, shipyard services and investments.

Based on its weighted average number of shares, the Group recorded earnings per share of 0.79 US cents for FY2014, up from 0.63 US cents in FY2013. Net asset value per share also improved to 6.68 US cents as at 31 December 2014 compared to 3.59 US cents in the previous year.

During FY2014, Vallianz witnessed rapid expansion of its business operations as it took steps to build a sturdier foundation for growth. Besides increasing its market penetration in the Middle East, the Group made successful inroads into Latin America including Mexico, as well as the cabotage-protected OSV market in Indonesia to broaden its earnings base. Today, the Group owns a fleet of over 37 OSVs, while its Indonesian associated company operates another 18 OSVs.

Last year, the Group boosted its in-house capabilities and achieved further integration with the purchase of a marine base in Batam, Indonesia and a shipyard in Singapore. It also acquired a Singapore-based company that provides professional crew and related services to the offshore industry worldwide. By extending its organisational breadth, the Group is better positioned to provide value-added services and solutions to customers of its vessel chartering and ship management businesses.

Mr Ling Yong Wah, CEO of Vallianz said, "FY2014 was indeed a watershed year for Vallianz. The Group not only chalked up a record financial performance, we also worked relentlessly to break into new markets and reinforced our capabilities to ensure that the building blocks are firmly in place for long-term growth. The Group will stay the course to propel Vallianz towards our goal of becoming a major provider of OSVs to the global offshore oil and gas industry."

The fall in oil prices during the second half of 2014 continues to fuel concerns on the near-term outlook of the oil and gas industry and reductions in capital expenditures of oil companies. However, the Group believes shallow-water oil field development and production activities would be less affected given the lower break-even costs compared to projects in deep water oil fields. Nonetheless, protracted oil weakness could invariably lead to price pressures in the offshore services supply chain.

Mr Ling added, "Vallianz's capabilities are concentrated on supporting shallow-water oil field activities and we serve primarily national oil companies ("**NOC"**) which have less volatile exploration and production spending patterns. Combined with our operating model of securing longer term charter contracts, we believe Vallianz is less susceptible to the current market volatility. In fact, we won a new US$97.0 million charter contract in December last year from an existing customer, a NOC in the Middle East, to supply a specialised vessel from the third quarter of this year.

To reward shareholders for their support of Vallianz, the Board of Directors is pleased to propose a final dividend of 0.05 US cents per share with respect to FY2014.

We continue to see new tenders for OSVs in our target markets despite the weaker oil price environment. The Group will continue to actively bid for new charter contracts in Middle East, Latin America, Asia and West Africa where we believe the longer-term prospects remain firm. At present, our vessel chartering bid book stands at US$1.2 billion."

The long-term outlook of Indonesia's oil and gas sector is still positive as the country takes steps to stem declining production from mature fields. In Mexico, the energy reforms will also open up the sector to foreign investments which will in turn create new opportunities for oilfield service companies.

As at 31 December 2014, the Group had a robust order book of US$540.0 million. In the current financial year, the Group expects to reap maiden contributions from its Indonesian associated company which it acquired at the end of 2014. New charter contracts secured in 2014 are also expected to start contributing to its revenue in 2015.

This news release should be read in conjunction with the Group's announcement posted on the SGX website on 25 February 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 over 37 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. Besides working towards its goal of 50 vessels by 2016, Vallianz also plans to broaden its range of vessel offerings. At the same time, the Group will continue seeking 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.*

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