INCORPORATED IN SINGAPORE
COMPANY REGISTRATION NO.198200079M

PEC LTD.

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MEDIA RELEASE

PEC reports improved 1HFY19 results

- **Revenue crosses S$200 million on higher level of activity**
- **Group's net profit after tax rose to S$5.0 million**

SINGAPORE ♦ 13 FEBRUARY 2019

For immediate release

PEC Ltd. (PEC, and together with its subsidiaries and associated companies, the Group) reported a 33% growth in revenue to S$200.8 million for the six months ended 31 December 2018 (1HFY19).

The increased revenue was due to contributions from continued demand for the Group's maintenance services and project works in Asia and the Middle East.

Reflecting the recovery in the process industry, the Group reported a net profit after tax of S$5.0 million in 1HFY19, an improvement from 1HFY18's S$3.0 million.

PEC expects investments in refining and petrochemical projects to come onstream in Asia and the Middle East in the next five years, including an increasing number of integrated crude and petrochemical facilities. Also, the International Maritime Organization's decision to reduce bunker fuel sulphur levels to 0.5% by January 2020 will have a pronounced impact on relative market prices for marine fuels, other refined products and crude oil worldwide. The refiners are expected to invest in solutions that comply with the regulation.

Mr Robert Dompeling, PEC's Group Chief Executive Officer, said: "PEC is well-positioned to benefit from these developments, supported by our established practices and processes, as well as ongoing investments in our people, mechanisation and digitalisation to enhance our capabilities.

"We are cautiously optimistic of the near-term outlook, barring unforeseen circumstances and geopolitical factors that could hinder the industry's improving prospects."

The Group's balance sheet remains healthy, and the orderbook stands at S$279.4 million as at 31 December 2018, excluding maintenance contracts.

OAKTREE ADVISERS, YOUR IR PARTNER

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ABOUT THE COMPANY

www.peceng.com ♦ SGX mainboard listing: August 2009

Established in 1982, PEC Ltd. (PEC or the Group) has rapidly expanded its capabilities and geographic reach to Asia and the Middle East. Today, it provides integrated project and maintenance solutions to the oil & gas, petrochemical, terminal and pharmaceutical industries.

PEC's core segments are project works and maintenance services, of which the latter offers a steady recurring income stream. The Group is one of the largest providers of maintenance services in Singapore.

With its established processes and methodologies, PEC aims to distinguish itself as an engineering specialist of choice for its global customers. One of its key strengths is its strong working relationship with clients and partners built over the years.

PEC has one of the best safety records in the industry. Backed by an experienced, knowledgeable and loyal workforce as well as a large fleet of engineering equipment, the Group has the flexibility to cross-deploy its resources as well as compete effectively for projects.

FOR FURTHER ENQUIRIES

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