



## PEC reports 11% rise in FY15 revenue to S\$499.6m

- ◆ Profit after tax of S\$8.7m driven by a strong turnaround of S\$7.6m in 4QFY15 from a third quarter loss of S\$3.6m
- ◆ Net cashflow from operations increased to S\$39.7m from S\$22.3m

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For immediate release

PEC Ltd. (PEC, and together with its subsidiaries, associated companies and joint venture companies, the Group) reported a revenue of S\$499.6 million for the full year ended 30 June 2015 (FY15), as compared to S\$449.0 million in the previous corresponding year. The 11% rise in revenue was due largely to higher contributions from overseas project works.

The Group profit after tax of S\$8.7 million in FY15 was driven by a strong turnaround of S\$7.6m in 4QFY15 from a third quarter loss of S\$3.6 million. The improved earnings in 4QFY15 were attributable to higher profit contributions from overseas project works. The Group lifted its net cash flows from operations to S\$39.7 million in FY15 from S\$22.3 million in FY14.

Efforts to improve its cost efficiency in the midst of a challenging business environment where costs have been on the rise, particularly in Singapore, have resulted in total administrative and other operating expenses falling from S\$92.5 million in FY14 to S\$88.1 million in FY15.

Mr Robert Dompeling, PEC's Group Chief Executive Officer, said: "The operating environment of the process industry remains difficult. Rising costs, particularly in Singapore, have and will continue to impact margins and profitability. Oil companies have scaled back, deferred or cancelled projects in the face of the sharp fall in oil prices. The Group's future earnings are dependent on the reinstatement of these projects or new projects as the industry adjusts to the lower oil prices.

Over the past four years, PEC has invested resources to build up a network of engineering facilities in Asia and the Middle East. This "near customer, near market" strategy has positioned the Group well to promote and strengthen its PEC brand name in these regions, enabling PEC to successfully secure major contracts and enhancing its position in the Middle East.



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Moving forward, the Group will remain vigilant over its costs and also intensify efforts to capture opportunities in targeted markets in Asia and the Middle East.”

As at 30 June 2015, the Group’s orderbook stood at S\$419.5 million, excluding maintenance contracts.

ABOUT THE COMPANY

[www.peceng.com](http://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. Project works account for a large share of the Group’s revenue while plant maintenance services offer a steady recurring income stream.

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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