

Pacific Radiance posts US\$60.7m FY18 revenue; gross loss narrows to US\$4.4m.

- ◆ Improvement in vessel utilisation though charter rates continue to languish
- ◆ Group advances steadily with restructuring plans, bolstered by support from key stakeholders

SINGAPORE ◆ 1 March 2019

For immediate release

Pacific Radiance Ltd. (Pacific Radiance or the Group), a provider of integrated offshore marine support services, today announced its full year results for the financial year ended 31 December 2018 (FY2018). The Group recorded revenue of US\$60.7 million in FY2018, a 10% decrease from US\$67.7 million in FY 2017, mainly due to weaker performance from the Subsea and Shipyard segments, and supported by stronger performance from the Offshore Support Services Business.

Gross loss narrowed by 77% from US\$18.8 million in FY 2017 to US\$4.4 million in FY2018 and general and administrative expenses decreased by 8% from US\$16.6 million in FY2017 to US\$15.3 million in FY 2018 due to cost rationalisation. The Group made further asset impairment of US\$53.6m.

Mr Pang Yoke Min (冯学民), Executive Chairman of Pacific Radiance said: “Our results for FY2018 reflect the challenging market conditions for the OSV sector. Whilst we are seeing positive trends in chartering activities, charter rates in the near term is expected to remain subdued due to the persistent supply overhang in the OSV sector. The path toward a broad-based sector recovery may continue to encounter setbacks as geopolitical and trade tensions continue to cloud sentiments across markets and outlook for the next 12 months is far less predictable. As a resilient and responsive operator, Pacific Radiance will be ready to weather the headwinds.”

Commenting on the restructuring progress, Mr Pang said, “The Group continues to maintain its focus on implementing its restructuring plan. We are concurrently evaluating a merger proposal with a provider of vessel chartering and logistics services, which will kick-



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start the Group's move into adjacent market segments and expand our geographical footprint and service offerings in the OSV space. We strive to keep the restructuring momentum up and are confident that the Group will emerge with a firm financial footing post-restructuring. ”

ABOUT THE COMPANY

www.pacificradiance.com ♦ SGX mainboard listing: 13 November 2013

Pacific Radiance Ltd. is an owner and operator of a young and diverse fleet of offshore vessels as well as a provider of offshore support services. The Group strives to be relevant to clients' needs, to be reliable in service delivery and execution, and to be responsive to industry trends in supporting the needs of clients spanning the entire oil and gas project life cycle.

The Group's fleet of more than 110 vessels has given it a strong foothold across Asia as well as emerging oil and gas markets in Africa and Latin America. Helmed by a highly experienced management team and well supported by many reliable partners, the Group enjoys access to many markets protected by cabotage restrictions.

Established in 2006, Pacific Radiance has seen tremendous growth over the past decade, successfully listing on the mainboard of the Singapore Exchange (“SGX”) in 2013 and becoming a well-recognised brand in the sector today.

Strategically located in the major offshore hub of Singapore, the Group operates a 33,000 square metres state-of-the-art shipyard with over 180 metres of water frontage, featuring two 6,000 DWT dry docks as well as facilities for equipment fabrication, testing and maintenance.

FOR FURTHER ENQUIRIES

INVESTOR RELATIONS

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