PACC OFFSHORE SERVICES HOLDINGS LTD.
(Incorporated in the Republic of Singapore)
(Company Registration No. 200603185Z)

ANNOUNCEMENT ON LITIGATION

The Board of Directors ("**Board**") of PACC Offshore Services Holdings Ltd. (the "**Company**" and together with its subsidiaries, the "**Group**") refers to the announcements dated 21 March 2016, 6 April 2016, 13 December 2016 and 7 February 2017 in relation to, amongst others, the commencement of legal action by Makamin Offshore Saudi Ltd ("**Makamin**") against POSH Saudi Company ("**POSH Saudi**") and POSH Semco Pte. Ltd. ("**PSPL**"), each of which is a subsidiary of the Company.

The Board wishes to announce that the Group has been informed by its Saudi Arabia counsel that the court in Saudi Arabia has ruled to reject the claims by Makamin against the Group (including POSH Saudi and PSPL). The grounds of the court's decision are expected to be issued in writing in due course.

Further announcements will be made by the Company as and when appropriate.

BY ORDER OF THE BOARD

Lim Ka Bee
Company Secretary
21 February 2017