

NEWS RELEASE

Vallianz to Buy into Indonesian Offshore Support Vessel Chartering Company for US\$17.5 Million

- Purchasing 49% stake in PT Swiber Berjaya from Swiber Holdings Limited
- Acquisition will enable Vallianz to tap the robust demand in the cabotage protected Indonesian OSV market and strengthen its market position
- PTSB to benefit from Vallianz's management expertise and network in the global OSV markets

Singapore, 10 November 2014 – Vallianz Holdings Limited ("**Vallianz**") and together with its subsidiaries the "**Group**", a fast growing provider of offshore support vessels and integrated marine solutions to the oil and gas industry, is proposing to acquire a 49% stake in PT Swiber Berjaya ("**PTSB**") for US\$17.5 million (the "**Acquisition**") to gain entry into Indonesia's offshore support vessel ("**OSV**") market.

The Group will be acquiring the 49% equity interest in PTSB from Swiber Holdings Limited ("**Swiber**"). The remaining 51% in PTSB will continue to be held by PTSB's Indonesian shareholder. Upon completion of the Acquisition, Swiber will continue to benefit from PTSB through its direct shareholding of 23.36%¹ in Vallianz.

Established in 1996, PTSB owns and charters OSVs to support the oil and gas exploration and production activities of oil majors and national oil companies in the Indonesian waters. It operates a young and diversified fleet of 18 OSVs comprising mainly Anchor Handling Tug vessels ("**AHT**"), Anchor Handling Tug Supply vessels ("**AHTS**"), Flat Top Barges ("**FT Barges**") and Accommodation Work Barges ("**AWB**"). To address the demand for OSVs in the Indonesia market which is regulated by the cabotage law, PTSB plans to add another 4 vessels to its fleet.

Chief Executive Officer of Vallianz, Mr Darren Yeo said, "This is a major step forward for the Group. PTSB is an established OSV operator with a strong track record. The Acquisition provides Vallianz with a platform to gain immediate access to the cabotage-protected OSV market in Indonesia, and will enable us to ride on the burgeoning prospects of the country's offshore oil and gas market. In addition to generating a new source of income, the Acquisition will also increase the geographical diversity of the Group's earnings base".

Group Chief Executive Officer and President of Swiber, Mr Francis Wong said, "This deal makes good business sense for all parties. With its management expertise and wide network in the global OSV markets, we are confident that Vallianz will provide the impetus for PTSB to build and strengthen its market position in Indonesia. As a major shareholder of Vallianz, Swiber stands to benefit from Vallianz's and PTSB's future growth. At the same time, Swiber can continue to offer its customers a complete and integrated suite of offshore construction and support services through its group of companies."

¹ Before the allotment and issuance of new shares in the capital of Vallianz to satisfy the consideration for the Acquisition

The prospects of the Indonesian oil and gas sector remain vibrant. Capital expenditure in the sector is expected to rise 32.6% year-on-year to US\$25.6 billion in 2014, according to Indonesia's oil and gas regulatory body, SKK Migas. Of this, oil and gas companies operating in Indonesia have set aside US\$5.3 billion to develop oil and gas fields, a 23.1% increase from last year, while exploration spending will increase by 104.6% to US\$3.84 billion.

The Consideration

The consideration for the Acquisition is to be satisfied by a combination of perpetual securities and new ordinary shares in the capital of Vallianz. It was arrived at on a willing seller and willing buyer basis, and after taking into consideration the assets, earnings, financial position, and business prospects of PTSB. For the financial year ended 31 December 2013, PTSB recorded earnings before interest, tax, depreciation and amortization of US\$17.5 million and net profit after tax of US\$3.4 million.

The Acquisition is not expected to have a significant impact on the Group's earnings per share for the current financial year ending 31 December 2014.

The completion of the Acquisition is subject to, amongst others, the approval of Vallianz's shareholders at an extraordinary general meeting to be convened, and fulfillment of other conditions as set out in the sales and purchase agreement.

This news release should be read in conjunction with the Group's announcement posted on the SGX website on 10 November 2014.

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 29 offshore support vessels and covers markets in Asia Pacific, the Middle East and Latin America. 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

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This news release has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this news release including the correctness of any of the statements or opinions made or reports contained in this announcement.

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