



PEC's project works lift 1HFY20 Group revenue by 46%

- ◆ Revenue of nearly S\$300m also supported by Group's overseas maintenance services
- ◆ Group will stay focused to deliver on the projects and maintenance work contracts in hand

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For immediate release

PEC Ltd. (PEC, and together with its subsidiaries and associated companies, the Group) reported a 46% jump in revenue to S\$292.3 million for the six months ended 31 December 2019 (1HFY20), driven by the focused execution and timely delivery of its project works contracts, and continued firm demand for the Group's maintenance services.

Although expenses, such as administrative costs, other direct operating expenses and taxation, also rose as a result of the high level of activity in 1HFY20, Group net profit after tax increased by 32% year-on-year to S\$6.7 million.

The Group also generated a net cash flow of S\$12.8 million from operations, a turnaround from the outflow of S\$2.3 million in 1HFY19. The balance sheet remained healthy as at 31 December 2019.

Commenting on prospects, Mr Robert Dompeling, PEC's Group Chief Executive Officer, said: "Rapid decarbonisation is expected to present fresh opportunities as well as challenges for the oil and gas industry. We are confident that the Group's strategies and prudent capital management practices will enable PEC to take advantage of the new opportunities.

The near-term demand uncertainty resulting from the ongoing concerns of the current outbreak of COVID-19, as well as trade and geopolitical tensions, could worsen the global economic slowdown. Thus far the outbreak has not significantly affected the operations of the Group, and appropriate measures have been implemented to mitigate the risks.



The Group will stay focused to deliver on the projects and maintenance contracts we have in hand while exercising prudence in bidding for new contracts in FY2020.”

The Group’s orderbook stood at S\$381.4 million as at 31 December 2019, excluding maintenance contracts.

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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