INCORPORATED IN SINGAPORE
COMPANY REGISTRATION NO.198200079M

PEC LTD.

PEC LTD.

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MEDIA RELEASE

PEC reports FY18 revenue of S$335.9 million

- **Reports net profit after tax of S$11.7 million**
- **Sees good growth in overseas maintenance services**

SINGAPORE ♦ 29 AUGUST 2018

For immediate release

PEC Ltd. (PEC, and together with its subsidiaries and associated companies, the Group) reported a revenue of S$335.9 million for the year ended 30 June 2018 (FY18), supported by demand for overseas maintenance services.

Revenue from maintenance services improved by 24% to S$226.6 million. The main contribution of the division's revenue came from China, Vietnam and Singapore. Group net profit after tax came in at S$11.7 million in FY18 against S$13.9 million previously. The decline was due to lower contribution from project works following the completion of projects in FY17 but this was partially offset by the improved performance in overseas maintenance services. Excluding the impact of foreign exchange, the net profit after tax was S$11.8 million for FY18, as compared with FY17's S$10.5 million.

The Group maintained a healthy balance sheet, recording a net cash position of S$78.3 million.

Mr Robert Dompeling, PEC's Group Chief Executive Officer, said: "Demand for refined oil products, petrochemicals and chemicals is expected to remain firm over the medium term. This, and the increase in oil prices as well as the need to comply with stricter energy and environmental regulations have resulted in higher capital expenditures in downstream facilities, which add to the improving prospects in the process industry. These, however, could be hindered by growing trade tensions and other geopolitical factors.

"We are seeing a steady level of enquiries for oil and gas projects in the region. However, competition remains intense and PEC will exercise caution in bidding for new contracts. The Group continues to maintain its competitive edge with its ongoing investment in skills training, processes and new technologies that improve safety and productivity.

OAKTREE ADVISERS, YOUR IR PARTNER

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The orderbook stands at approximately S$46.5 million as at 30 June 2018, 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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