



Atlantic Navigation Holdings (Singapore) Limited
(Company registration no. 200411055E)

MEDIA RELEASE

Atlantic Navigation's net profit surged to US\$13 million for FY2013, proposes maiden dividend of 0.7 Singapore cents

- **Growth in net profit achieved against 32.9% increase in revenue to US\$47.0 million**
- **Gross profit jumped 78.3% to US\$19.6 million with gross profit margin improving from 31.1% to 41.8%**
- **Proposed a first and final dividend of 0.7 Singapore cents per ordinary share**
- **Fleet expansion in FY2014 includes one new vessel added in 1Q2014 and 2 new vessels under construction, one of which is expected to join the fleet in 2Q2014.**

US\$ million	FY2013	FY2012	% chg
Revenue by segment			
- Marine logistics services	44.6	32.2	38.5
- Ship repair, fabrication & others	2.4	3.1	(24.0)
Group Revenue	47.0	35.3	32.9
Gross Profit by segment			
- Marine logistics services	18.7	9.9	89.2
- Ship repair, fabrication & others	0.9	1.1	(20.4)
Group Gross Profit	19.6	11.0	78.3
Gross Profit Margin	41.8%	31.1%	10.7
Pretax Profit	13.0	0.6	<i>N.M.</i>
Net Profit	13.0	0.6	<i>N.M.</i>
EPS (US cents)*	4.98	0.25	

* Based on weighted average number of shares of 260.6 million as at 31 December 2013
(31 Dec 2012: 240.7 million)
N.M.: not meaningful

21 February 2013 – Atlantic Navigation Holdings (Singapore) Limited (“Atlantic Navigation” or “the Group”), a leading provider of marine logistics services in the Middle East, has reported a net profit of US\$13.0 million for the twelve months ended 31 December 2013 (“FY2013”), compared to US\$0.6 million in FY2012. Group revenue rose 32.9% from US\$35.3 million in FY2012 to US\$47.0 million in FY2013.

Review of FY2013 Operating Results

The increase in Group revenue in FY2013 was mainly driven by marine logistics services, which grew 38.5% from FY2012, with gross profit margin also improving from 30.8% in FY2012 to 42.1% in FY2013. The higher revenue and margins contributed to a 89.2% increase in gross profit for this segment, rising from US\$9.9 million in FY2012 to US\$18.7 million. The improved performance was due to the Group's fleet being enlarged by two new vessels which were acquired in FY2012, an increase in third party vessels managed by the Group, increase in cross-chartering business, as well as higher charter rates secured on certain new vessels, and higher overall fleet utilisation.

Revenue from ship repair, fabrication, and other marine services declined from US\$3.1 million in FY2012 to US\$2.4 million in FY2013 due to a lower level of business activity as a long term project was completed in the first half of the year. Consequently, gross profit declined from US\$1.1 million in FY2012 to US\$0.9 million in FY2013.

Administrative expenses increased by US\$1.8 million in FY2013 compared to FY2012 mainly due to the impairment on a vessel, and an increase in payroll costs. Finance costs declined 6.4% to US\$1.3 million in FY2013 as rollover balances of loans were settled on maturity during the year.

FY2012 net profit was affected by non-recurring listing expenses of US\$5.4 million relating to the reverse acquisition in FY2012 which is non-recurring. This resulted in a lower net profit of US\$0.6 million recorded in FY2012. Net profit jumped to US\$13.0 million in FY2013 on the back of the Group's improved operating performance.

Outlook and Strategy

In November 2013, the Group announced a contract for the building of a 60.5-metre multipurpose anchor handling tug supply vessel, and a 75-metre platform supply vessel, which are expected to be delivered in the second quarters of 2014 and 2015 respectively.

"We are continuing to capitalise on opportunities within the Middle East where offshore energy and production investment remains high, and continue to provide a strong demand base for our business. Underpinned by this positive market environment we will continue with our fleet upgrade and expansion program and grow our marine logistics services segment in FY2014.

Other than fleet expansion, we have started to develop strategic opportunities in new markets. However, we remain cautious of potential pressures on charter rates due to new capacity coming on-stream from other vessel owners, as well as a reduced take-up of projects for our ship repair, fabrication and marine services."

Mr. Wong Siew Cheong, Executive Chairman and CEO of Atlantic Navigation

About Atlantic Navigation Holdings (Singapore) Limited (Bloomberg: ATL SP, Reuters: ATLA.SI)

Atlantic Navigation Holdings (Singapore) Limited is an investment holding company with a vertically integrated offering of marine logistics services as well as ship repair and maintenance services. It owns, operates, and charters its fleet of 13 offshore support vessels to leading offshore oil and gas companies primarily in the Middle East and India. It also manages the sourcing and cross-chartering of third party vessels to match customers' requirements where necessary. Additionally, the Group provides ship repair, fabrication, maintenance, and other services at its workshop facility in Sharjah, UAE.

The Group was established in the UAE in 1997, and completed a reverse acquisition of Fastube Limited on 30 July 2012. The entity was renamed as Atlantic Navigation Holdings (Singapore) Limited and has been trading under this name on SGX Catalist (stock code: 5UL) since 1 October 2012.

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*This press release has been prepared by the Company and its contents have been reviewed by the Company's sponsor ("**Sponsor**"), Canaccord Genuity Singapore Pte. Ltd. for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"). Canaccord Genuity Singapore Pte. Ltd. has not independently verified the contents of this press release.*

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