



**PACC OFFSHORE SERVICES HOLDINGS LTD.**

Registration Number: 200603185Z

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UNAUDITED FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT  
FOR THE SECOND QUARTER AND THE SIX MONTHS ENDED 30 JUNE 2015

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**Introduction**

PACC Offshore Services Holdings Ltd. ("POSH") is Asia's largest operator of offshore support vessels, with a diversified fleet servicing offshore oil and gas exploration and production activities. With four distinct operating segments: Offshore Supply Vessels, Transportation and Installation, Offshore Accommodation and Harbour Services and Emergency Response. POSH's offshore support vessels perform anchor handling services, ocean towage and installation, ocean transportation, heavy-lift and offshore accommodation services as well as harbour towage and emergency response services.

As of 30 June 2015, the POSH Group (including joint ventures) operated a combined fleet of 116 vessels with another 15 vessels on order, comprising Anchor Handling Tug Supply Vessels, Anchor Handling Tugs, Platform Supply Vessels, Light Construction Vessels, accommodation vessels and harbour tugs.

The POSH fleet operates worldwide, serving offshore oilfields in Asia, Africa and Latin America, providing vessels and services for projects involving many of the world's major oil companies, as well as many large international offshore contractors.

The Company's shares were listed and quoted on the Official List of Singapore Exchange Securities Trading Limited ("SGX-ST") on 25 April 2014.

For more information on POSH, please visit [www.posh.com.sg](http://www.posh.com.sg).

The initial public offering ("IPO") of the PACC Offshore Services Holdings Ltd. was sponsored by DBS Bank Ltd., Merrill Lynch (Singapore) Pte. Ltd. and Oversea-Chinese Banking Corporation Limited (together, the "Joint Issue Managers"). The Joint Issue Managers assume no responsibility for the contents of this Announcement.

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1(a)(i). *An income statement and statement of comprehensive income or a statement of comprehensive income (for the Group) together with a comparative statement for the corresponding period of the immediately preceding financial year.*

	Group					
	Quarter ended			6 Months ended		
	30-Jun 2015 US\$'000	30-Jun 2014 US\$'000	% Change	30-Jun 2015 US\$'000	30-Jun 2014 US\$'000	% Change
Revenue	71,022	58,270	22%	128,607	111,198	16%
Cost of sales	(56,556)	(40,715)	39%	(106,147)	(77,824)	36%
<b>Gross profit</b>	<b>14,466</b>	<b>17,555</b>	<b>-18%</b>	<b>22,460</b>	<b>33,374</b>	<b>-33%</b>
Other operating income	1,927	6,629	-71%	5,257	42,446	-88%
Distribution costs	(365)	(371)	-2%	(803)	(724)	11%
General and administrative Expenses	(10,353)	(9,338)	11%	(17,182)	(16,847)	2%
Finance costs	(2,528)	(2,730)	-7%	(5,095)	(6,230)	-18%
Share of joint ventures' result	3,304	300	1001%	1,984	(2,896)	NM
<b>Profit before taxation</b>	<b>6,451</b>	<b>12,045</b>	<b>-46%</b>	<b>6,621</b>	<b>49,123</b>	<b>-86%</b>
Taxation	(341)	(175)	95%	(490)	(576)	-15%
<b>Net Profit for the period</b>	<b>6,110</b>	<b>11,870</b>	<b>-49%</b>	<b>6,131</b>	<b>48,547</b>	<b>-87%</b>
<b>Profit attributable to:</b>						
Equity holders of the Company	6,110	11,870	-49%	6,131	48,547	-87%
Non-controlling interests	-	-		-	-	
	<b>6,110</b>	<b>11,870</b>	<b>-49%</b>	<b>6,131</b>	<b>48,547</b>	<b>-87%</b>

N.M. denotes "Not Meaningful"

1(a)(ii). *Profit before taxation is arrived at after (charging)/crediting the following significant items.*

	Group			
	Quarter ended		6 Months Ended	
	30-Jun 2015 US\$'000	30-Jun 2014 US\$'000	30-Jun 2015 US\$'000	30-Jun 2014 US\$'000
Amortisation of intangible assets	(14)	(45)	(29)	(112)
Depreciation of fixed assets	(15,266)	(8,980)	(28,087)	(17,891)
Gain on disposal of fixed assets	603	2,192	1,867	34,810
Interest income	642	1,821	1,661	4,975
Allowance for doubtful debts	(2,694)	(1,547)	(2,694)	(2,082)
Bad debts written off	-	(36)	-	(36)

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**1(b)(i). A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.**

	Group		Company	
	30-Jun-15 US\$'000	31-Dec-14 US\$'000	30-Jun-15 US\$'000	31-Dec-14 US\$'000
<b>Non-current assets</b>				
Goodwill	295,303	295,303	-	-
Fixed assets	1,278,926	1,113,689	26,632	33,798
Intangible assets	74	104	25	33
Due from joint ventures	22,902	165,541	22,902	165,541
Investment in subsidiaries	-	-	358,394	358,394
Investment in joint ventures	83,391	75,078	64,700	64,700
Long-term prepayments	3,565	4,847	-	-
	1,684,161	1,654,562	472,653	622,466
<b>Current assets</b>				
Consumable stores	1,305	2,437	-	-
Receivables and other current assets	103,575	76,640	4,082	288
Due from subsidiaries, joint ventures and fellow subsidiaries	57,937	124,953	1,270,791	1,109,512
Cash and cash equivalents	40,109	12,168	2,703	1,687
	202,926	216,198	1,277,576	1,111,487
Fixed assets classified as held for sale	575	575	-	-
	203,501	216,773	1,277,576	1,111,487
<b>Total assets</b>	1,887,662	1,871,335	1,750,229	1,733,953
<b>Non-current liabilities</b>				
Bank borrowings	-	300,000	-	300,000
Deferred tax liabilities	152	166	-	-
	152	300,166	-	300,000
<b>Current liabilities</b>				
Payables and accruals	71,133	70,393	14,763	19,962
Advances received from customers	3,400	2,400	-	-
Due to subsidiaries, joint ventures and fellow subsidiaries	19,091	19,323	42,998	28,641
Due to holding companies	-	405	-	405
Bank borrowings	592,060	260,500	592,060	260,500
Provision for taxation	2,024	4,384	1,743	3,722
	687,708	357,405	651,564	313,230
<b>Total liabilities</b>	687,860	657,571	651,564	613,230
<b>Equity</b>				
Share capital	827,201	827,201	827,201	827,201
Accumulated profits	372,303	386,265	271,464	293,522
Other reserves	298	298	-	-
<b>Total equity</b>	1,199,802	1,213,764	1,098,665	1,120,723
<b>Total liabilities and equity</b>	1,887,662	1,871,335	1,750,229	1,733,953

**1(b)(ii). Aggregate amount of the Group's borrowings and debt securities.**

	As at 30-Jun-2015		As at 31-Dec-2014	
	Unsecured US\$'000	Secured US\$'000	Unsecured US\$'000	Secured US\$'000
(i) Amount payable in one year or less, or on demand	592,060	-	260,500	-
(ii) Amount repayable after one year	-	-	300,000	-

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1(c). *A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.*

	Group			
	Quarter Ended		6 Months Ended	
	30-Jun-15 US\$'000	30-Jun-14 US\$'000	30-Jun-15 US\$'000	30-Jun-14 US\$'000
<b>Cash flows from operating activities</b>				
Profit before taxation	6,451	12,045	6,621	49,123
Adjustments for:				
Amortisation of prepayments	133	162	266	307
Amortisation of intangible assets	14	45	29	112
Depreciation of fixed assets	15,266	8,980	28,087	17,891
Bad debts written off	-	36	-	36
Allowance for doubtful debts-trade	2,694	1,547	2,694	2,082
Gain on disposal of fixed assets	(603)	(2,192)	(1,867)	(34,810)
Shares of joint ventures' results	(3,304)	(300)	(1,984)	2,896
Interest expense	2,528	2,730	5,095	6,230
Interest income	(642)	(1,821)	(1,661)	(4,975)
Operating cash flows before working capital changes	<u>22,537</u>	<u>21,232</u>	<u>37,280</u>	<u>38,892</u>
Changes in working capital				
Decrease in consumables	482	739	1,132	661
Decrease/(increase) in receivables and other current assets	898	(4,259)	(28,434)	(12,028)
Increase/(decrease) in payables and accruals	3,113	(232)	1,615	12,451
Decrease in due to holding companies (non-trade)	-	(71)	-	(29)
Cash generated from operations	<u>27,030</u>	<u>17,409</u>	<u>11,593</u>	<u>39,947</u>
Interest paid	(2,525)	(2,871)	(4,889)	(7,283)
Interest received	605	594	1,483	2,154
Income taxes paid	(623)	(558)	(2,863)	(558)
<b>Net cash generated from operating activities</b>	<u>24,487</u>	<u>14,574</u>	<u>5,324</u>	<u>34,260</u>
<b>Cash flows from investing activities</b>				
Acquisition of fixed assets	(44,363)	(31,409)	(193,315)	(77,426)
Proceeds from disposal of fixed assets	-	12,106	-	46,389
Decrease/(increase) in due from joint ventures	97,870	(1,652)	204,530	(1,536)
Increase in interest in joint ventures	-	(118)	-	(118)
<b>Net cash generated from/(used) in investing activities</b>	<u>53,507</u>	<u>(21,073)</u>	<u>11,215</u>	<u>(32,691)</u>
<b>Cash flows from financing activities</b>				
Dividends paid	(20,093)	-	(20,093)	-
Proceeds from issuance of shares	-	296,226	-	296,226
(Repayment of)/proceeds from bank borrowings	(29,735)	(288,340)	31,560	(285,186)
Increase/(decrease) in due to fellow subsidiaries	3,905	919	(47)	(12,003)
(Decrease)/increase in due to holding companies	(2,880)	(3,121)	(18)	294
<b>Net cash (used in)/generated from financing activities</b>	<u>(48,803)</u>	<u>5,684</u>	<u>11,402</u>	<u>(669)</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<u>29,191</u>	<u>(815)</u>	<u>27,941</u>	<u>900</u>
Cash and cash equivalents at beginning of period	<u>10,918</u>	<u>12,267</u>	<u>12,168</u>	<u>10,552</u>
<b>Cash and cash equivalents at end of period</b>	<u>40,109</u>	<u>11,452</u>	<u>40,109</u>	<u>11,452</u>

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**1(d)(i). A statement (for the issuer and group) showing either (i) all the changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.**

<b>The Group</b>	<b>Share Capital US\$'000</b>	<b>Retained profits US\$'000</b>	<b>Exchange reserves US\$'000</b>	<b>Total US\$'000</b>
Balance at 1 Jan 2015	827,201	386,265	298	1,213,764
Total comprehensive income for the period	-	21	-	21
Balance at 31 Mar 2015	827,201	386,286	298	1,213,785
Dividend paid	-	(20,093)	-	(20,093)
Total comprehensive income for the period	-	6,110	-	6,110
Balance at 30 Jun 2015	827,201	372,303	298	1,199,802
Balance at 1 Jan 2014	530,975	333,022	298	864,295
Total comprehensive income for the period	-	36,677	-	36,677
Balance at 31 Mar 2014	530,975	369,699	298	900,972
Issuance of new ordinary shares	296,226	-	-	296,226
Total comprehensive income for the period	-	11,870	-	11,870
Balance at 30 Jun 2014	827,201	381,569	298	1,209,068

<b>The Company</b>	<b>Share Capital US\$'000</b>	<b>Retained profits US\$'000</b>	<b>Total US\$'000</b>
Balance at 1 Jan 2015	827,201	293,522	1,120,723
Total comprehensive income for the period	-	350	350
Balance at 31 Mar 2015	827,201	293,872	1,121,073
Dividend paid	-	(20,093)	(20,093)
Total comprehensive income for the period	-	(2,315)	(2,315)
Balance at 30 Jun 2015	827,201	271,464	1,098,665
Balance at 1 Jan 2014	530,975	373,796	904,771
Total comprehensive income for the period	-	(1,212)	(1,212)
Balance at 31 Mar 2014	530,975	372,584	903,559
Issuance of new ordinary shares	296,226	-	296,226
Total comprehensive income for the period	-	(538)	(538)
Balance at 30 Jun 2014	827,201	372,046	1,199,247

- 1(d)(ii). Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issue of equity securities, issue of shares for cash or consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at end of the current financial period reported on and as at end of the corresponding period of the immediately preceding financial year.**

The Company has not issued any new shares since the end of the previous period reported on.

- 1(d)(iii). To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

Total number of issued ordinary shares (excluding treasury shares) as at 30 June 2015 and 31 December 2014 were 1,820,000,000.

- 1(d)(iv). A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Not applicable.

- 2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.**

The financial statements for the period under review have not been audited or reviewed by the auditor.

- 3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable.

- 4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

The Group has applied accounting policies and methods of computation in the financial statements for the current reporting year consistent with those of the audited financial statements for the year ended 31 December 2014.

- 5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reason for, and the effect of, the change.**

None.

6. ***Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding year, after deducting any provision for the preference dividends; (a) Based on weighted average number of shares and (b) On a fully diluted basis (detailing any adjustments made to the earnings)***

	<b>Group</b>			
	<b>Quarter Ended</b>		<b>6 Months Ended</b>	
	<b>30-Jun-15</b>	<b>30-Jun-14</b>	<b>30-Jun-15</b>	<b>30-Jun-14</b>
Net profit attributable to equity holders of the Company (US\$'000)	<b>6,110</b>	11,870	<b>6,131</b>	48,547
Weighted average ordinary shares for calculation ('000)				
- Basic	<b>1,820,000</b>	1,734,666	<b>1,820,000</b>	1,609,218
- On fully diluted basis	<b>1,820,000</b>	1,734,666	<b>1,820,000</b>	1,609,218
Earnings per ordinary shares ("EPS") (US cents)				
(i) Based on weighted average number of ordinary shares issued	<b>0.34</b>	0.68	<b>0.34</b>	3.02
(ii) On fully diluted basis	<b>0.34</b>	0.68	<b>0.34</b>	3.02

7. ***Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the (a) current financial period reported on; and (b) immediately preceding financial year.***

	<b>Group</b>		<b>Company</b>	
	<b>As at</b>	<b>As at</b>	<b>As at</b>	<b>As at</b>
	<b>30-Jun-15</b>	<b>31-Dec-14</b>	<b>30-Jun-15</b>	<b>31-Dec-14</b>
Net asset value (US\$'000)	<b>1,199,802</b>	1,213,764	<b>1,098,665</b>	1,120,723
Total number of ordinary shares issued ('000)	<b>1,820,000</b>	1,820,000	<b>1,820,000</b>	1,820,000
Net asset value per ordinary shares (US cents)	<b>65.92</b>	66.69	<b>60.37</b>	61.58

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following: -**
- (a) **any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
- (b) **any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

### Income Statement

#### 2nd Quarter 2015 ("Q2 FY15") vs 2nd Quarter 2014 ("Q2 FY14")

	Revenue			Gross Profit			Gross Profit Margin	
	Q2 15	Q2 14	%	Q2 15	Q2 14	%	Q2 15	Q2 14
	US\$ '000	US\$ '000	Change	US\$ '000	US\$ '000	Change	%	%
Offshore Supply Vessels ("OSV")	31,532	33,203	-5%	(721)	9,942	NM	-2%	30%
Offshore Accommodation ("OA")	26,305	9,329	182%	13,060	4,623	183%	50%	50%
Transportation & Installation ("T&I")	8,053	11,015	-27%	1,691	2,725	-38%	21%	25%
Harbour Services and Emergency Response ("HSER")	5,132	4,723	9%	436	265	65%	8%	6%
	<u>71,022</u>	<u>58,270</u>	<u>22%</u>	<u>14,466</u>	<u>17,555</u>	<u>-18%</u>	<u>20%</u>	<u>30%</u>

The Group registered an increase in revenue of 22% to US\$71.0 million in Q2 FY15 (Q2 FY14: US\$58.3 million) mainly due to increased contribution from the OA segment.

#### OSV

OSV segment revenue decreased by 5% to US\$31.5 million (Q2 FY14: US\$33.2 million) mainly due to lower charter rates and utilisation of 79% in Q2 FY15 (Q2 FY14: 86%). Consequently, gross profit decreased and coupled with higher operating/repair costs, the segment recorded a loss.

#### OA

OA segment revenue increased by 182% to US\$26.3 million (Q2 FY14: US\$9.3 million) mainly due to maiden full-quarter contribution from POSH Xanadu (a 750-pax semi-submersible accommodation vessel "SSAV") and POSH Endurance (238-pax light construction vessel "LCV"). Gross profit consequently increased by US\$8.5 million to US\$13.1 million.

#### T&I

T&I segment revenue, despite higher utilisation of 77% (Q2 FY14: 59%), decreased by 27% to US\$8.1 million (Q2 FY14: US\$11.0 million) mainly due to lower charter rates. Correspondingly, gross profit decreased by US\$1.0 million to US\$1.7 million.

#### HSER

HSER revenue increased by 9% to US\$5.1 million mainly due to contributions from 4 new harbour tugs of which 2 were delivered in Q2 FY15.

General and administrative expenses increased by 11% to US\$10.4 million mainly due to higher allowance for doubtful debt of US\$1.2 million as compared to Q2 FY14.

In Q2 FY15, other operating income decreased to US\$1.9 million (Q2 FY14: US\$6.6 million) mainly due to lower gain on vessels disposal of US\$1.6 million and lower interest income of US\$1.2 million from joint ventures ("JV") loans.



**Income Statement (cont'd)**

**2nd Quarter 2015 ("Q2 FY15") vs 2nd Quarter 2014 ("Q2 FY14")**

The Group's share from JV registered a profit of US\$3.3 million in Q2 FY15 as compared to US\$0.3 million in Q2 FY14. This was mainly due to higher contributions from POSH Terasea.

The Group recorded a net profit attributable to shareholders of US\$6.1 million in Q2 FY15 as compared to US\$11.9 million in Q2 FY14.

**6 Months ended 30 June 2015 ("1H FY15") vs 6 Months ended 30 June 2014 ("1H FY14")**

	Revenue			Gross Profit			Gross Profit Margin	
	1H 15 US\$ '000	1H 14 US\$ '000	% Change	1H 15 US\$ '000	1H 14 US\$ '000	% Change	1H 15 %	1H 14 %
OSV	64,287	62,111	4%	3,178	17,386	-82%	5%	28%
OA	39,425	13,587	190%	14,673	4,910	199%	37%	36%
T&I	14,094	24,461	-42%	3,231	9,250	-65%	23%	38%
HSER	10,801	11,039	-2%	1,378	1,828	-25%	13%	17%
	128,607	111,198	16%	22,460	33,374	-33%	17%	30%

The Group's revenue for 1H FY15 registered an increase of 16% to US\$128.6 million (1H FY14: US\$111.2 million), mainly due to contribution from the OA segment. Gross profit decreased by 33% to US\$22.5 million mainly due to lower charter rates for the OSV and T&I segments, lower fleet utilisation and higher operating costs.

OSV segment revenue increased by 4% to US\$64.3 million (1H FY14: US\$62.1 million) mainly due to an enlarged fleet. Gross profit decreased by 82% to US\$3.2 million mainly due to lower charter and utilisation rates and higher operating/repair costs.

T&I segment revenue decreased by 42% to US\$14.1 million with gross profit declining 65% to US\$3.2 million mainly due to disposal of vessels in 1H FY14.

OA segment revenue increased by 190% to US\$39.4 million (1H FY14: US\$13.6 million) mainly due to revenue contribution by POSH Xanadu (SSAV) and 2 LCV's that commenced their maiden charter in 1H FY15. Gross profit improved by 199% to US\$14.7 million.

HSER segment registered a 2% decrease in revenue to US\$10.8 million due to absence of salvage jobs in 1H FY15.

### **Income Statement (cont'd)**

#### **6 Months ended 30 June 2015 ("1H FY15") vs 6 Months ended 30 June 2014 ("1H FY14")**

General and administrative expenses increased by 2% to US\$17.2 million mainly due to higher allowance for doubtful debts.

Other operating income in 1H FY15 decreased to US\$5.3 million (1H FY14: US\$42.4 million). It comprised mainly of gain on disposal of fixed assets of US\$1.9 million (1H FY14: US\$34.8 million).

The Group's share of result from JVs was a profit of US\$2.0 million in 1H FY15 as compared with loss of US\$2.9 million in 1H FY14 mainly due to better performance from POSH Terasea.

The Group's net profit attributable to shareholder was US\$6.1 million in 1H FY15 as compared to US\$48.5 million in 1H FY14.

### **Statement of Financial Position**

The Group's net asset was US\$1,199.8 million as at 30 June 2015. Fixed assets increased by US\$165.2 million mainly due to vessels transferred from JVs. Increase in receivables and other current assets were mainly due to unbilled revenue and deferred project expenses for new charters in the OA segment. Due from JVs was lower mainly due to repayment of loan by JVs of US\$172.5 million.

The Group has a net current liability of US\$484.2 million as compared to US\$140.6 million as of 31 December 2014 mainly due to the US\$300 million term loan which has been reclassified as current liability with repayment due on 30 June 2016.

### **Statement of Cash Flows**

The Group generated net operating cash flow of US\$5.3 million in 1H FY15.

Net cash generated from investing activities in 1H FY15 was US\$11.2 million as compared to net cash used of US\$32.7 million in 1H FY14. The increase was mainly due to repayment of loans by JVs offset with amount used for acquisition of fixed assets.

The Group's net cash flow used in financing activities for 1H FY15 was US\$11.4 million as additional bank borrowings of US\$31.6 million was mainly used for dividend payments of US\$20.1 million.

**9. *Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.***

None.

- 10. *A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.***

Oil prices are expected to remain volatile in the coming quarters despite early signs of stability in 2Q2015. In the wake of falling revenues, oil companies initiated cost saving programs, deferring exploration and field-development activities. It is expected that there will be limited exploration and greenfield development.

With high availability of vessels, we expect pressure on rates to continue.

- 11. *Dividend***

**(a) Current Financial Period Reported On**

Any dividend declared for the current financial period reported on? No

**(b) Corresponding Period of the Immediately Preceding Financial Year**

Not Applicable

**(c) Date payable**

Not Applicable

**(d) Book closure date**

Not Applicable

- 12. *If no dividend has been declared (recommended), a statement to that effect.***

No dividend has been declared or recommended for the current period reported on.

**13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

Pursuant to Rule 920(2) of the listing manual of the SGX-ST, a general mandate has been obtained for the Group to enter into Interested Person Transactions with our Interested Persons as set out in the prospectus of the Company dated 17 April 2014 registered with the Monetary Authority of Singapore. During the six months financial period ended 30 June 2015, the following Interested Person Transactions were entered into by the Group.

Name of interested person	Aggregate Value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate Value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
	US\$' 000	US\$' 000
DP Shipbuilding and Engineering Pte Ltd	160	3,719
PaxOcean Engineering Zhuhai Co., Ltd	-	10,500
DP Marine Pte Ltd	-	1,016
PSM Perkapalan Sdn Bhd	-	205
DDW-Pax Ocean Shipyard Pte Ltd	-	172
GWC Commercial Pte Ltd (f.k.a Midpoint Properties Limited)	-	287
PaxOcean Engineering Pte Ltd	-	775
Kuok (Singapore) Ltd	-	3,116*
Sea Puffin Pte Ltd	-	996
<b>TOTAL</b>	<b>160</b>	<b>20,786</b>

Note: Included an amount of US\$2.3 million which represented actual billing in Q1 FY15 for shared services provided in FY14. An accrual for shared services expenses were recorded in FY14 and reflected in Note 26 of the financial statements for financial year ended 31 December 2014.

**14. Negative confirmation pursuant to Rule 705 (5).**

The Board hereby confirms that to the best of their knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the financial statements for the six months ended 30 June 2015 to be false or misleading in any material respect.

**On behalf of the Board of Directors**

**Kuok Khoon Ean**  
 Chairman

**Gerald Seow**  
 Chief Executive Officer/Director

5 August 2015