

NEWS RELEASE

Vallianz Reports Net Profit of US\$4.6M in 2Q2015 Despite Softer Conditions in the Oil & Gas Industry

- Revenue in 2Q2015 rose 68.6% to US\$65.0 million, driven mainly by its OSV chartering business
- EBITDA increased 44.1% to US\$21.3 million in 2Q2015, and 58.6% to US\$41.2 million in HY2015
- Order book stood at record of US\$968.0 million

Singapore, 12 August 2015 – 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, has remained firmly in the black despite weaker business conditions in the global offshore oilfield services market. The Group today reported a net profit of US\$4.6 million for the three months ended 30 June 2015 (“**2Q2015**”).

The Group’s revenue continued to grow strongly in 2Q2015 with a gain of 68.6% to US\$65.0 million. The better top line performance came on the back of higher revenue from its offshore support vessel (“**OSV**”) chartering operations as well new revenue streams from subsidiaries acquired in the last quarter of 2014. This drove the Group’s gross profit up by 27.9% to US\$17.8 million in 2Q2015.

The Group’s EBITDA (earnings before interest, depreciation and amortisation) for 2Q2015 climbed 44.1% to US\$21.3 million. At the bottom line, higher finance costs and foreign exchange loss reduced the Group’s net profit by 20.9% in 2Q2015.

Nonetheless, Vallianz posted a respectable net profit of US\$10.1 million for the six months ended 30 June 2015 (“**HY2015**”) on the back of a 89.8% jump in revenue to US\$125.7 million. The Group’s EBITDA in HY2015 also strengthened with an increase of 58.6% to US\$41.2 million compared to US\$26.0 million in HY2014.

CEO of Vallianz, Mr Ling Yong Wah said, “The Group continued to post higher revenue and a profitable performance against a challenging period for the global offshore services industry. This set of results for 2Q2015 demonstrates the resilience of the Group’s business model and our ability to successfully ride through periods of market volatility in the oil and gas industry.”

Vallianz’s OSV chartering business focuses on shallow water field operations. The Group has a successful record of securing mainly long term charter contracts of between three and seven years which generate stable revenue streams. It also serves primarily national oil companies which have less volatile exploration and production spending patterns. Vallianz presently owns a fleet of 40 OSVs.

The Group has built a strong presence in the Middle East, the world's largest oil producing region, where production activities have remained vibrant despite the weak oil price environment.

“Since entering the Middle East market in the latter half of 2013, we have been working continuously to strengthen our relationship with a Middle East state-owned oil company, which is one of the world's largest national oil companies. As a result of these efforts, we have become a key supplier of OSVs to this customer. Indeed, the Group has continued to secure charter contracts with our customer for a total value of up to US\$758.0 million last month.

In the near term, the Group's strategy will be to step up our focus and concentrate our resources on the Middle East market as we believe Vallianz is in a prime position to capitalise on the on-going demand for OSVs in this region. Given our experience and reputation in the Middle East, we are working to expand our presence in the Gulf region,” said Mr Ling.

Vallianz remains positive of its prospects as it is one of few companies that continue to secure long-term charter contracts amid the uncertain climate in the offshore oilfield services market.

As at July 2015, the Group's chartering services order book had risen to a record level of US\$968.0 million, comprising mainly of long term charters that stretch up to 2022. This compares to its order book of US\$540.0 million as at 31 December 2014.

This news release should be read in conjunction with the Group's announcement posted on the SGX website on 12 August 2015.

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 40 offshore support vessels and covers markets in Asia Pacific, the Middle East, Latin America and West Africa. To strengthen its foundation for growth, the Group is currently executing initiatives to expand its geographical reach, as well as broaden its range of marine assets and solutions. The Group also continues to seek opportunities and strategic alliances to increase its penetration in the major and emerging offshore oil and gas 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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