



KIM HENG OFFSHORE & MARINE HOLDINGS LIMITED

(Incorporated in the Republic of Singapore on 29 April 2013)
(Company Registration Number: 201311482K)

FOR IMMEDIATE RELEASE

Kim Heng enjoys overwhelming support from investors as the first offshore & marine IPO of 2014 is 5.8 times subscribed

- **Invitation of 174,000,000 Shares at S\$0.25 each was 5.8 times subscribed**
- **Trading is scheduled to commence at 9.00 a.m. on Wednesday, 22 January 2014**
- **IPO received strong support from both strategic investors and the public**

Singapore, 21 January 2014 – Kim Heng Offshore & Marine Holdings Limited (“**Kim Heng**” or the “**Group**”), an established integrated offshore and marine value chain services provider, is pleased to announce that its initial public offering (“**IPO**”) of 174,000,000 Invitation Shares (comprising 160,000,000 New Shares and 14,000,000 Vendor Shares) at S\$0.25 per share was approximately 5.8 times subscribed.

The Invitation Structure

Invitation in respect of 174,000,000 Invitation Shares as follows:

- (i) 3,000,000 Offer Shares at S\$0.25 each by way of public offer; and
- (ii) 171,000,000 Placement Shares at S\$0.25 each by way of placement

The IPO was well received with overwhelming demand from investors. The Placement was successfully concluded with the support of institutional and prominent individual investors such as Havenport Asset Management Pte Ltd, OneEquity SG Pte Ltd and Mr. Chew Thiam Keng, which and who have been allocated an aggregate of 35,000,000 Placement Shares, representing approximately 20.1% of the total Invitation.



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Commenting on the positive response to the IPO, Mr. Thomas Tan, Executive Chairman & CEO of Kim Heng said, *“It is heartening to learn that the investment community strongly believes in us. This is a testament of our strong fundamentals, and also a sign that they have faith in our growth potential.*

“We are very excited about our listing as it marks yet another milestone for Kim Heng and we look forward to strengthening and expanding our business in Singapore and overseas moving forward.”

At the close of the invitation at 12.00 noon on 20 January 2014, there were 6,975 valid applications received for the 3,000,000 Offer Shares available to the public for subscription and/or purchase. In total, these applicants applied for a total of 840,243,000 Offer Shares, with application monies received amounting to around S\$210.1 million.

Of the applications received for 171,000,000 Placement Shares, applications for 150,000 Placement Shares were rejected due to multiple applications. These rejected Placement Shares were therefore made available as Offer Shares for public subscription. Accordingly, the total number of Offer Shares available to the public for subscription and/or purchase is 3,150,000 Offer Shares. The remaining 170,850,000 Placement Shares have been validly subscribed for and/or purchased, with application monies received for these Placement Shares amounting to approximately S\$42.7 million.

Based on the interest received for the Invitation amounting to 174,000,000 Invitation Shares, the Invitation was approximately 5.8 times subscribed.

Kim Heng Offshore & Marine Holdings Limited is scheduled to commence trading on the Catalist of the Singapore Exchange Securities Trading Limited at 9.00 a.m. on Wednesday, 22 January 2014. Canaccord Genuity Singapore Pte. Ltd. is the Sponsor, Underwriter and Placement Agent for the IPO while Credence Capital Fund II (Cayman) Limited, managed by Credence Partners Pte. Ltd. (“**Credence**”) is the lead institutional investor in Kim Heng prior to the IPO.

Upon the completion of the Invitation, Credence will own approximately 17.6% of Kim Heng’s post-Invitation issued share capital. Together with Kim Heng’s experienced management team, Credence will lend its expertise to help the company improve its operational efficiency and to provide strategic support for the Group to expand regionally and globally.



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Commenting on the IPO, Mr. Tan Chow Boon, Non-Executive Director of Kim Heng and Managing Partner of Credence said, *“We at Credence would like to congratulate all professional parties and everyone at Kim Heng for their hard work in ensuring the success of this IPO. We are glad to be on board, alongside Thomas and his senior management to take the Company to greater heights.”*

Future Plans and Use of Proceeds

The Group plans to use the net proceeds of approximately S\$36.4 million from the issuance of the New Shares for the following purposes:

- S\$20.0 million for the enhancement of its yard facilities and expansion of vessel fleet;
- S\$7.0 million for the expansion and diversification of its business and service offerings in the offshore oil and gas industry, which includes potential merger and acquisitions, joint ventures and/or strategic alliances; and
- S\$9.4 million for general working capital purposes.

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ABOUT KIM HENG OFFSHORE & MARINE HOLDINGS LIMITED

With over 40 years of experience, Kim Heng Offshore & Marine Holdings Limited (“**Kim Heng**” or the “**Group**”) is an established integrated offshore and marine value chain services provider. Strategically located in Singapore, the Group offers a one-stop comprehensive range of products and services that caters to different stages of offshore oil and gas projects from oil exploration to field development and oil production. The Group’s business is broadly categorised into offshore rig services and supply chain management, and vessel sales and newbuild.

Kim Heng has built its brand over the years and currently caters to world renowned customers from over 25 countries in the regions of Southeast Asia, USA, Latin America, Australasia, Middle East, and Europe.

ABOUT CREDESCENCE PARTNERS

Credence Partners Pte Ltd is a Singapore-based private equity firm, providing growth stage capital and expertise to small and medium-sized enterprises in the Manufacturing, Information Communication Technologies, Services, Logistics and Consumer sectors in the South East Asia region.

The firm’s partners, Koh Boon Hwee, Tan Chow Boon and Seow Kiat Wang, who have been working together for more than 25 years, have strong business backgrounds and bring with them vast operational experiences. They seek to add value through strategic planning, assisting portfolio companies in regional and global expansion, improving operational efficiencies and sourcing for key operational resources.

Keeping true to the firm’s investment philosophy – “Invest and Build”, apart from investing money, Credence strongly believes in investing time and effort into every portfolio company.

Issued for and on behalf of Kim Heng Offshore & Marine Holdings Limited

By Financial PR Pte Ltd

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