



**PENGUIN BOAT INTERNATIONAL LTD  
(Company Registration No. 197600165Z)**

**FOR IMMEDIATE RELEASE**

## **Penguin Lands Marine Services Contract in the Middle East**

- **S\$4 million, two-year marine services contract awarded by Dubai's Roads and Transport Authority (RTA) is part of the emirate's S\$500 million marine transport upgrading program**
- **Penguin's first third-party ship management contract affirms company's 31-year experience in ferry operations**
- **Middle East "toehold" entry strategy locks in stable revenue from modest capital commitments**
- **Penguin Marine Boats Services (LLC) set up as a joint venture marine services company**
- **Company well-positioned for additional contracts with RTA and neighbouring emirates**

**Singapore, 4 July 2007** – Penguin Marine Offshore Services Pte. Ltd. ("PMOS"), the ferry chartering and overseas projects arm of Penguin Boat International Ltd. ("Penguin" or "the Group"), has been awarded a marine services contract by the government of Dubai's Roads and Transport Authority ("RTA") to manage modern Waterbus operations along Dubai Creek.

The estimated S\$2 million-a-year contract - secured in an international tender which fielded major ferry operators from Europe and Asia – will be executed by Penguin Marine Boats Services (LLC) ("PMBS"), which is a 49-51 joint venture owned respectively by PMOS and local partner, DEMAT Group.

DEMAT Group, based in Sharjah, is a well-established marine and offshore services and equipment provider in the Middle East, with interests in aluminium ship design, ship building and ship owning, including crewboats and ferries.

The scope of services in the RTA contract encompasses full management of the Waterbus operations, which includes systems implementation, crew management, vessel maintenance, procurement, security and safety management, environmental protection and training.

Dubai's RTA was formed in November 2005 to plan and execute major public land and sea transportation projects. The government agency is spending an estimated S\$500 million to upgrade the emirate's marine transport system in the initial phase.

Under the RTA agreement, PMBS will operate and manage 10 new locally-built Waterbuses owned by RTA. Each Waterbus is about 12 metres long and can carry up to 36 passengers in air-conditioned comfort. According to RTA, the Waterbuses will initially transport about 2 million passengers a year, rising to 5 million eventually.

In addition to the Waterbuses, there are close to 150 traditional wooden motorised *Abras* or Watertaxis, each with a capacity of up to 20 passengers, plying along Dubai Creek linking the Deira and Bur Dubai districts.

The Waterbus and Watertaxi services cater to daily commuters, corporate travelers, tour operators, hotels, airlines, schools, and conference organisers. RTA is also planning to build more Waterbuses, Watertaxis and ferries to service the congested Central Business District in addition to new developments along the coast and new water channels.

PMOS' General Manager and Director Captain Sairi Ismail, who will be relocating to Dubai to oversee the project, said, "The RTA project gives Penguin an important toehold in a major new market and build up our track record in the Middle East with minimal capital outlay, while targeting other projects in the region's booming marine and offshore sectors."

Furthermore, "the RTA contract is an affirmation of Penguin's extensive ferry operating experience and a big vote of confidence in our operational capabilities," Captain Sairi said.

"Our partnership with DEMAT represents a new dawn for Penguin in the Middle East," added Captain Sairi. "We now have the contract, the partner, the local talent and the base infrastructure to be a true blue Middle Eastern marine and offshore services provider."

"In a region recognised as one of the major growth centres of the world, the potential for growth in marine transportation services offers Penguin lots of opportunities, and we will be right there to capitalise and grow, and grow we will," enthused Captain Sairi.

Commenting on the latest contract award, Penguin's Founder and Executive Chairman, Mr. Heng Kheng Seng, said, "From the Group strategy perspective,

the RTA contract represents a significant step towards higher-value service-based projects compared to our traditional ferry ticketing business. It is also an excellent entry-point into the Middle East.”

The RTA project puts PMBS in good stead to secure similar marine services contracts in Dubai and the neighbouring emirates, Mr. Heng added.

Last December, the paid-up capital of PMOS was raised from \$30,000 to \$5,000,000 as part of Penguin’s restructuring exercise aimed at streamlining decision making and positioning the Group’s subsidiaries to enter into major contracts and partnerships in their own right.

Earlier this year, another Penguin subsidiary, Pelican Offshore Services Pte. Ltd., clinched a US\$23 million contract with Abu Dhabi National Oil Company to build three units of 55-metre steel FSIV for delivery commencing in the third quarter of 2008 at Penguin Shipyard International Pte. Ltd.

Due to the timing of the RTA contract, Penguin does not expect any impact from it on the Group’s financial results for the year ending 31 December 2007. However, the contract is expected to have a positive impact on the earnings per share and net tangible assets of the Group for the financial year ending 31 December 2008, barring any unforeseen circumstances.

>>> End

**About Penguin Boat International Limited.**

*Penguin Boat International Limited comprises six business units offering integrated marine and offshore services ranging from high-speed passenger and cargo transportation to ship repair and shipbuilding, industrial and marine services, offshore support services and bunkering. Penguin owns and operates a fleet of more than 60 vessels, as well as two shipyards in Singapore and a start-up shipyard in Batam.*

---

Issued for and on behalf of Penguin Boat International Limited.

By Financial PR Pte Ltd  
For more information please contact:  
James Koh, [james@financialpr.com.sg](mailto:james@financialpr.com.sg)  
Tel: (65) 6438 2990  
HP: (65) 9757 3438  
Mark Lee, [marklee@financialpr.com.sg](mailto:marklee@financialpr.com.sg)  
Tel: (65) 6438 2990  
HP: (65) 9272 9601