



**PACC OFFSHORE SERVICES HOLDINGS LTD.**

(Incorporated in the Republic of Singapore)  
(Company Registration No. 200603185Z)

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**ARBITRATION AGAINST THE UNITED MEXICAN STATES (“MEXICO”)**

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The Board of Directors of PACC Offshore Services Holdings Ltd. (the “Company” together with its subsidiaries, the “Group”) wishes to announce that the Company has filed a Notice of Arbitration dated 4 May 2018 against Mexico under the Agreement between the Government of the United Mexican States and the Government of the Republic of Singapore on the Promotion and Reciprocal Protection of Investments (the “Bilateral Investment Treaty”).

The arbitration by the Company is in relation to certain of the Group’s investments in Mexico, specifically those made to charter certain vessels for use by Petróleos Mexicanos (“Pemex”), Mexico’s state-owned oil company. Beginning in 2014, Mexico took actions, in violation of its obligations under Chapter II of the Bilateral Investment Treaty. These actions prevented the Company from continuing to charter those vessels to Pemex, and thereby destroyed those investments that the Company made in Mexico. The Company is seeking compensation from Mexico for the value of those investments.

Further announcements will be made by the Company as and when appropriate.

By Order of the Board

Andy Soh Yan Lee  
Company Secretary  
7 May 2018