



# SBI OFFSHORE



**1H2011 Results Briefing**  
August 17, 2011



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## 1H2011 FINANCIAL HIGHLIGHTS



- Achieved net profit of US\$0.3 million on 8.0% revenue increase to US\$5.1 million
- Gross profit margin increased 14.1 percentage points to 44.9%
- Building up design capabilities for offshore and marine (“O&M”) equipment
- Forging alliances with partners such RBV, Honghua, Aker MH
- Total general and administrative expenses increased 65.2% to US\$1.9 million
- Cash position remains healthy at US\$2.1 million
- Order book stands at approximately US\$6.4 million

## PROFIT & LOSS HIGHLIGHTS



Description	1H2011 (US\$000)	1H2010 (US\$000)	% change
Sales	5,063	4,688	8.0
Gross Profit	2,275	1,442	57.7
Gross Profit Margin (%)	44.9	30.8	14.1
G&A expenses	(1,913)	(1,158)	65.2
Profit before Tax	421	533	(21.0)
Profit after Tax	268	385	(30.3)
EPS (in US cent)	0.23*	0.35**	(34.3)

\* based on weighted average number of shares in issue of 121,680,100  
\*\* based on weighted average number of shares in issue of 112,009,770

## BALANCE SHEET HIGHLIGHTS



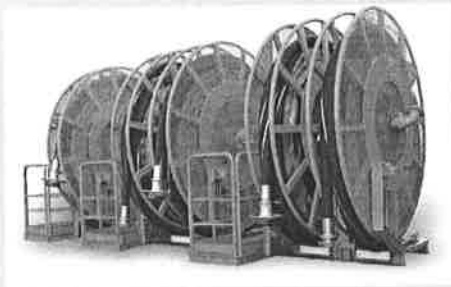
Description	1H2011 (US\$000)	FY2010 (US\$000)
Total Assets	14,768	14,639
Non-Current Assets	9,448	9,303
Net Current Assets	38	(10)
Total Liabilities	5,286	5,350
Net Assets	9,482	9,289
Cash and Cash Equivalents	2,110	4,113
Net Asset Value per share (in US cents) *	6.57	6.42

\* NAV calculated based on total number of issued shares of 121,680,100

## RBV ENERGY JV



### API Pipes, Fittings, Valves, Choke and Kill Manifolds

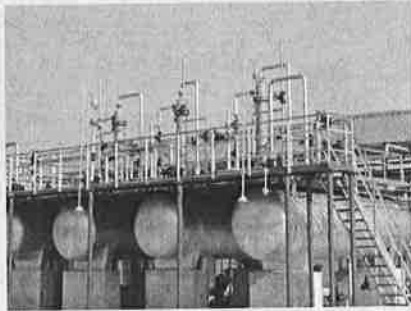


Joint venture expected to boost sales and margin

## JV WITH HONGHUA



### Manufacture of drilling and deck equipment

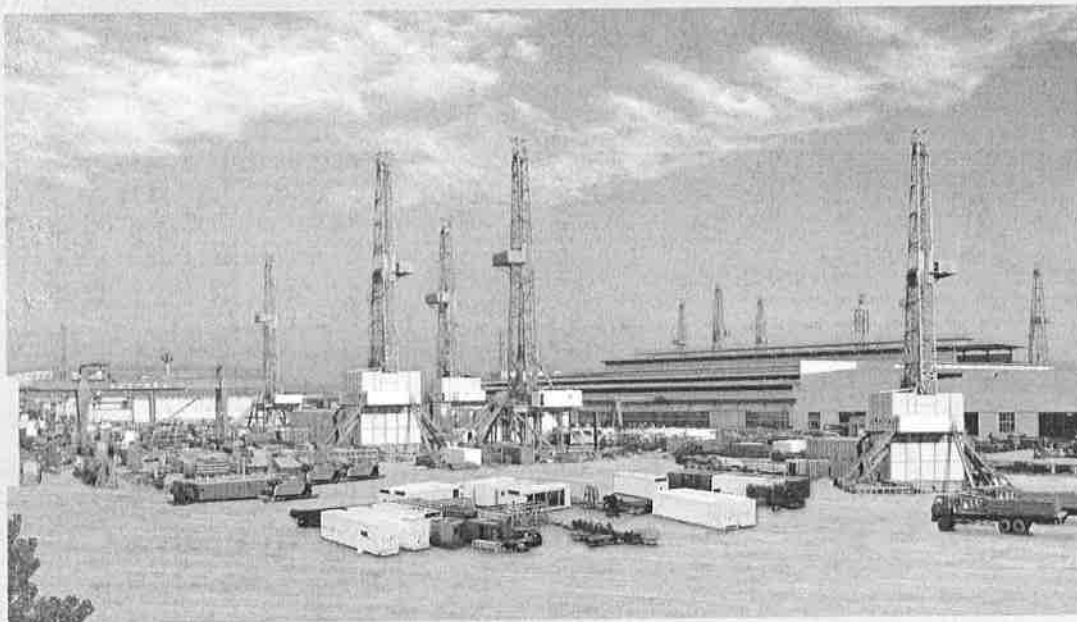


Joint venture to give a big boost to production capacity

## HONGHUA'S RIG ASSEMBLY YARD



Capacity: 12-15 rigs can be assembled simultaneously





# HONGHUA'S RIG SOLUTIONS



Onshore & Offshore Rig Solutions Provider

Rig Family



Rail Rig



VFD(3000hp)



Winterized Rig



Desert Rig



Training Rig



Offshore Rig

Power range

from 500HP to 4600 HP

Compon ents



Top Drives



Mud Pumps



Motor



Draw-works



Hooks



Swivels

# HONGHUA'S INTERNATIONAL QHSE STANDARDS



**QMS  
CERTIFICATE  
S**



**Components'  
certificates**

API 4F  
API 7K  
API 8C  
API 16A  
API 16C



# HONGHUA'S LARGE WORKFORCE



Total: > 4200



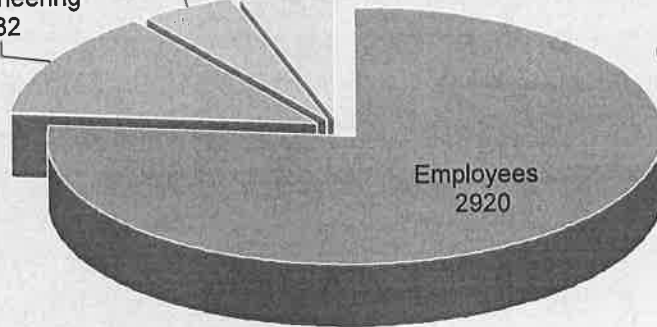
Sales & Marketing  
260

After sale  
service 280

Engineering  
732



Employees  
2920



# OUR SUBCONTRACTING FOCUS



**Derrick**



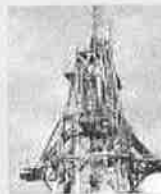
**Horizontal pipehandling**  
•Pipedeck cranes  
•Eagle light  
•Catwalk  
•Riser handling



**BOP Handling**  
•BOP skid  
•BOP transporter  
•BOP cranes  
•BOP guide system



**HPU**  
•1-5 subm. pump  
•3-7 ext. pumps



**Drillstring Compensator**



**Riser handling crane**



**Derrick Pipehandling**  
•Bridge crane  
•Monkey tail  
•Fingerboard  
•Cabins



**Mud Equipment**  
•Bulk systems  
•Mud recon. syst.  
•Mud mixing syst.

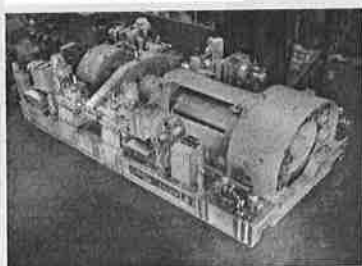
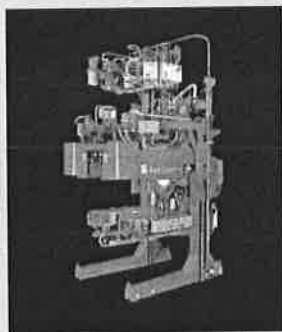
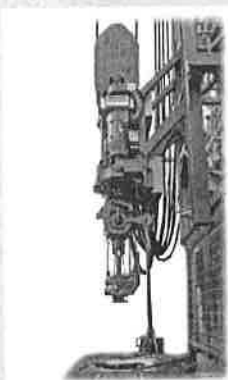


**Drilling Control Rooms & Cabins**

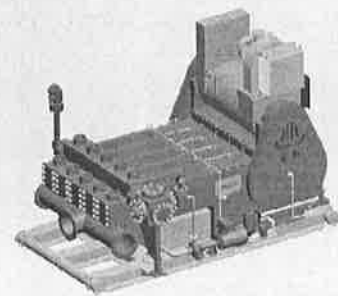
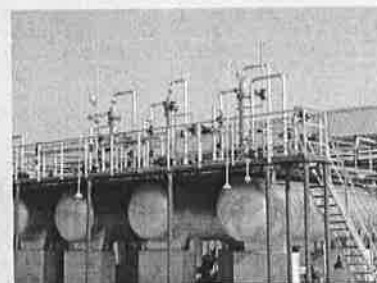
# COST-COMPETITIVE EQUIPMENT PACKAGES



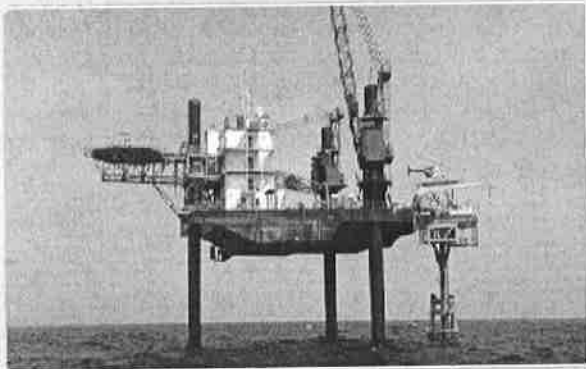
## AKER MH



## HONGHUA



# TURNKEY SOLUTIONS – JACK-UP MULTI-SUPPORT VESSEL



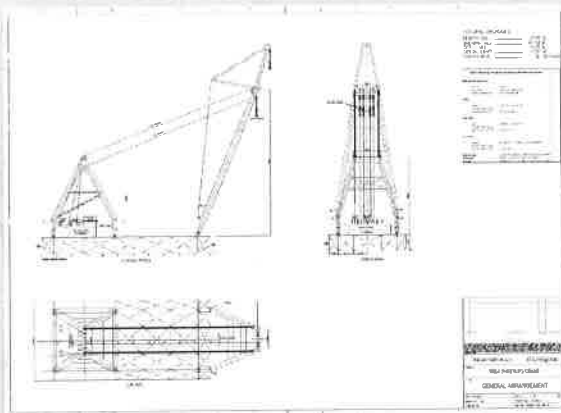
## Vessel Functions

- Wind Turbine Installation & Maintenance
- Heavy Lift Operations (up to 1200T capacity)
- Well Workover / Completion
- Well Intervention
- Offshore Construction
- Accommodation Support
- Diving Support

# TURNKEY SOLUTIONS

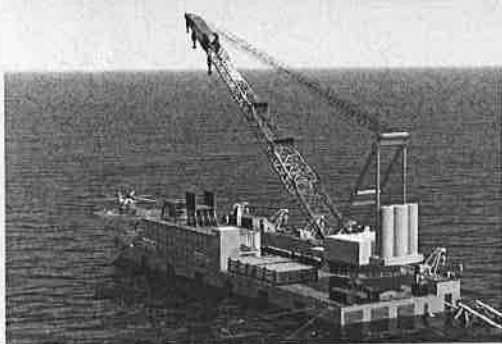


## 3,000T Shearleg

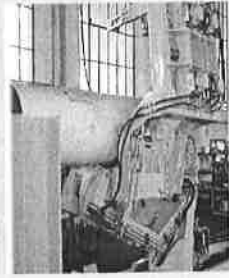


Expression of interest from customers in Malaysia and Singapore

# TURNKEY SOLUTIONS - PIPELAY VESSEL



Products	Manufacturer
1. Vessel Hull Design	East Project – Sea Reef
2. Pipe Lay Equipment	Remacut – Sea Reef
3. Mooring Equipment	Sea Reef
4. Offshore Crane	Ram – Sea Reef
5. Life-Saving Equipment	SBI





## JIANGYIN-SBI PRODUCTION FACILITIES



- Contract manufacturing for:
  - European OEM – lifeboats and davits
  - Aker MH – choke and kill manifold
  - SBI Offshore – davits
- MRO services due to mandated safety upgrades

## FORECASTS AND OUTLOOK



- Focus on higher-margin turnkey offshore equipment packages rather than single equipment
- Strengthened our facility in China to cater more contract manufacturing opportunities
- New replacement demand of offshore drilling rigs in 1H2011 continues to be high
- Optimistic view that stronger growth potential will be realised in the second half of 2011
- Confident that the recent joint ventures and alliances with foreign partners will contribute to the Group's performance in the rest of 2011 and beyond

## FOCUS FOR NEXT 6-12 MONTHS



- RAM line of cranes rather than specialised cranes
- Reduce own R&D costs and tap into Honghua's huge R&D resources
- Expanding JV with RBV Energy
- Close sales of drilling equipment under HS Offshore
- Close sales of turnkey solutions

Upside – significant projects under bidding by Sea Reef (turnkey solutions) and HS Offshore (drilling equipment)

## CORPORATE DATA



- Listed on 11 Nov 2009
- Share price at listing: S\$0.270

Major Shareholders	% of shares held
Tan Woo Thian David	37.72
Hui Choon Ho Jonathan	36.24

Basic Share Data	(as at 11 August 11)
Share Price (as at 11 August)	S\$0.180
Latest Daily Volume (on 02 Aug 11)	28,000
No. of Issued Shares excluding Treasury Shares	121,680,000
Estimated Free Float	27.70%
Market Capitalisation (Million)	S\$21.9



**SBI OFFSHORE**

**Thank You**