



## SGX-CATALIST LISTED SBI OFFSHORE 1H2009 NET PROFIT JUMPS 67.7% TO US\$1.3 MILLION

- 1H2009 revenue 68.7% higher at US\$6.0 million from increased contributions from the People's Republic of China (the "PRC") and key principals
- Exclusive agency agreement with new principal for contract fabrication and assembly orders; to contribute positively to Group's performance from 2010
- Exploring synergistic merger & acquisition opportunities to further strengthen operations
- Expects performance in 2H2009 to exceed that of 2H2008 and FY2009 to be significantly better than FY2008.
- Directors recommend an interim dividend of 0.2 Singapore cent.

### Financial Highlights

US\$ ('000)	1H2009	1H2008	Change (%)
Revenue	5,977	3,543	68.7
Cost of sales	(4,012)	(2,566)	56.3
Gross profit	1,965	977	101.1
Gross profit margin (%)	32.9	27.6	5.3
Profit for the period	1,340	799	67.7
Earnings per share (cents)*	1.25	0.72	N.A.
Net asset value (cents)*	2.42	1.94	N.A.

\*Based on post-placement ordinary share capital of 110,680,100 shares

**SINGAPORE, 8 December 2009** – Singapore Exchange Catalist-listed SBI Offshore Limited ("SBI Offshore" or the "Group"), a leading specialist in the marine and offshore industry, announced today that its profit rose by approximately 67.7%, from approximately US\$0.8 million for the first six months ended 30 June 2008 ("1H2008") to approximately US\$1.3 million for the first six months ended 30 June 2009 ("1H2009"), generated by strong sales orders and higher commission revenue, which lifted the Group's revenue by approximately 68.7%, from approximately US\$3.5 million in 1H2008 to approximately US\$6.0 million in 1H2009.



In tandem with the increase in earnings, cost of sales recorded for the period was approximately 56.3% higher, from US\$2.6 million in 1H2008 to approximately US\$4.0 million in 1H2009.

Reflecting the Group's strong performance, fully diluted earnings per share based on Post-Placement share capital of 110,680,100 shares rose from 0.72 US cent for 1H2008 to 1.25 US cents for 1H2009. The Placement was in relation to the Company's listing on 11 November 2009.

The Group's balance sheet remains healthy with cash and cash equivalents of US\$2.4 million. Net asset value per share based on Post-Placement share capital of 110,680,100 shares and net assets of US\$2.67 million as at 30 June 2009 increased to 2.42 US cents from 1.94 US cents based on net assets of US\$2.14 million as at 31 December 2008.

Commenting on the Group's performance, SBI Offshore's Executive Chairman and CEO, Mr. Jonathan Hui, said, "We have made significant progress in 1H2009 despite unstable market conditions impacting businesses worldwide. Leveraging on our sound reputation, established regional networks, effective marketing and cost management strategies, we have been successful in generating additional revenue from our customers in the PRC and from our key principals."

In appreciation to the shareholders for their loyal support, the Group has recommended that an interim dividend of 0.2 Singapore cents per share be paid to shareholders on a date to be announced later.

### **Recent Developments**

In line with the Group's strategic initiative to expand into contract engineering, the Group had in November 2009, entered into an exclusive agency agreement with Techflow Marine Ltd ("Techflow") – a United Kingdom-based leading manufacturer of offshore marine equipment – to market its Fluid Transfer System ("FTS") to offshore and maritime players within Asia. Through this agreement, SBI Offshore will fabricate and assemble the FTS systems at its PRC facilities, which will help Techflow to significantly reduce delivery lead-time and freight charges. The Board of Directors expects this strategic development



to contribute positively to the Group's performance for the financial year ending 2010 ("FY2010").

Commenting on the Group's outlook, Mr. Hui said, "We continue to see strong interest in offshore oil & gas activities, which are the fundamental drivers of our business. In anticipation of this continued demand, the Group has taken active steps to capitalize on this growth trend, including expanding the production capabilities of our Jiangyin facility to secure additional contract engineering jobs and explore synergistic merger & acquisition opportunities with potential partners."

In addition, the Group had in November 2009 successfully renewed a two-year Sales Representative Agreement with a key principal - Aker MH AS. This renewal reflects the continued confidence placed by the Group's principals on its capabilities and will serve to further consolidate the Group's position as a leading specialist in the marine and offshore industry.

Barring any unforeseen circumstances, the Directors of SBI Offshore are confident that its performance in the second half of the financial year ending 31 December 2009 ("FY2009") will exceed that of the second half of the financial year ending 31 December 2008 ("FY2008") and FY2009 to be significantly better than FY2008.

**## End of Release ##**

***Issued on behalf of SBI Offshore Limited by WeR1 Consultants Pte Ltd***



### **About SBI Offshore Limited**

Established since 1994, SBI Offshore has been primarily engaged in the marketing and distribution of offshore equipment to shipyards and builders of jack-up rigs, semi-submersibles, drillships, and mobile offshore production platforms in Asia.

SBI Offshore has since carved out a niche position as a significant player in Asia's growing offshore equipment market and currently represents major offshore equipment OEMs in the world, such as Aker Solutions (Norway), Wilhelmsen Callenberg (Norway), Techdrill (UK) and Jiangyin Neptune (PRC).

The Group's customer base includes Jurong Shipyard and PPL Shipyard of the Sembcorp Marine Group – which have provided SBI Offshore with repeat business since 2000.

Other customers include COSCO (Nantong), CNOOC, China Merchants Heavy Industry (Shenzhen) and Jutal Engineering Co, as well as Baker Hughes, a leading global oil services company.

The Group's current distribution network currently encompasses Singapore, the People's Republic of China ("PRC"), Malaysia, Indonesia, the Philippines and Vietnam.

*SBI Offshore Limited (the "Company") was listed on Catalist of the Singapore Exchange Securities Trading Limited ("SGX-ST") on 11 November 2009. The initial public offering of the Company was sponsored by PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor").*

*This press release has been prepared by the Company and its contents have been reviewed by the Sponsor for compliance with the relevant rules of the SGX-ST). The Sponsor has not independently verified the contents of this press release.*

*This press release has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this press release, including the correctness of any of the statements or opinions made or reports contained in this press release.*

*The contact person for the Sponsor is Mr Mark Liew, Managing Director, Corporate Finance, at 1 Raffles Place, #30-03 OUB Centre, Singapore 048616, telephone (65) 6229 8088.*

### **Media & Investor Relations Contact:**

WeR1 Consultants Pte Ltd  
29 Scotts Road Singapore 228224  
Tel: (65) 6737.4844 Fax: (65) 6737.4944  
Yim Jeng Yuh, [yimjy@wer1.net](mailto:yimjy@wer1.net); Hp: (65) 9654 1539  
Ng Chung Keat, [ngck@wer1.net](mailto:ngck@wer1.net); Hp: (65) 9437 3462