



SBI Offshore Limited – US\$24M Design and Engineering Contract Press Release

SBI OFFSHORE WINS US\$24M CONTRACT FROM MIDDLE EAST-CHINESE CONSORTIUM TO OFFER DESIGN AND ENGINEERING SERVICES FOR JACK-UP RIG

SINGAPORE, 19 August 2014 – **SBI Offshore Limited** (“SBI Offshore” or the “Group”), which is pursuing higher-value oil and gas engineering projects, said today it has secured a US\$24 million contract to provide design and engineering services for a jack-up drilling rig that can operate in water depths of up to 110 meters.

SGX Catalyst-listed SBI Offshore said its wholly owned subsidiary, SBI O&M Pte. Ltd. (“SBI O&M”), signed the contract with a Middle East-Chinese Consortium (“Consortium”) which comprises six parties that have varied interests in oil and gas activities.

Under the contract, SBI O&M will provide design, engineering and supervision services for a jack-up drilling rig that will meet requirements of the American Bureau of Shipping Classification ⌘ A1 for Self-Elevating Drilling Unit. The jack-up drilling rig will be designed for operating in the Middle East or Asian regions.

Work is expected to commence during the second half of the financial year ending 31 December 2014 (“FY2014”) and the contract is expected to contribute positively to the Group’s financial performance in FY2014 and FY2015.

The project is in line with the Group’s strategy to offer value-added engineering solutions and drilling equipment for the oil and gas industry. In the past year or so, SBI Offshore has added senior engineers who are highly experienced in design, operations and management of drilling services.

Building on the latest contract for design and engineering, the Company will pursue opportunities to offer related services and capabilities in the construction of onshore and offshore drilling rigs to the Consortium and other international players in the sector.

In line with its strategy to pursue larger-scale offshore or land-based oil and gas projects as well as to provide integrated solutions for drilling equipment and systems, the Group announced on 2 July 2014 that it would form a 70%-held joint venture with U.S.-based Axon Energy Products Inc.– a global oilfield equipment manufacturing company.

Mr. Chan Lai Thong, Executive Chairman of SBI Offshore, said, “The design and engineering contract is significant as it underscores our ability to move up the value chain and secure higher-value projects in new markets. We are confident that it will augur opportunities for drilling equipment and our own entry as a specialist player in large-scale mainstream oil and gas projects.”

End of Release



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

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About SBI Offshore Limited

Established since 1994, SBI Offshore provides engineering, fabrication and equipment solutions to the O&M industry. Since its public listing in November 2009, it has evolved into an integrated engineering solutions provider to the oil and gas industry with strategic alliances.

The Group's customer base includes some of the leading owners and builders of mobile offshore drilling and production units in the world. The Group's current distribution network currently encompasses Singapore, China, USA, Malaysia, South Korea and Vietnam.

This press release has been prepared by the Company and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("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.

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