



## SGX-CATALIST LISTED SBI OFFSHORE FY2009 NET ATTRIBUTABLE PROFIT SOARS 20.3% TO US\$2.0 MILLION

- *FY2009 revenue jumps 47.3% to approximately US\$12.2 million backed by strong performance of its marketing and distribution business*
- *FY2009 profit attributable to shareholders rose by a lower 20.3% due to IPO expenses as well as increase in staff costs*
- *Exploring strategic alliances as well as synergistic merger & acquisition opportunities to reinforce our position as a leading integrated offshore equipment provider in Asia*
- *Expects to record growth across all business divisions in FY2010 and FY2011*
- *Directors recommend a final dividend of 0.2 Singapore cents.*

### Financial Highlights

US\$ ('mil)	FY2009	FY2008	Change (%)
Revenue	12.2	8.3	47.3
Cost of sales	8.0	5.8	36.8
Gross profit	4.2	2.4	72.6
Gross profit margin (%)	34.4	29.4	5ppt
Profitable attributable to shareholders	2.0	1.7	20.3
Earnings per share (cents)*	1.80	1.49	N.M.
Net asset value (cents)*	6.12	2.12	N.M.

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

**SINGAPORE, 24 February 2010** – Singapore Exchange Catalist-listed SBI Offshore Limited (“SBI Offshore” or the “Group”), a leading specialist in the marine and offshore industry announced today a 20.3% increase in net profit attributable to shareholders to US\$2.0 million for the financial year ended 31 December 2009 (“FY2009”) from US\$1.7 million for the financial year ended 31 December 2008 (“FY2008”). This growth is despite



the IPO expenses of US\$0.43 million incurred as well as the increase in staff costs of US\$0.39 million.

The increase in profits was achieved on the back of a 47.3% increase in revenue to US\$12.2 million in FY2009 from US\$8.3 million in the corresponding financial year, mainly due to higher sales orders of pipes and fittings and commission revenue received from customers/principals in the People's Republic of China ("PRC"). In tandem with the increase in earnings, the cost of sales recorded for the period rose 36.8%, from US\$5.8 million in FY2008 to US\$8.0 million in FY2009.

Reflecting the Group's strong performance, fully diluted earnings per share based on the Post-Placement share capital of 110,680,100 shares, following the Group's successful listing on 11 November 2009, rose to 1.80 US cent in FY2009, from 1.49 US cent in the corresponding financial year.

The Group maintains a robust balance sheet with cash and cash equivalents of US\$3.5 million as at 31 December 2009. Net asset value per share based on Post-Placement share capital of 110,680,100 shares increased to 6.12 US cents based on net assets of US\$6.8 million as at 31 December 2009 from 2.12 US cents based on net assets of US\$2.3 million as at 31 December 2008.

Commenting on the Group's performance, SBI Offshore's Executive Chairman and CEO, Mr. Jonathan Hui, said, "Following our successful listing on 11 November 2009, we are pleased to report significant growth at both the top- and bottom-line for our inaugural FY2009 results. This strong growth was achieved despite a weaker global economy due to the 2008 financial crisis and is testimony to the success of our effective marketing strategy. Underscored by our commitment to be Asia's leading offshore equipment provider, we will continue to leverage on our past successes and explore additional opportunities that will continue to drive our future performance."

In appreciation to the shareholders for their loyal support, the Group has recommended that a final dividend of 0.2 Singapore cents per share be paid to shareholders, at a date to be announced later. The final dividend follows an earlier interim dividend of 0.2 Singapore cents, which was announced on 8 December 2009 and fully paid on 12 January 2010.



### **Recent Developments**

Inline with the Group's strategic objectives to expand its manufacturing and contract engineering capabilities, the Group had in January 2010 announced the entering into of an agreement to acquire the davit manufacturing assets and businesses from Jiangyin Neptune Marine Appliances Co. Ltd (a 35%-owned associate of the Group). This will provide the Group with modern facilities and skilled manpower to take on manufacturing and contract engineering projects immediately.

"We have commenced small-scale outsourcing activities at the Jiangyin facility and target to accelerate these contract engineering activities from FY2010. We are currently in active discussions with key customers and principals to secure additional orders for the Jiangyin facility and will announce any such orders when finalized" commented Mr. Hui.

"Our marketing and distribution business continues to grow from strength to strength. In FY2009, we successfully entered into a new distribution agreement with 2 key European suppliers as well as renewed a two years Sales Representative Agreement with one of the world's largest provider of drilling equipment packages - Aker MH AS. These agreements reflect our customers/principals' continued confidence in both Asia's potential as an outsourcing market and their trust in the capabilities of SBI Offshore as a value added partner." Mr. Hui added.

In view of the above, while the Group expects to record growth in all three business divisions in FY2010. In addition, the Group targets that, barring any unforeseen circumstances, its manufacturing and contract engineering business divisions will account for approximately 70% of total Group revenue within the next two to three years.

Following the Group's successful listing on Catalist on 11 November 2009, the Group is now poised to tap on the international capital markets and will explore additional opportunities for synergistic acquisitions to drive its future performance.

## 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 Marine Engineering (Norway), 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, CNOOC, China Merchants Heavy Industry, Yantai Raffles Shipyard and Jutal Engineering Co, as well as Baker Hughes, a leading global oil services company.

The Group's 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.*

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