



SBI Offshore Limited

**SGX-CATALIST LISTED SBI OFFSHORE'S FY2013 NET PROFIT  
RISES 51% TO US\$987,000 ON FOUR-FOLD INCREASE IN  
REVENUE LIFTED BY PROGRESS COMPLETION OF EPCC  
PROJECT**

US\$'000	FY2013	FY2012	Change (%)
Revenue	41,792	9,433	>100
Cost of sales	(36,314)	(6,826)	>100
Gross profit	5,478	2,607	>100
Gross profit margin	13%	28%	(15 pt)
Net profit attributable to equity holders	987	655	51
Earnings per share on a fully diluted basis (US cents) <sup>(1)</sup>	0.58	0.54	7
Net asset value per share (US cents) <sup>(2)</sup>	9.34	8.31	12

(1) EPS calculated based on weighted average number of shares in issue of 171,063,662 for FY2013 and 121,680,100 for FY2012.

(2) NAV calculated based on total number of issued shares of 177,680,100 for FY2013 and 121,680,100 for FY2012

**SINGAPORE, 26 February 2014 – SBI Offshore Limited** (“SBI Offshore” or the “Group”) announced today its net profit for the financial year ended 31 December 2013 (“FY2013”) rose to US\$987,000 from US\$655,000 a year earlier as its revenue leapt more than four times over the comparative periods following progress completion of a offshore and marine (“O&M”) project.

Revenue rose to US\$41.8 million in FY2013 from US\$9.4 million in FY2012, after recognising US\$28.8 million of revenue from an Engineering, Procurement, Construction and Commissioning (“EPCC”) project for an Asian client and receiving commission payments for distribution of equipment from Norway’s Aker MH AS (“Aker MH”).

The SGX Catalyst-listed provider of engineering and equipment solutions, fabrication, marketing and distribution of equipment to the O&M industry said the stronger revenue lifted gross profit by 110% to US\$5.5 million in FY2013 from US\$2.6 million in FY2012.

Fully diluted earnings per share was 0.58 US cent in FY2013 compared to 0.54 US cent in FY2012. Net asset value per share increased to 9.34 US cents as at 31 December 2013 from 8.31 US cents as at 31 December 2012.

The Group’s cash and cash equivalents increased 206% to US\$4.9 million as at 31 December 2013 from US\$1.6 million as at 31 December 2012, lifted by separate share placements in March and December 2013, raising approximately US\$5.2 million in total.



As announced by the Group on 11 February 2014, SBI Offshore has reached a final and amicable settlement with Aker MH on a commissions dispute. Together with the settlement, SBI Offshore recognised US\$4.3 million in its FY2013 Marketing Income, an increase of US\$2.9 million compared to FY2012. The settlement with Aker MH will have positive material impact on the financial results for FY2014 and FY2015.

The Group's 35%-owned associate, Jianguyin Neptune Marine Appliance Co., Ltd, and 50%-owned RBV Energy (Singapore) Pte. Ltd. both recorded improved performance, and contributed to the Group's higher net profit seen this year.

SBI Offshore also reported a 62% increase in general and administrative expenses in line with the expansion of the Group's business activities.

To reward shareholders for their support, the Board of Directors has proposed a cash dividend of S\$0.002 per share for the year ended 31 December 2013, consistent with last year's payout.

Having progress-recognised the bulk of the EPCC project, SBI Offshore's order book stood at US\$12 million as at 31 December 2013.

Mr. John Chan, Executive Chairman and Executive Director of SBI Offshore, said, "It has been a challenging year, with unfavourable macro-economic uncertainties and intense competition within the industry. The progressive completion of the EPCC project – which will be delivered shortly – marks a significant milestone in our quest to seek larger-value and higher-margin offshore and marine projects."

"We have built up a track record for projects and a management team with proven capabilities. We seek to extend our reach beyond Asia-Pacific to new markets, focusing on opportunities for drilling equipment and mast equipment package projects," he added.

**## 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 Offshore and Marine ("O&M") industry. Since its public listing in November 2009, it has evolved into an integrated engineering solutions provider to the offshore 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, U.S.A, Malaysia, South Korea and Vietnam.

*This press release has been prepared by the Company and reviewed by the Company's sponsor, CNP Compliance Pte. Ltd. ("Sponsor"), for compliance with the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual Section B: Rules of Catalyst.*

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