



SGX-CATALIST LISTED SBI OFFSHORE LIMITED FORMS JOINT VENTURE WITH U.S. BASED SEA REEF LLC IN A MOVE TO ACCELERATE GROWTH OF ITS CONTRACT ENGINEERING DIVISION

- *JV will accelerate growth of its contract engineering division by capitalizing on Sea Reef's strengths in design and engineering of equipment for offshore production and drilling units*
- *JV Company will have design/engineering offices in Houston (USA), Singapore and China*
- *JV to contribute significantly to SBI Offshore's financial performance in FY2010*

SINGAPORE, 05 March 2010 – SBI Offshore Limited (“SBI Offshore” or the “Company” the “Group”), announced today that it expects to invest an initial US\$1 million (the “Financial Commitment”) in a joint venture with an established Houston-based design & engineering company (the “Proposed Joint Venture”) in a move which will accelerate the growth of the contract engineering business of the Singapore Exchange Catalist-listed integrated provider of marine and offshore equipment in Asia.

SBI Offshore said it has on 3 March 2010 entered into a binding Memorandum of Understanding (the “MOU”) with Mr. Mohammad Sharifuz Zaman, a U.S. citizen who owns Houston-based Sea Reef LLC (“Sea Reef”), a company principally engaged in providing equipment design and engineering services to oil companies and drilling contractors.

Under the terms of the MOU, a joint venture company (the “JV Company”) will be incorporated in Singapore with an initial paid up capital of S\$10.00. SBI Offshore will take



a 60% stake, with Sea Reef taking 20% stake and the management team of the JV Company taking the remaining 20% in the JV Company.

Mr. Jonathan Hui, Executive Chairman and CEO of SBI Offshore, said, "The Proposed Joint Venture underscores our efforts to accelerate the growth of our contract engineering division which will be a major driver of financial performance going forward. More and more major offshore equipment OEMs are outsourcing manufacturing to Asia to save costs and delivery lead time. The Proposed Joint Venture will be able to combine Sea Reef's strengths in design and engineering of offshore cranes, winches, and deck equipment, with our established marketing networks and contract engineering capabilities. Sea Reef will bring to the Proposed Joint Venture many blue chip customers such as British Petroleum, Noble Drilling, Diamond Offshore and Ensco." Mr Hui said.

"We are delighted to team up with SBI Offshore. Instead of just providing design and engineering services, Sea Reef is now able to participate in a joint venture with SBI Offshore to offer a very competitive one-stop solution to oil companies, drilling contractors and rig builders worldwide. It opens up vast opportunities to participate in growing marine & offshore sectors in the Asian region," commented Mr. Mohammad Sharifuz Zaman, President of Sea Reef.

The JV Company will have design/engineering offices in Houston (USA), Singapore and China.

Barring any unforeseen circumstances, the Group expects the Proposed Joint Venture to make a material contribution to SBI Offshore's financial performance for the financial year ending 31 December 2010.

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), Jiangyin Neptune (PRC) and other European equipment manufacturers.

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.

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