ES GROUP (HOLDINGS) LIMITED
(Company Registration No.: 200410497Z)
(Incorporated in the Republic of Singapore on 19 August 2004)

Press Release

ES Group's Revenue Rises 41.8% For FY2013; Announce Jack-Up Block Orders Worth S$15 Million

In S$ millions for the year ended 31 December	**FY2013**	**FY2012**	**Change**	**Change (%)**
Revenue	67.8	47.8	20.0	41.8
Gross profit	11.8	11.7	0.1	0.5
GP margin	17.4%	24.5%	(7.1)*	-
Profit after tax	2.1	2.1	-	0.6
Profit att. to owners	2.0	3.3	(1.3)	(39.4)
EPS (cents)	1.41	2.33	(0.92)	(39.4)
NAV (cents)	24.01	23.02	0.99	4.3

** percentage point change*

SINGAPORE, 27 February 2014: ES Group (Holdings) Limited ("the **Company**", together with its subsidiaries, "**ES Group**" or "the **Group**") announced today that its revenue for the financial year ended 31 December 2013 ("FY2013") rose 41.8% to S$67.8 million, and also announced that it had secured orders for three jack-up blocks worth a total of S$15 million.

SGX Catalist-listed ES Group, which builds, converts and repairs tugs, barges, rigs, offshore support vessels, oil tankers and cargo ships, said the FY2013 revenue increase was boosted by sales and demise charter recognition of two bunker vessels which were delivered in the first half of FY2013.

Revenue from new building and conversion rose by S$20.9 million, mainly due to the sale and demise charter of the two vessels, partially offset by lower revenue from the repair segment of S$0.9 million.

Gross profit increased slightly to S$11.8 million in FY2013 from S$11.7 million in FY2012 despite the decrease in gross profit margin to 17.4% in FY2013 from 24.5% in FY2012. This was mainly due to lower margins from the sale and demise charter of two bunker vessels.

Total operating expenses rose to S$11.6 million in FY2013 from S$11.2 million in FY2012, mainly due to added manpower in Thailand in preparation for the higher order book, as well as higher rental expenses, repair and maintenance costs, which were partially offset by lower travelling expenses. These factors led to FY2013 profit before tax reducing to S$2.3 million in FY2013 from S$2.6 million in FY2012.

The Group recorded positive working capital of S$23.3 million with cash and cash equivalents of S$2.5 million as at 31 December 2013. Total borrowings stood at S$13.0 million with gearing ratio at 0.4 times.

The Group generated cash flow from operations of S$6.3 million, offset by the net cash used in investing activities of S$2.1 million and net cash used in financing activities of S$7.0 million.

Earnings per share decreased to 1.41 cents in FY2013 from 2.33 cents in FY2012 on 141,200,000 shares while net asset value per share increased to 24.01 cents in FY2013 from 23.02 cents in FY2012.

The board of directors ("**the Board**") has proposed a final dividend of 0.15 cents per share, in addition to the interim dividend of 0.10 cents paid on 3 September 2013. If approved, this would bring the total dividends to 0.25 cents for FY2013 (representing 17.7% of net profit attributable to owners of the Company), compared to 0.45 cents for FY2012.

Elaborating on the orders for jack-up blocks worth S$15 million secured from a major customer in Singapore, ES Group said they comprise part of a high-specification jack-up rig's main hull. Construction of the blocks has commenced at its Thailand yard and is expected to be delivered in the last quarter of 2014.

Commenting on the results, Mr. Christopher Low, ES Group's Chief Executive Officer, said, "Despite the slowdown in Singapore for new building and conversion of vessels, we remained profitable for FY2013. We will continue to improve our operating efficiency and strengthen our relationship with customers with the aim to increase our volume of work."

Barring any unforeseen circumstances, the new jack-up block orders is expected to contribute to the Group's financial performance in the financial year ending 31 December 2014 ("**FY2014**").

On the outlook, Mr. Low said, "Singapore's shipbuilding sector is showing signs of slowing down. This is expected to be offset by anticipated increase in the demand for oil rigs and offshore services. In addition to existing orders, the new orders announced today augur well for our outlook in FY2014 and will keep the Group busy and the Thailand yard operation at full capacity."

"In line with our expansion plans, the Group has also started operations at the newly set-up Loyang workshop where we design and fabricate a range of offshore structures, such as Geotechnical drilling rigs. The new workshop also provides mobilisation and demobilisation works, repair and maintenance works and other offshore support services. The new services offered by the Group complement our existing range of services," added Mr. Low.

The Group remains on the lookout for opportunities to expand its core business while exploring possible mergers and acquisitions with a view to enhancing shareholder value.

Based on the above and barring any unforeseen circumstances, the Board expects the Group to remain profitable in FY2014.

#End of Release#

ENG SOON

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Issued on behalf of the Company by WeR1 Consultants Pte Ltd Investor Relations

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About ES Group (Holdings) Limited

ES Group is a Singapore-headquartered marine and offshore group involved in new building, conversion and repair of ocean-going vessels. The company builds, converts and repairs a wide range of vessels, such as tugs, barges, rigs offshore support vessels, oil tankers and cargo ships. The company performs repairs on marine and offshore structure and vessels of all types and sizes, whether afloat or drydocked. ES Group completed and delivered its first pair of bunker vessels in 2013 as part of its strategic shift to build a vessel fleet for chartering and generate a stable stream of recurring revenue for the Group.

For more information, visit us at www.esgroup.com.sg.

This press release has been prepared by the Company and its contents have been reviewed by the Company's sponsor (the "**Sponsor**"), Canaccord Genuity Singapore Pte. Ltd., for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"). Canaccord Genuity Singapore Pte. Ltd. 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. Alex Tan, CEO, Canaccord Genuity Singapore Pte. Ltd. at 77 Robinson Road #21-02 Singapore 068896, telephone (65) 6854 6160.