



SBI Offshore Limited

SBI OFFSHORE REPORTS US\$610,000 NET PROFIT, MAIDEN REVENUE CONTRIBUTION FOR RIG DESIGN & ENGINEERING SERVICES FOR MIDDLE EAST-CHINESE CONSORTIUM

SINGAPORE, 25 February 2015 – SGX Catalist-listed **SBI Offshore Limited** (“**SBI Offshore**” or the “**Company**” and together with its subsidiaries, the “**Group**”) announced today net profit of US\$610,000 for the financial year ended 31 December 2014 (“**FY2014**”) compared to US\$977,000 a year ago.

The provider of engineering and equipment solutions, fabrication, marketing and distribution of equipment to the offshore and marine (“**O&M**”) industry recorded revenue of US\$14.1 million in FY2014 which included partial recognition of the US\$24 million rig design and engineering services contract secured with a Middle East-Chinese consortium.

SBI Offshore’s gross profit increased 7% to US\$5.8 million in FY2014 from US\$5.5 million in FY2013.

Fully diluted earnings per share was 0.30 US cent in FY2014 compared to 0.58 US cent in FY2013. Net asset value per share increased to 12.06 US cents as at 31 December 2014 from 9.34 US cents as at 31 December 2013.

The Group’s cash and cash equivalents increased 253% to US\$17.3 million as at 31 December 2014 from US\$4.9 million as at 31 December 2013, lifted by a private share placement to several individuals.

Mr. Chan Lai Thong, Executive Chairman of SBI Offshore, said that while the recent falls in crude oil prices posed challenges for the entire O&M sector, the Group has already set in motion two major strategies to position for growth.

The first is the marketing, installation and provision of after-sales services for larger-scale O&M drilling equipment and systems (“**DES**”). SBI Offshore has been appointed lead procurement contractor for a semi-submersible to be built in China and has signed technical agreements with three shortlisted shipyards seeking to build the vessel.

“In view of China’s strategy to build up its fossil fuel reserves and other sources of supply, we believe there remains opportunities for large-scale DES or projects related to the O&M sector in China despite the recent fall in crude oil prices,” Mr Chan said.

In a second strategic thrust, the Group has commenced negotiations with a Middle East-Chinese consortium to build up to five jack-up drilling rigs based on engineering designs for which it has already commissioned from SBI Offshore.

“Despite the uncertainty in the O&M sector globally, we have gained traction with our initiatives executed this year. We remain actively engaged in negotiations with the consortium with a view to securing the order within FY2015,” he added.



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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 industry. Since its public listing in November 2009, it is evolving into an integrated engineering solutions provider to the O&G 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, Indonesia, 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 Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalyst. The Sponsor has not verified the contents of this press release.

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