



ES GROUP (HOLDINGS) LIMITED

(Company Registration No.: 200410497Z)

(Incorporated in the Republic of Singapore on 19 August 2004)

Press Release

Catalist-listed ES Group's HY2011 net profit rose 66.2% to S\$1.8 million, outpacing revenue growth of 31.3% to S\$23.6 million

- **Revenue grew 31.3% to S\$23.6 million from S\$18.0 million in HY2010**
- **Net profit rose to S\$1.8 million from S\$1.1 million in HY2010**
- **Top and bottom lines lifted by increased contribution and better margins from new building and conversion business**
- **Positive operating cash flow of S\$1.3 million achieved, reversing negative operating cash flow of S\$5.5 million**
- **Outlook: Barring unforeseen circumstances, the Group is expected to remain profitable in FY2011**

SINGAPORE, 12 August 2011: Singapore Exchange Catalist-listed **ES Group (Holdings) Limited** (the "Company", and together with its subsidiaries, "ES Group" or "the Group") announced today that its net profit increased 66.2% to S\$1.8 million for the six months ended 30 June 2011 ("HY2011"), outpacing revenue growth of 31.3% to S\$23.6 million.

ES Group, which builds, converts and repairs tugs, barges, rigs offshore support vessels, oil tankers and cargo ships, said the improved net profit, which compared with S\$1.1 million for six months ended 30 June 2010 ("HY2010"), was driven by increased business activities and more project completions in the new building and conversion segment.



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Gross profit grew to S\$6.0 million in HY2011 from S\$4.3 million in HY2010 while gross profit margin increased to 25.3% from 23.9%, reflecting the shift towards higher margin businesses.

Mr Christopher Low, ES Group's Chief Executive Officer, said, "Our HY2011 performance underscores the efficacy of our business strategies. Our Group's recent diversification into engineering, procurement and construction ("EPC") services for offshore and marine projects in our new building and conversion segment has begun to take off. The improvement in sales also lifted our bottom line and helped to generate a positive operating cash flow of S\$1.3 million in HY2011 from a negative operating cash flow of S\$5.5 million in HY2010."

Earnings per share, on a fully diluted basis, rose to 1.31 cents from 0.93 cents based weighted average share capital for the relevant periods (being, 141,200,000 shares for HY2011 and 120,000,000 shares for HY2010, respectively). Net asset value per share decreased to 19.58 cents from 20.47 cents, based on weighted average share capital for the relevant periods (being, 141,200,000 shares for HY2011 and 130,222,466 shares for financial year ended 31 December 2010, respectively).

"The new building and conversion business segments particularly the EPC projects launched in 2H2010 – have started to yield first-time contributions in 1H2011, and is expected to enhance shareholder value for the rest of financial year ending 31 December 2011 ("FY2011")," Mr Low said.

"Barring unforeseen circumstances, the Board of Directors expects the Group to remain profitable in FY2011," he added.

ES Group, whose customers include well-known shipyard operators in Singapore namely Sembawang Shipyard Pte Ltd, Keppel FELS Ltd and Singapore Technologies Marine Ltd, has a workshop and repair facilities in Singapore and owns and operates a 70,000 square meter shipyard in Thailand via its 50 per cent-owned subsidiary in Thailand.

#End of Release#



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Issued on behalf of the Company by WeR1 Consultants Pte Ltd

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About ES Group

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's customers are primarily shipyard operators in Singapore including Sembawang Shipyard Pte Ltd, Keppel FELS Ltd and Singapore Technologies Marine Ltd.

This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, Collins Stewart Pte. Limited for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("SGX-ST"). Collins Stewart Pte. Limited has not independently verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made, or reports contained in this announcement. The contact person for the Sponsor is Mr. Alex Tan, Managing Director, Corporate Finance, Collins Stewart Pte. Limited at 77 Robinson Road #21-02 Singapore 068896, telephone: (65) 6854-6160