

Falcon Energy Group Limited



Business Update

Falcon Energy Group Limited (FEG or the Group) is setting up a new Resource Division to tap into the fast-growing energy sector. Another is to enhance its existing Oilfield Services Division by adding oil trading and related activities to its current services.

For the purpose of the business activities, the Group is in the process of finalising the acquisitions of two dormant Hong Kong registered companies, Radford Holdings Limited and Capital Guardian Limited, with principal activities in coal trading, coal mining and other related activities, and oil trading and other related activities respectively. The management is currently in talks with the respective parties to work out the details, and we will announce them at a later stage as soon as they are finalised.

None of the Directors or controlling shareholders of the Group has any direct or indirect interest in the above transactions. The acquisitions of the two companies are not expected to have any material impact on the earnings per share or the net tangible assets of the Group for financial year ending 31 December 2010.

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About Falcon Energy Group Limited (www.falconenergy.com.sg)

Falcon Energy Group Limited (鸿鹰能源集团有限公司) is a SGX Mainboard-listed leading player in the regional Offshore Marine and Oil & Gas sectors. The Group provides a full spectrum of support services for the Offshore Marine and Oil & Gas cycle, from initial exploration and drilling to production and post-production stage, with a specialist focus on the production phase of oilfield activities.

The Group has three business divisions with operations spanning Southeast Asia, India and Australia. Its Marine Division provides offshore support vessels for services such as offshore hook up and commissioning, offshore conductor piling and pipe trenching, among others. Its Oilfield Services Division provides services such as agencies, warehousing, logistics, procurement and other general support activities. Through its Oilfield Projects Division, the Group is involved in projects and investments related to the Marine and Oil & Gas industry.

The Group has built up a solid track record over the past 30 years. Its commitment to top quality operations, professional practices and safety standards has resulted in a clientele base that includes some of the largest oil majors in the world including Shell, ExxonMobil, Chevron, BP and TOTAL as well as oil contractors comprising McDermott, Halliburton, PetroChina, and COSL.

Falcon currently has a fleet of 15 Offshore Support Vessels (OSVs) including 9 multi-purpose support vessels.

The Group was listed on SGX SESDAQ on 2 December 2004 through a reverse takeover of Sembawang Music Holdings Limited and changed its name to Falcon Energy Group Limited on 13 November 2006. It was upgraded to SGX Mainboard on 8 September 2009.

Issued on behalf of **Falcon Energy Group Limited** by: Waterbrooks Consultants Pte Ltd

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