



**Aqua-Terra Supply Co. Limited**

2 Sixth Lok Yang Road  
Singapore 628100  
Tel: (65) 6319 4666 Fax: (65) 6268 4455  
<http://www.aqua-terra.com/>

## **NEWS RELEASE**

---

### **AQUA-TERRA ACQUIRING NEW CAPABILITIES TO EXPAND ITS MARINE SECTOR OFFERINGS**

- Proposed acquisition of 70% equity interest in a turbo-charger specialist.
- This new capability immediately expands ATS' offerings to customers in the marine industry

**Singapore, 6 March 2007** – Main board listed integrated oil & gas and marine service provider and procurement specialist, Aqua-Terra Supply Co. Limited (“Aqua-Terra”, “ATS” or “The Group”) is pleased to announce that its wholly- owned subsidiary, Orient Marine Pte Ltd, had entered into a conditional sale & purchase agreement (“S&P”) with Fisher Engineering Pte Ltd (“FEPL”). This conditional S&P is for the acquisition of a 70% equity interest in FEPL, a turbo-charger specialist serving customers from the marine industry. The vendors are the Messrs. Yuan Xigui, Soh Poh Hong and Ng Eng Soon (jointly termed as the “Vendors”), the three founders of FEPL.

The consideration for the acquisition is S\$3.0 million which represents a price-earnings ratio of approximately 5.8 times. On the part of the Vendors, they will provide a profit before tax guarantee of S\$1.8 million, in aggregate, for the two consecutive financial years which are FY2007 and FY2008. The financial year for FEPL ends on 31 December. The valuation for the acquisition price is computed based on the valuation of the 100% equity interest of FEPL at \$4.3 million and its unaudited net tangible assets of S\$1.5 million as at 31 December 2006.

Incorporated in 1999, FEPL specializes in providing innovative and cost-efficient solutions for turbo-chargers. Presently, FEPL's principal activities are in the overhaul and servicing of

turbo-chargers for the marine industry. In early 2006, responding to the growing demand from China's marine industry, FEPL also invested in an associate company in Shanghai .

This Acquisition will enable the Aqua-Terra Group to expand its service offering to existing customers in the marine and offshore industries, as well as promote the Group's products to FEPL's existing customers.

Commenting on the acquisition today, Mr. Kris Wiluan – Chairman and CEO of ATS said: "This acquisition will further enhance Aqua-Terra's offerings to the marine and offshore industries. Furthermore, under the enlarged umbrella of the KS Energy Group, all parties will be able to tap into each other's resources and cross-sell their products to an expanded base of customers in the region."

Subject to conditions precedent and the satisfactory completion of the due diligence, this acquisition which will be funded by internal resources and bank borrowings, will positively impact the Group's performance in FY2007.

#### **About Aqua-Terra Supply Co. Limited**

Aqua-Terra Supply Co. Limited ("Aqua-Terra") is an integrated service provider and procurement specialist serving customers in the oil & gas, marine and mining industries. We are focused on material procurement of oil & gas consumables, a gradual shift from our previous emphasis on product distribution, a move we undertook since our listing on SGX-SESDAQ in March 2004 and our subsequent move to the SGX-ST Main Board in September 2006.

As a one-stop shop solution provider to the energy sector, Aqua-Terra provides both hardware and customised engineering solutions to our customers. We presently have 21 authorised distributorships for over 160 types of consumable products such as high pressure flow control equipment, fluid connector assemblies, professional heavy-duty hand tools, oil country tubular goods, wellhead lubricants and offshore cargo nets. Our "red book", a comprehensive product catalogue for oil & gas consumables, is well known and widely used in Asia by rig managers and other oil & gas industry professionals.

For more information, please visit Aqua-Terra's website at [www.aqua-terra.com](http://www.aqua-terra.com).

---

**Issued for and on behalf of Aqua- Terra Supply Co. Limited.**

**By Asia Business Channels Pte Ltd**  
**For more information, contact:**  
**TAN Peck Hwa, [tphcomms@singnet.com.sg](mailto:tphcomms@singnet.com.sg)**  
**Tel: (65) 6749 8871 Fax: (65) 6746 8206**