



**SBI Offshore Limited**

(Incorporated in the Republic of Singapore on 1 October 1994)

(Company Registration Number: 199407121D)

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## **COMPULSORY ACQUISITION OF LAND AFFECTING PRC PREMISES**

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The Board of Directors (the “**Board**”) of SBI Offshore Limited (“**SBI**” or the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that the municipal authority in Jiangsu Province, People’s Republic of China (“**PRC**”), has announced that it intends to acquire the Company’s current premises in Jiangyin City (the “**PRC Premises**”) due to road widening.

The compulsory acquisition over the next two years, part of the new master plan announced by the Jiangyin Yuechen Town Authority via its official website, will affect the Group’s PRC Premises – located at 28 Beihuan Road, Yuecheng Town, Jiangyin City – which is owned by the Company’s 98%-owned subsidiary, Jiangyin SBI Offshore Equipment Co. Ltd.

While no formal notice regarding the land acquisition or details of any compensation have been received to date, the Group will likely be required to relocate its office and manufacturing operations in Jiangyin City. The net book value of the PRC Premises (comprising the buildings and land) stood at approximately US\$6.34 million as at 30 June 2012.

None of the Directors or substantial shareholders of the Company has any interest, direct or indirect (other than through their shareholdings in the Company), in the compulsory acquisition of the PRC Premises.

SBI will announce further details as and when the Group receives a formal notice from the relevant PRC authority or when there are material developments.

By order of the Board

Chan Lai Thong  
Executive Chairman and Director

27 December 2012

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*This announcement 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 relevant rules of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”). The Sponsor 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.*

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