



SBI Offshore Limited

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

(Company Registration Number: 199407121D)

COMPLETION OF DISPOSAL OF PROPERTY BY SUBSIDIARY

The Board of Directors (the "**Board**") of SBI Offshore Limited (the "**Company**" together with its subsidiaries, collectively the "**Group**") refers to its announcement on 28 December 2017 (the "**Announcement**") in relation to the disposal of a factory and the related land use rights (the "**Property**") by Jianguyin SBI Offshore Equipment Co., Ltd. (the "**Disposal**").

Capitalised terms in this announcement shall have the same meaning as defined in the Announcement unless otherwise defined.

The Company wishes to announce that completion of the transfer of the Property has taken place on 6 March 2018 and the Consideration of RMB18 million after deducting taxes of approximately RMB1,943,000 and transaction fee of approximately RMB28,000 charged by Jianguyin Tax Bureau and Jianguyin Real Estate Registration Center respectively has been disbursed to JSBI on 15 March 2018. The net proceeds of RMB16,029,000 received, of which RMB900,000 will be payable as commission and the remaining balance will be used for the Group's general working capital.

Accordingly the leasehold property and the related land lease prepayment as recorded in the Group's financial statements for FY2017 have been classified as non-current assets held for sale and an impairment loss of US\$2,182,000 has been recognised in the profit & loss for FY2017 to reduce the assets' carrying amount to fair value less costs to sell.

The Singapore Exchange Trading Limited (the "**Exchange**") has been consulted on the classification of the Disposal pursuant to Rule 1007 of the Catalist Rules. The Exchange requires the Company to seek shareholders' approval on the Disposal. As the Disposal was effected prior to receipt of Exchange's views on 22 March 2018 regarding the consultation as announced on 28 December 2017, the Company will through its sponsor consult the Exchange on the said matter.

By Order of the Board

Mirzan Bin Mahathir
Executive Non-Independent Chairman

1 April 2018

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor ("Sponsor"), Asian Corporate Advisors Pte. Ltd., for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("Exchange"). The Company's Sponsor has not independently verified the contents of this announcement including the correctness of any of the figures used, statements or opinions made.

This announcement has not been examined or approved by the Exchange and the Exchange 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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