



SBI Offshore Limited

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

(Company Registration Number: 199407121D)

CLARIFICATION ON QUERY RAISED AT THE AGM

The Board of Directors (the “**Board**”) of SBI Offshore Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to a query raised at the Annual General Meeting (“**AGM**”) held on 25 April 2018 in relation to the utilisation of cash for the financial year ended 31 December 2017 (“**FY2017**”).

The Company wishes to clarify the utilisation of cash in FY2017 was as follows:

	US\$'000
Opening cash and cash equivalents	16,271
Receipts:	
- Trade receivables	633
- Other receivables	315
- Other receivables from a former director ⁽¹⁾	452
Payments:	
- Trade payables	(915)
- Staff costs ⁽²⁾	(1,151)
- Professional fees (including, <i>inter alia</i> , audit, secretarial, etc)	(244)
- Other professional fees ⁽³⁾	(368)
- Rental expenses	(113)
- Other expenses	(606)
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	14,274
Effect of foreign exchange rate changes on cash and cash equivalents ⁽⁴⁾	448
Closing cash and cash equivalents	<hr/> 14,722 <hr/>

Note:

- ⁽¹⁾ The Company filed a writ of summons against a former director to demand payment for the outstanding sum under a guarantee provided by the aforementioned former director for a business opportunity. The former director subsequently made a payment of US\$452,000 (equivalent to S\$649,000) to the Company on or around 10 January 2017.
- ⁽²⁾ Staff costs in relation to the former Chief Executive Officer (ceased on 16 August 2017) and Chief Financial Officer (resigned on 15 September 2017) amounted to US\$299,000 in aggregate. As a result of reduced headcount, the average staff costs per month for FY2017 and Q1FY2018 were US\$96,000 and US\$57,000, respectively.
- ⁽³⁾ Other professional fees include expenses in relation to the NPT Transactions (US\$118,000), the requisition of an extraordinary general meeting (US\$8,000), and the writ of summons filed against a former director (US\$51,000) as per Note 1.
- ⁽⁴⁾ The foreign exchange difference arose mainly from translation of balances or transactions denominated in Singapore Dollar and Chinese Renminbi.

By Order of the Board

Mirzan Bin Mahathir
Executive Non-Independent Chairman

3 May 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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