



**SBI Offshore Limited**

(Incorporated in the Republic of Singapore on 1 October 1994)  
(Company Registration Number: 199407121D)

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**UPDATE FOR THE FIRST QUARTER ENDED 31 MARCH 2018**

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The Board of Directors (the “**Board**”) of SBI Offshore Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to provide an update for the first quarter ended 31 March 2018 (“**1Q 2018**”) as follows:

1. Appointment of independent reviewer

As announced on 28 February 2018 in relation to the Unauthorised Write-off by a subsidiary in China, the Company would like to announce that it is in the process of appointing the independent reviewer to investigate matter(s) that may have given rise to this issue, inter-alia breaches in rules, laws and regulations as well as lapses in control, in consultation with the Company’s Sponsor and the Singapore Exchange Trading Limited (“**Exchange**”). The appointment of independent reviewer is subject to the Exchange being satisfied with the appointment and terms of reference. The Company will continue to make announcements as and when appropriate to update shareholders on this matter. Shareholders are advised to exercise caution when dealing with the securities of the Company.

2. Update on business and other prospects

The Group continues to assess and monitor developments in the offshore and marine and solar energy businesses. It has been trying to find new business opportunities and partners to continue its offshore and marine trading business. Concurrently, with a healthy balance sheet, the Group has been actively exploring strategic business and investment opportunities in other industries to enhance shareholder value leading the Group to commence a high level due diligence on potential targets. No definitive agreement has been signed as of now and there is no certainty that any definitive agreements will be executed. The Company will continue to make announcements as and when appropriate to update shareholders if there is any material development.

3. Continuous efforts on costs reduction and control

The Company continues with its efforts to reduce and control costs. Administrative and other operating expenses for 1Q 2018 fell by more than 56% as compared to 1Q 2017. This is mainly due to significant reduction in staff costs from headcount reduction. Staff costs for 1Q 2018 decreased by 52% to US\$177,000 as compared to 1Q 2017 largely due to the departure of the then CEO, CFO and General Manager, amongst other headcount reduction. The Group also took on other costs reduction measures and continues to do wherever and whenever possible. The Company is in the process of optimizing the Group structure by restructuring dormant subsidiaries to reduce compliance costs, in line with this initiative, PT Ness Indonesia Terang, a dormant indirect subsidiary, is undergoing dissolution and liquidation, RBV Energy (Singapore) Pte Ltd, a 50%-owned joint venture company which is currently dormant will be liquidated upon resolution of all liabilities and obligations.

**By Order of the Board**

**Mirzan Bin Mahathir**  
**Executive Non-Independent Chairman**

**24 May 2018**

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*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.*

*The contact person for the Sponsor is Mr Liao H.K.  
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