



SBI Offshore Limited

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

UPDATE ON REQUISITION FOR AN EXTRAORDINARY GENERAL MEETING

The Board of Directors (the “**Board**”) of SBI Offshore Limited (the “**Company**”) together with its subsidiaries, the “**Group**”) refers to the announcement dated 7 February 2018 by the Company (“**Requisition for an Extraordinary General Meeting**”), as well as the subsequent communications with Singapore Exchange Regulation (“**SGX RegCo**”) with respect to SGX RegCo’s queries. The Company wishes to announce the following:

1. With reference to the announcement dated 7 February 2018 by the Company (“**Requisition for an Extraordinary General Meeting**”), the signatories of the letter were Hui Choon Ho (“**Mr Hui**”), Citibank Nominees Singapore Pte Ltd and Chen Jiayu (the “**Relevant Parties**”).
2. To the best of the Board’s knowledge, Ms Chen Jiayu is the daughter of Mr Tan Woo Thian (“**Mr Tan**”) and Mr Tan owns a total of 35,136,000 ordinary shares in the Company. This represents a stake of 14.07%, of which 13.89% is deemed and 0.19% is direct. His shareholdings are based on records from the Central Depository as at 31 January 2018 and earlier checks by the Company with Citibank Nominees Singapore Pte Ltd, Bank of Singapore Ltd and Inkwell Investments Ltd, all of which confirmed in writing that Mr Tan’s deemed stake is held through each of these parties.
3. It is to be noted that the 3 Directors being proposed for removal were previously unanimously approved by the shareholders during the last annual general meeting on 25 April 2017 (“**AGM**”) which included the votes of Mr Hui and Mr Tan. There are no reasons provided by the relevant parties for their requisition to remove these same directors.
4. The Board notes that it currently has four Independent Directors and a single Executive Non-Independent Chairman, the proposed appointment of additional Directors may increase the size of the Board and increase costs. As part of the evaluation process into the suitability of the proposed appointment of additional Directors, the Board is of the opinion that its current size and composition (taking into account the various skillsets and experience) is sufficient and appropriate for effective decision-making based on the current activities of the Company which includes continuing to actively explore strategic business and investment opportunities in other industries (beyond the offshore oil & gas sector) with the view to charting a clear path for corporate recovery in order to restore and enhance shareholder value. The Board notes that the Nominating Committee (“**NC**”) has yet to interview the proposed Directors.

Board’s view on Mr Hui

5. After taking into consideration the discussions and concerns raised therein as well as the findings of the Unilegal report (the “**Report**”), the Board concurs with the recommendation of its NC that Mr Hui is not suitable to be a board director. In short, the Report found that he had likely breached his duties in his capacity as a board director then when handling the transactions relating to Jiangyin Neptune Marine Appliance Co Ltd (“**NPT Transactions**”).

Board’s view on Mr Jen Shek Voon

6. The NC notes Mr Jen Shek Voon (“**Mr Jen**”) has experience in the accounting profession and has the ability to advise the Company on financial, accounting and corporate governance matters.

However, the NC highlights that the 3 directors being proposed for removal have the same skillsets and experience and the NC is of the view that the current Board composition is adequate and that as of now and given the state of affairs of the Company as well as that the 3 directors being proposed for removal were previously unanimously approved by the Shareholders during the last AGM, there is no need to appoint additional director or replacement director. The Board concurs with the recommendation of its NC.

Board's view on Mr Percival Jeyapal s/o David

7. The Board concurs with the recommendation of its NC that Mr Percival Jeyapal s/o David, a Chartered & Registered Professional Engineer with substantial experience in the oil & gas sector, has no prior experience in being a director of a public listed company and to be suitable as a board director, he would be required to undertake to attend suitable courses and seminars as part of his training for the roles and responsibilities of a director of a public listed company. The NC noted that Mr Percival's experience in the oil & gas sector may not be relevant with the future business direction of the Group, which includes *inter alia* exploring strategic business and investment opportunities in other industries (beyond the offshore oil & gas sector). The NC is of the view that the current Board composition is adequate and that as of now and given the state of affairs of the Company as well as that the 3 directors being proposed for removal were previously unanimously approved by the Shareholders during the last AGM, there is no need to appoint additional director or replacement director. The Board concurs with the recommendation of its NC.

In view of the above, the Board does not support the nominations of the 3 Directors being proposed. The Company will not convene the EGM as the Board has received legal advice that the Company is not compelled to convene said EGM.

Shareholders and investors are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board

Mirzan Bin Mahathir
Executive Non-Independent Chairman

28 February 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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