



SBI Offshore Limited

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

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- (I) **MONTHLY VALUATION OF ASSETS AND UTILISATION OF CASH FOR THE MONTH OF DECEMBER 2018; AND**
- (II) **QUARTERLY UPDATE OF BUSINESS PLANS AND DEVELOPMENTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2018**
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The board of directors (the “**Board**” or “**Directors**”) of SBI Offshore Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to the Company’s announcement on 30 September 2018 in relation to the directives issued by Singapore Exchange Regulation Pte Ltd (“**SGX Regco**”) to the Company to provide (i) monthly valuation of assets and utilisation of cash commencing from the month of August 2018; and (ii) quarterly update of business plans and developments commencing from the quarter ended 30 September 2018 (the “**SGX Directives**”). Please refer to the aforementioned announcement for further information on the SGX Directives.

Pursuant to the SGX Directives, the Board wishes to provide shareholders of the Company an update on the following:-

- (I) **MONTHLY VALUATION OF ASSETS AND UTILISATION OF CASH FOR THE MONTH OF DECEMBER 2018**

- (a) The Group’s assets and liabilities as at 31 December 2018 were as follows:-

	US\$’000
<u>Assets</u>	
Cash and cash equivalents	15,725
Trade and other receivables	194
Plant and equipment	1
Intangible assets	5
Total assets	<u>15,925</u>
Less:-	
<u>Liabilities</u>	
Trade and other payables	626
Deferred tax liabilities	4
Total liabilities	<u>630</u>
Net Assets	<u>15,295</u>

(b) The Company's utilisation of cash in the month of December 2018 was as follows:-	US\$'000
Opening cash and cash equivalents	15,991
Receipts:-	
- Trade receivables	3
- Interest received	15
Payments:-	
- Trade payables	(2)
- Staff costs and related expenses ⁽¹⁾	(208)
- Professional fees (secretarial fees)	(4)
- Other professional fees ⁽¹⁾	(90)
- Rental expenses	(6)
- Finance costs ⁽¹⁾	(6)
- Other expenses	(5)
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	15,688
Effect of foreign exchange rate changes on cash and cash equivalents ⁽²⁾	37
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Closing cash and cash equivalents	15,725
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Notes:-

(1) Staff costs and related expenses, other professional fees and finance costs include the amount paid in relation to the claim by a former executive director and chief executive officer of the Company, Mr Chan Lai Thong ("Mr Chan") against the Company. Please refer to the Company's announcements on 25 October 2018 and 1 December 2018 in relation to the writ of summons filed by Mr Chan for further information.

(2) The foreign exchange difference arose mainly from translation of balances or transactions denominated in Singapore Dollar and Chinese Renminbi.

All figures set out in this announcement have **not** been reviewed or audited by the Company's auditors.

(II) QUARTERLY UPDATE OF BUSINESS PLANS AND DEVELOPMENTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2018

The Group continues to receive new orders in the oil and gas ("O&G") sector and had recognised revenue (albeit at nominal value) for the fourth quarter ended 31 December 2018 ("Q4 2018"). The Directors are of the view that the continued requests for quotations and orders are encouraging notwithstanding competitive pressures within the offshore and marine ("O&M") industry. Notwithstanding recent weaknesses in oil prices, the Group remains alert to positive developments in the O&G sector, and is monitoring developments in spending by oil majors and companies across the entire O&G value chain to take appropriate steps to position the Group for the industry recovery.

As highlighted in the Company's announcement dated 30 September 2018 setting out the quarterly updates on the Group's business plans and developments for the third quarter ended 30 September 2018, the Group had been exploring strategic business and investment opportunities in other industries with a view to enhancing shareholders' value and actively working on potential business opportunities and partners in the O&G sector within the region. In Q4 2018, the Company had identified and is currently evaluating potential deals in the O&G sector (which encompasses the O&M industry) with an eye on negotiating terms which are beneficial to the Group and its shareholders. The SGX Regco had, on 21 December 2018, issued a Notice of Compliance ("NOC") to the Company. Please refer to the NOC announced by the SGX Regco for further details. In view of the NOC and the complications involved, the Company is in process of engaging with the potential vendors of the aforementioned potential transactions, to further discuss and negotiate the terms therein. No definitive agreements have been agreed or entered into by the Group as of the date of this announcement. The Company will, in compliance with the disclosure obligations under the Catalist Rules, make appropriate announcements in the event that there are any material developments.

The Board notes the Deadline issued by the SGX Regco, and endeavours to work towards demonstrating to the SGX Regco that it has a viable business to maintain its listing status by 28 February 2019.

Save as disclosed in the Company's previous announcements, there are no other material developments that may have a significant impact on the financial position of the Group or any other updates on its future direction. The Company will disclose any material updates or further information as and when there are any subsequent developments.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company. Persons who are in doubt as to the action they should take should consult their stockbrokers, bank managers, solicitors or other professional advisers.

By Order of the Board

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

15 January 2019

This announcement has been prepared by SBI Offshore Limited (the "Company") and its contents have been reviewed by the Company's sponsor, ZICO Capital Pte. Ltd. (the "Sponsor"), for compliance with the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual Section B: Rules of Catalyst. 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.

The contact person for the Sponsor is Ms. Alice Ng, Director of Continuing Sponsorship, ZICO Capital Pte. Ltd. at 8 Robinson Road, #09-00 ASO Building, Singapore 048544, telephone (65) 6636 4201.