



SBI Offshore Limited

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

NOTIFICATION OF CASH COMPANY STATUS PURSUANT TO RULE 1017 OF THE LISTING MANUAL OF SINGAPORE EXCHANGE SECURITIES TRADING LIMITED (“SGX-ST”)

1. INTRODUCTION

The board of directors (the “**Board**” or “**Directors**”) of SBI Offshore Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to the announcement released by the Company on 30 September 2018 (the “**Announcement**”). The SGX-ST had on, 19 July 2018, informed the Company that it should demonstrate to the SGX-ST that it has a viable business to maintain its listing status by 28 February 2019 (“**Deadline**”). This could be in the form of securing contracts on a sustainable basis in the current business, and/or introduction of a new viable business. The Board and the sponsor of the Company must be satisfied that the business of the Group is able to generate recurring revenue and operational cash flow. If the Company is unable to demonstrate that it has a viable business by 28 February 2019, the SGX-ST reserves the right to deem it as a cash company under Rule 1017 of the SGX-ST Listing Manual Section B: Rules of Catalist (“**Catalist Rules**”).

2. COMPLIANCE WITH RULE 1017(1)(a) OF THE CATALIST RULES

2.1 The Board wishes to inform that as at 28 February 2019, the Company has not secured contracts on a sustainable basis in the current business nor has it secured a new viable business. As announced by the Company on 20 February 2019, the Company entered into a binding term sheet to acquire certain companies owned by Mr Chan Kern Miang that provide offshore and marine solutions (the “**Proposed Acquisition**”). The Proposed Acquisition, if successfully completed, will constitute a reverse takeover of the Company as defined under Chapter 10 of the Catalist Rules. The Proposed Acquisition is subject to the execution of the Share Sale Agreement, which shall contain certain conditions, including but not limited to the approval of the shareholders of the Company (“**Shareholders**”) at an extraordinary general meeting to be convened pursuant to Rule 1015 of the Catalist Rules. Accordingly, there is no certainty or assurance as at the date of this announcement that the Share Sale Agreement will be executed and/or the Proposed Acquisition will be completed.

As the Company is unable to demonstrate that it has a viable business, the SGX-ST had on 28 February 2019 informed the Company that the Company will be deemed to be a cash company (“**Cash Company**”) as defined under Rule 1017 of the Catalist Rules. Accordingly, the Company is required to comply with the requirements pursuant to Rule 1017 of the Catalist Rules.

2.2 Pursuant to Rule 1017(1) of the Catalist Rules, upon the Company becoming a Cash Company, the securities of the Company (“**Shares**”) may be suspended from trading until the Company has a new business which is able to satisfy the requirements of the SGX-ST for a new listing (“**New Business**”), and all relevant information has been announced. In addition, in compliance with Rules 1017(1)(a) and 1017(1)(b) of the Catalist Rules, the Company must:

- (a) place 90% of its cash and short-dated securities (including existing cash balance and the consideration arising from disposal(s) undertaken by the Company) in an account (the “**Escrow Account**”) opened with and operated by an escrow agent which is part of any financial institution licensed and approved by the Monetary Authority of Singapore. The amount that is placed in the Escrow Account cannot be drawn down until the completion of the acquisition of the New Business, except for payment of expenses incurred in a reverse takeover approved by Shareholders and pro-rata distributions to Shareholders; and
- (b) provide monthly valuation of its assets and utilisation of cash, and quarterly updates of milestones in obtaining the New Business, to the market via SGXNet.

- 2.3 Rules 1017(1)(c) and 1017(1)(d) of the Catalist Rules provide that the SGX-ST may allow continued trading of the Shares on a case-by-case basis, subject to:
- (i) contractual undertakings from the Company's Directors, controlling Shareholders, chief executive officer and their associates, to observe a moratorium on the transfer or disposal of all their interests, direct and indirect, in the Shares; and
 - (ii) the period of the moratorium must commence from the date the Shareholders' approval is obtained for the disposal of business, up to and including the completion date of the acquisition of the New Business.
- 2.4 Shareholders should note that pursuant to Rule 1017(2) of the Catalist Rules, the SGX-ST will proceed to remove the Company from the Official List if the Company is unable to meet the requirements for a new listing within 12 months from the time it becomes a Cash Company. The Company may (through its sponsor) apply to the SGX-ST for a maximum 6-month extension to the 12-month period if it has already signed a definitive agreement for the acquisition of a New Business, of which the acquisition must be completed in the 6-month extension period. The extension is subject to the Company providing information to investors on its progress in meeting key milestones in the transaction. In the event the Company is unable to meet its milestones, or complete the relevant acquisition despite the extension granted, no further extension will be granted and the Company will be required to delist and a cash exit offer, in accordance with Rule 1308 of the Catalist Rules, shall be made to its Shareholders within 6 months.

3. CONTINUED TRADING OF THE COMPANY'S SHARES

- 3.1 The Company will be making an application to the SGX-ST (via the Company's sponsor) to maintain its listing status and to continue the trading of the Shares on the Catalist. The Company's management will continue to oversee the affairs of the Company (including complying with the periodic reporting requirements pursuant to Rule 1017(1)(b) of the Catalist Rules).
- 3.2 The Company will make further announcements to update Shareholders on the aforementioned application, as and when appropriate.

4. CAUTION IN TRADING

- 4.1 The Board wishes to remind Shareholders that there is no assurance that the SGX-ST will not suspend the trading and listing of the Shares or that the Company will be able to acquire a new business within the timeframe prescribed by the SGX-ST.
- 4.2 Shareholders and potential investors are advised to exercise caution when dealing with the shares of the Company in relation to this announcement. Shareholders and potential investors are advised to read this announcement and any further announcements by the Company carefully, and should consult their stockbrokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take.

By Order of the Board

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

1 March 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.

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