



**SBI OFFSHORE LIMITED**

Company Registration No.199407121D

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## **PROPOSED PRIVATE PLACEMENT OF 22,000,000 NEW ORDINARY SHARES IN THE CAPITAL OF SBI OFFSHORE LIMITED**

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### **1. INTRODUCTION**

The board (“**Board**”) of directors (“**Directors**”) of SBI Offshore Limited (“**Company**”) and together with its subsidiaries (“**Group**”) wishes to announce the proposed issue or placement (“**Proposed Placement**”) of 22,000,000 new ordinary shares in the capital of the Company (“**Placement Shares**”), at S\$0.125 (“**Placement Price**”) for each Placement Share by way of a private placement.

### **2. PROPOSED PLACEMENT**

The Company has entered into a subscription agreement (“**Subscription Agreement**”) with Pheim Asset Management Sdn Bhd (“**Subscriber**”) who has agreed to subscribe for the Placement Shares. The Subscription Agreement was executed on 3 December 2013. The number Placement Shares represents 14.13% of the existing issued share capital of the Company and 12.38% of the enlarged issued share capital of the Company if the Proposed Placement is completed.

The Placement Price represents a premium of approximately 12% to the volume weighted average price of S\$0.1116 per Share for trades in the Shares done on Catalist on 28 November 2013, being the preceding full market day when there was trading of Shares up to the time a trading halt was called on 29 November 2013 pending the announcement of the Proposed Placement. The Placement Price was arrived at based on a willing buyer, willing seller basis. In agreeing to the Placement Price, the Board also took into consideration the general market conditions and the value of the Shares.

The Placement Shares, when issued and fully paid, will rank *pari passu* in all respects with the existing issued Shares except for any dividends, distributions or entitlements, the record date for which falls on or before the date of issue of the Placement Shares.

#### **Information on the Subscriber**

The Subscriber is a fund management company based in Malaysia.

The Subscriber was referred to the Company by a Director of the Company. The Placement Shares are placed to the Subscriber as it has indicated an interest to invest in the Company.

No placement commission has been paid or will be payable by the Company for the Proposed Placement.

Pursuant to the Subscription Agreement, the Subscriber has represented that it is not a person to whom the Company is prohibited from issuing Shares to, as provided by Rule 812(1) of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) Section B: Rules of Catalist (“**Catalist Rules**”).

In addition, pursuant to the Subscription Agreement, the Subscriber has represented that it is not acting in concert with any substantial shareholder of the Company and they do not act in accordance with the instructions of any substantial shareholder of the Company.

### **Shareholders’ mandate and specific Shareholders’ approval**

The 22,000,000 Placement Shares subscribed for by the Subscriber will be allotted and issued pursuant to a general share issue mandate obtained from the shareholders of the Company (“**Shareholders**”), by way of an ordinary resolution, at the annual general meeting (“**AGM**”) of the Company held on 30 April 2013 (“**General Mandate**”). Pursuant to the General Mandate, the Directors are authorised to, *inter alia*, issue new Shares, other than on a pro rata basis to Shareholders, of up to 50.0% of the total number of issued Shares (excluding treasury shares) of 155,680,100 Shares (“**Issued Share Capital**”) as at the date of the said ordinary resolution. The 22,000,000 Placement Shares represent approximately 14.13% of the Issued Share Capital as at the date of this announcement and the date of the AGM. As such, the proposed issue and allotment of the 22,000,000 Placement Shares will be within the limits of the General Mandate.

### **Change in Capital**

As at the date of this announcement, the issued and paid-up share capital of the Company is approximately S\$13,345,627 comprising 155,680,100 Shares. Immediately following the Proposed Placement, the issued and paid-up share capital of the Company will increase to approximately S\$16,095,627 comprising 177,680,100 Shares. The interests of the directors and substantial shareholders before and after the proposed placement are as follows:

	<b>Before the Proposed Placement</b>		<b>After the Proposed Placement</b>	
	<b>No. of Shares</b>	<b>%</b>	<b>No. of Shares</b>	<b>%</b>
<b>Directors</b>				
Chan Lai Thong	10,010,000	6.43	10,010,000	5.63
Tan Woo Tian	45,900,000	29.48	45,900,000	25.83
Giang Sovann	10,000	0.01	10,000	0.006
Jen Shek Voon	-	-	-	-
Mahtani Bhagwandas	117,000	0.08	117,000	0.06
Ahmed Subri Abdullah	-	-	-	-
<b>Other Substantial Shareholders</b>				
Hui Choon Ho	30,148,000	19.37	30,148,000	16.97
Pheim Asset Management Sdn Bhd	-	-	22,000,000	12.38

## Use of proceeds

The net proceeds to be raised from the Proposed Placement, after deducting estimated fees and expenses of approximately S\$30,000 (including professional fees and expenses) incurred or to be incurred by the Company in connection with the Proposed Placement, will amount to approximately S\$2.7 million ("**Net Proceeds**").

The Company intends to utilise the Net Proceeds from the Proposed Placement as follows:

<b>Use of Net Proceeds</b>	<b>Percentage allocation of the Net Proceeds (%)</b>
Working capital and funding for existing projects	50%
New market expansion, new business development plans and new projects	50%

The Company is in the process of sourcing for new market expansion, undertaking new business development plans and new projects and is thus considering additional fund raising options. Further announcement(s) will be made in due course when such plans are finalised.

Pending the deployment of the Net Proceeds for the above purposes, such Net Proceeds may be deposited with banks and/or financial institutions, invested in short-term money markets and marketable securities, or used for any other purpose on a short-term basis, as the Board may, in its absolute discretion, deem appropriate in the interests of the Group.

The Company will make periodic announcements on the utilisation of the Net Proceeds from the Proposed Placement as and when such funds are materially disbursed, and provide a status report on the use of the Net Proceeds from the Proposed Placement in the Company's annual report. The Company will disclose a breakdown with specific details on the utilisation of the Net Proceeds for working capital in such announcements and annual reports.

## Conditions Precedent

The Proposed Placement is subject to certain conditions precedent more particularly set out in the Subscription Agreement, including but not limited to:

- (i) the issuance of a listing and quotation notice for the listing and quotation of the Placement Shares on Catalist being given by the SGX-ST and such approval not having been revoked or amended on or before the completion date; and
- (ii) the allotment, issue and subscription of the Placement Shares not being prohibited by any statute, order, rule, regulation or directive promulgated or issued after the date of the Subscription Agreement by any legislative, executive or regulatory body or authority of Singapore or any other jurisdiction, which is applicable to the Company or the Subscriber.

An application to the SGX-ST via the sponsor of the Company will be made, for the admission of the Placement Shares to the Official List of the SGX-ST and for the listing of and quotation for the Placement Shares on the Catalist. An appropriate announcement will be made upon the receipt of such listing and quotation notice from the SGX-ST.

### **3. NO PROSPECTUS OR OFFER INFORMATION STATEMENT**

The Proposed Placement will be undertaken pursuant to a private placement exemption under Section 272B of the Securities and Futures Act (Chapter 289) of Singapore. As such, no prospectus or offer information statement will be issued by the Company in connection with the Proposed Placement.

### **4. CONFIRMATIONS BY DIRECTORS**

The Directors are of the opinion as at the date of this announcement, after taking into consideration the cash and cash equivalents, cash generated from operations and available banking facilities of the Group, that the working capital available to the Group is sufficient to meet its present requirements. Nonetheless, the Board is of the view that the Proposed Placement is beneficial to the Group as it will support future growth of the Group and augment its working capital.

The Directors are of the opinion as at the date of this announcement, after taking into consideration the cash and cash equivalents, cash generated from operations and available banking facilities of the Group, that the Net Proceeds after deducting estimated expenses from the Proposed Placement is sufficient to meet its present requirements. In giving this opinion, the Directors have considered the scalable nature of new market expansion, new business development plans and new projects.

### **5. INTEREST OF THE DIRECTORS AND SUBSTANTIAL SHAREHOLDERS**

Save as disclosed in this announcement, neither the Directors nor any other substantial shareholders of the Company has any interest, direct or indirect, in the Proposed Placement (other than through their shareholdings in the Company).

### **6. RESPONSIBILITY STATEMENT**

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Proposed Placement, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in this announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

### **7. DOCUMENTS AVAILABLE FOR INSPECTION**

A copy of the Subscription Agreement will be made available for inspection during normal business hours at the Company's registered office address at 20 Pioneer

Crescent, #09-01 West Park BizCentral, Singapore 628555 for a period of three (3) months commencing from the date of this announcement.

## 9. TRADING CAUTION

Shareholders and potential investors should exercise caution when trading in the Shares, and where in doubt as to the action they should take, they should consult their financial, tax or other professional adviser immediately.

**By Order of the Board of**

**Giang Sovann**  
**Executive Director**

Date: 04 December 2013

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*This announcement has been prepared by the Company and reviewed by the Company's sponsor, CNP Compliance Pte. Ltd. ("**Sponsor**"), for compliance with the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual Section B: Rules of Catalist.*

*The Sponsor has not verified the contents of this announcement including the accuracy or completeness of any of the information disclosed or the correctness of any of the statements or opinions made or reports contained in this announcement. This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume 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 Thomas Lam at 36 Carpenter Street, Singapore 059915, telephone: (65) 6323 8383; email: tlam@cnplaw.com.*