



SBI Offshore Limited

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

EXECUTION OF SHARE SALE AND PURCHASE AGREEMENT IN RELATION TO PROPOSED ACQUISITION

1. INTRODUCTION

- 1.1 The board of directors (the “**Board**” or “**Directors**”) of SBI Offshore Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) refers to the Company’s announcement dated 20 February 2019 (“**Term Sheet Announcement**”) in relation to a binding term sheet (“**Term Sheet**”) entered into with Chan Kern Miang (the “**Vendor**”, and together with the Company, the “**Parties**”) for the Company’s proposed acquisition of the entire issued and paid-up share capital of (i) Berlitz Offshore Limited, (ii) Berlitz Marine Pte. Ltd., (iii) Berlitz Continental Pte. Ltd., (iv) Berlitz Services Pte. Ltd., (v) Bes Sincere Pte. Ltd., (vi) Bes Savvy Pte. Ltd., (vii) Bes Solar Pte. Ltd., (viii) Bes Sparkle Pte. Ltd., (ix) Bes Regent Pte. Ltd., (x) Bes Power Pte. Ltd., and (xi) Blue Ocean Services K Co Ltd.
- 1.2 Unless otherwise defined, all capitalised terms used herein shall bear the same meaning ascribed to them in the Term Sheet Announcement. All currency translations used in this announcement are based on US\$1: S\$1.355, as agreed by the Parties in the Term Sheet and the SPA (as defined below).
- 1.3 Further to the Term Sheet Announcement, the Board wishes to announce that the Company had on 30 May 2019 entered into a share sale and purchase agreement (“**SPA**”) with the Vendor for the acquisition of the entire issued and paid-up share capital of the entities stated in Paragraph 1.1 of this announcement, and Bes Trust Pte. Ltd. (formerly known as Metico Ocean Services Pte. Ltd.), which shall collectively be referred to herein as the “**Target Companies**” or the “**Target Group**” (the “**Proposed Acquisition**”).

2. INFORMATION ON THE VENDOR AND THE TARGET COMPANIES

Information on the Vendor and the Target Companies in Paragraph 2 was provided by the Vendor. In respect of such information, the Company and the Directors have not independently verified the accuracy and correctness of the same and the Company’s responsibility is limited to the proper extraction and reproduction herein in the context that the information is being disclosed in this announcement.

- 2.1 The Target Companies are marine offshore and solutions providers, engaged in vessel owning, operating and ship management services in the oil and gas sector. The beneficial owner of each of the Target Companies is the Vendor.
- 2.2 The Vendor is a Singapore citizen and a businessman. The Vendor is not related to the Company, the Directors or controlling shareholders of the Company, and their respective associates. As of the date of this announcement, the Vendor does not hold any shares in the capital of the Company.
- 2.3 Based on the unaudited *pro forma* consolidated financial statements of the Target Group for the financial year ended 31 December (“**FY**”) 2018, the Target Group recorded (i) net profit before tax of approximately US\$1.0 million; (ii) deficit net book value of approximately US\$4.3 million as at 31 December 2018; and (iii) net tangible liabilities value of approximately US\$4.3 million as at 31 December 2018. An independent valuation of the Target Group as described in Paragraph 4.1(a) below will be conducted in due course.

- 2.4 A summary of the unaudited *pro forma* consolidated profit and loss statements of the Target Group for FY2016, FY2017 and FY2018, is set out below:

	FY2016 US\$'000 (Unaudited)	FY2017 US\$'000 (Unaudited)	FY2018 US\$'000 (Unaudited)
Revenue	8,044	11,763	23,430
Gross (Loss)/Profit	(2,044)	(1,263)	5,545
(Loss)/Profit before tax	(6,299)	(5,077)	1,018
(Loss)/Profit after tax	(6,299)	(5,077)	1,018

- 2.5 A summary of the unaudited *pro forma* consolidated balance sheets of the Target Group as at 31 December 2016, 31 December 2017 and 31 December 2018 is set out below:

	As at 31 December 2016 US\$'000 (Unaudited)	As at 31 December 2017 US\$'000 (Unaudited)	As at 31 December 2018 US\$'000 (Unaudited)
Non-current assets	68,480	66,355	79,275
Current assets	6,106	18,950	32,440
Current liabilities	40,200	41,748	55,451
Non-current liabilities	34,578	48,828	60,516
Shareholders' equity	(192)	(5,271)	(4,252)

3. RATIONALE FOR THE PROPOSED ACQUISITION

- 3.1 As announced by the Company on 1 March 2019, the SGX-ST had on 28 February 2019 informed the Company that the Company will be deemed to be a cash company as defined under Rule 1017 of the Catalist Rules. 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. Since becoming a cash company, the Company has 12 months from 1 March 2019 (i.e. up to end February 2020) to secure a new business which is able to satisfy the requirements of the SGX-ST for new listing ("**New Business**") under Rule 1017(2) of the Catalist Rules, or it will be required to delist from Catalist. The Board believes that the Target Group would be able to satisfy SGX-ST's requirements for a New Business.
- 3.2 The Proposed Acquisition is an opportunity for the Company to acquire a New Business, thus meeting the requirements under Rule 1017 and enhancing value for Shareholders. Barring any unforeseen circumstances, the Directors are of the view that the Proposed Acquisition, if completed, will generate a sustainable revenue stream for the Group and enhance the long term interests of the Shareholders.
- 3.3 **However, Shareholders should note that there is no assurance that the Proposed Acquisition will achieve the desired results, nor is there assurance that such results (if achieved) can be sustained in the longer term.**

4. SALIENT TERMS OF THE SPA

4.1 Purchase Consideration

- (a) Pursuant to the SPA, the consideration for the Proposed Acquisition is US\$36.0 million ("**Purchase Consideration**"), subject to the adjustments set forth in Paragraphs 4.2 and 4.3 below. The Purchase Consideration was arrived at following arm's length negotiations, on a willing buyer willing seller basis, having considered factors such as the net tangible asset value of the Target Group as at 31 December 2018, the subsequent estimated revaluation of such net tangible asset value, and subject always to the valuation of the Target Group as set forth in the valuation report to be issued by an independent valuer (the "**Valuation Report**") being not less than US\$36.0 million (the "**Actual Valuation**").
- (b) Subject to the adjustments set forth in Paragraphs 4.2 and 4.3 below, the Purchase Consideration is to be satisfied in full by the allotment and issue of an aggregate of such number of new ordinary shares in the capital of the Company ("**Consideration Shares**"), at an issue price of S\$0.10 per Consideration Share on a pre-Share Consolidation basis ("**Issue Price**"), equivalent to an aggregate of US\$36.0 million, on completion of the Proposed Acquisition. Based on the Issue Price of S\$0.10, the aggregate Consideration Shares to be issued by the Purchaser will be 487,800,000 new Shares.

4.2 Adjustment of the Issue Price

- (a) The Issue Price is subject to the Company maintaining a net cash amount of at least S\$20.0 million upon the completion of the Proposed Acquisition. The net cash amount is made up of cash and cash equivalents of the Company prior to the completion of the Proposed Acquisition, such sum being inclusive of (i) all receivables and deposit, which shall not exceed US\$200,000 in aggregate; and (ii) all professional fees in relation to the Proposed Acquisition, whether paid or payable under the respective mandates (i.e. all such professional fees being added back), less all liabilities of the Company and any proceeds received by the Company from the exercise of any warrants or options (if any), and compliance placement to be undertaken in conjunction with the Proposed Acquisition (if any) ("**Net Cash Amount**").
- (b) Subject always to Paragraph 4.7(ii) below, in the event the Net Cash Amount is less than S\$20.0 million, the Issue Price shall be adjusted in accordance with the following formula:

$$S\$0.10 - [(20,000,000 - Y) / 20,000,000 \times S\$0.10]$$
, where Y represents the Net Cash Amount.

For the avoidance of doubt, the Issue Price shall only be adjusted in the event that the Net Cash Amount is less than S\$20.0 million. In the event that the Net Cash Amount is S\$20.0 million or above, there shall be no adjustments to the Issue Price.

4.3 Adjustment of the Purchase Consideration

Subject always to Paragraph 4.7(i) below, in the event that the Actual Valuation is less than US\$36.0 million, the Purchase Consideration shall be adjusted to the Actual Valuation being not less than US\$28.8 million. In the event that the Actual Valuation is US\$36.0 million or above, there shall be no adjustments to the Purchase Consideration.

4.4 Earn-out Payment

- (a) The Vendor shall be entitled to an earn-out payment of additional new ordinary shares in the capital of the Company (the "**Additional Consideration Shares**") at the Issue Price, subject to the level of actual consolidated profit after tax of the Group after the Proposed Acquisition ("**PAT**") for FY2020 and FY2021, up to a maximum cumulative earn-out payment of US\$14.0 million ("**Earn-Out Payment**").

- (b) For the avoidance of doubt:
- (i) the calculation of PAT shall exclude (i) all expenses incurred in connection with the Proposed Acquisition, and (ii) any adverse impact on PAT due to the outflow of cash recorded or any provision to be made in the Company's audited profit and loss statement for the relevant financial year arising from the findings of RSM Corporate Advisory Pte Ltd (the "**Special Auditor**"), in relation to the matters that the Special Auditor has been tasked to investigate ("**Special Audit Adverse Impact**"), as further elaborated in the Company's announcement dated 21 March 2019;
 - (ii) the Earn-Out Payment to the Vendor shall be determined based on the price-to-earnings multiple of 8.5 times the PAT for each of FY2020 and FY2021, less the Purchase Consideration and the Earn-Out Payment in the prior year (where applicable); and
 - (iii) the PAT for FY2020 and FY2021 will be based on the audited consolidated accounts of the Group after completion of the Proposed Acquisition (incorporating the audited accounts of the Target Group after completion of the Proposed Acquisition).
- (c) The Earn-Out Payment to the Vendor in respect of PAT for FY2021 shall be calculated based on the actual PAT in FY2021 and subject to adjustments based on the PAT in FY2020, as illustrated below:
- (i) If each of the FY2020 and FY2021 PAT amounted to less than US\$36.0 million / 8.5 (i.e. approximately US\$4.235 million), the Earn-Out Payment would be nil.
 - (ii) If the FY2020 PAT and FY2021 PAT amounted to US\$4.235 million and US\$5.0 million, respectively, the Earn-Out Payment would be nil for FY2020 and US\$6.5 million (i.e. (US\$5.0 million * 8.5) less US\$36.0 million) for FY2021.
 - (iii) If the FY2020 PAT and FY2021 PAT amounted to US\$5.0 million and US\$5.9 million, respectively, the Earn-Out Payment would be US\$6.5 million in respect of FY2020 and US\$7.5 million in respect of FY2021, as the total Earn-Out Payment shall not exceed US\$14.0 million. If the maximum Earn-Out Payment of US\$14.0 million is paid in respect of PAT for FY2020, there will not be any Earn-Out Payment in respect of PAT for FY2021.
- (d) The Earn-Out Payment shall be payable on a date no later than sixty (60) days from the date of issuance of audited financial statements stating the PAT for FY2020 and FY2021 respectively.

4.5 Compensation Shares

In the event the financial impact of the Special Audit Adverse Impact (if any) amounts to above S\$100,000 during the twelve (12) calendar months after completion of the Proposed Acquisition, the Vendor shall be entitled to receive additional new ordinary shares in the capital of the Company (the "**Compensation Shares**") at the Issue Price, to be issued by the Company in the following manner:

$A = \text{Special Audit Adverse Impact} / B,$

where:

A is the number of Compensation Shares; and

B is the Issue Price,

Provided always that the maximum number of Compensation Shares by the Company to the Vendor pursuant to any Special Audit Adverse Impact shall be 30,000,000 Compensation Shares. For the avoidance of doubt, in the event the value of the Special Audit Adverse Impact is S\$100,000 or lower, no Compensation Shares will be issued to the Vendor.

4.6 Share Consolidation

Rule 429 of the Catalist Rules stipulates that the issue price of the equity securities offered for subscription or sale, for which listing is sought, must be at least S\$0.20 each. Accordingly, in conjunction with the Proposed Acquisition and subject to Shareholders' approval being obtained, the Company will undertake a share consolidation exercise ("**Share Consolidation**") of two (2) existing shares into one (1) consolidated share ("**Consolidated Share**"), or any other ratio as may be mutually agreed between the Company and the Vendor, which shall satisfy the requirements of Rule 429 of the Catalist Rules on or before the completion of the Proposed Acquisition. Each Consolidated Share will rank *pari passu* in all respects with each other. The Consolidated Shares will be traded in board lots of 100 Consolidated Shares.

Shareholders should note that the number of Consolidated Shares which they are entitled to, based on their holdings of Shares as at the books closure date that will be determined by the Board, will be rounded down to the nearest whole Consolidated Share and any fractions of a Consolidated Share arising from the Share Consolidation will be disregarded. Fractions of a Consolidated Share arising from the Share Consolidation will be aggregated and dealt with in such manner as the Board may, in its absolute discretion, deem fit in the interests of the Company.

4.7 Conditions Precedent

Pursuant to the SPA, the obligations of the Parties to complete the Proposed Acquisition shall be subject to the fulfilment, satisfaction or waiver of, *inter alia*, the following conditions:

- (i) the Actual Valuation being not less than US\$28,800,000;
- (ii) the Net Cash Amount being not less than S\$16,000,000;
- (iii) the completion of financial, legal, operational and any other due diligence exercise on the Target Companies by the Company, and the results of such due diligence exercise being reasonably satisfactory to the Company;
- (iv) the appointment of the independent valuer being satisfactory to the SGX-ST and the financial advisor to be appointed for the Proposed Acquisition;
- (v) the findings and methodology presented in the Valuation Report being satisfactory to the Company, the financial advisor to be appointed for the Proposed Acquisition and the SGX-ST;
- (vi) the entry into of a service agreement between the Company and each of the Vendor and Perlin Chan Aik Ju, respectively, on terms mutually agreeable to the respective parties;
- (vii) the Vendor procuring each of the Target Companies to obtain such approval(s) required from the respective Target Company's board of directors and its shareholder(s) (if applicable) in connection with the SPA and the transactions contemplated therein;
- (viii) the Vendor procuring or obtaining all necessary consents or approvals required or necessary, if any, for the transaction contemplated in the SPA on terms reasonably satisfactory to the Company by governmental or regulatory bodies or competent authorities or stock exchanges having jurisdiction over such transactions contemplated, and such consent or approvals not being revoked or repealed on or before Completion. All such consents or approvals obtained shall be delivered to the Company;
- (ix) the Company obtaining such approval(s) as may be required from its directors, shareholders and the SGX-ST in respect of, among others:
 - (a) the Share Consolidation;
 - (b) the Proposed Acquisition;

- (c) the disposal by the Company of its existing business and assets, if any ("**Disposal**") (where so applicable);
 - (d) the issuance of the Consideration Shares, the Additional Consideration Shares and Compensation Shares; and
 - (e) a whitewash resolution approved by independent Shareholders for the waiver of their right to receive a mandatory general offer from the Vendor and parties acting in concert with it ("**Whitewash Resolution**");
- (x) the completion of the Share Consolidation before the date of completion of the Proposed Acquisition;
 - (xi) in respect of the Company, all consents and approvals required under any and all applicable laws, regulations or the Catalist Rules for the Proposed Acquisition, the Share Consolidation, the Disposal (where so applicable) and the other transactions contemplated herein being obtained from all governmental bodies, and, if applicable, the Company's sponsor, and where any consent or approval is subject to conditions, such conditions being reasonably satisfactory to the Company;
 - (xii) the receipt and non-withdrawal of the listing and quotation notice from the SGX-ST for, among other things, the listing of and quotation for the Consideration Shares, the Additional Consideration Shares and the Compensation Shares, on terms reasonably acceptable to the Company and the Vendor;
 - (xiii) the fulfilment of any such condition that the Securities Industry Council of Singapore ("**SIC**") may impose which are reasonably acceptable to the Vendor and the Company, the waiver by the SIC of the obligation imposed upon the Vendor and his concert parties to make a general offer of all the shares of the Company under Rule 14 of the Singapore Code of Take-Overs and Mergers ("**Code**"), and from having to comply with the requirements of Rule 14 of the Code (the "**Whitewash Waiver**"), and the grant of the Whitewash Waiver remaining in full force and effect on and before Completion;
 - (xiv) the Company being satisfied in its discretion that there is no Material Adverse Change or any development that is likely to result in a Material Adverse Change on or before Completion. For the purposes of this paragraph, "**Material Adverse Change**" means, in the reasonable opinion of the Company, (a) any change, event, circumstance or effect which is or is reasonably likely to be materially adverse to: (i) the value of the business or assets of the Target Group as a whole; (ii) the operations, financial position or profitability of the business or assets of the Target Group as a whole; and
 - (xv) all warranties materially being complied with, and being true and correct in all material respects and the Vendor having materially complied with and materially performed all of the terms, conditions, agreements and covenants of the SPA to be complied with by him prior to Completion.

If any of the above conditions precedent is not fulfilled or waived by the Company (to the extent capable of being waived) by the Long Stop Date, save for certain clauses which relate to, amongst others, confidentiality, the SPA shall immediately cease and none of the Parties shall have any claim against the other for costs, damages, compensation or otherwise, save for any claim by either Party against the other arising from antecedent breaches of the terms thereof. For the purposes of this Paragraph, "**Long Stop Date**" means the date falling one (1) year from the date of the SPA (or such other date as mutually agreed in writing between the Parties), or such date falling three (3) months from the date on which the Whitewash Resolution is approved, whichever is earlier.

4.8 Whitewash Waiver

Based on the terms of the SPA and the enlarged share capital of the Company following completion of the Proposed Acquisition, the Vendor will own no less than 50.0% of the enlarged share capital.

Pursuant to Rule 14 of the Code, the Vendor and his concert parties will be required to make a mandatory general offer for all the remaining issued shares in the Company not already owned, controlled or agreed to be acquired by them except where the SIC grants them a waiver of their obligation to make a mandatory general offer under Rule 14 of the Code.

It is a condition precedent to the Proposed Acquisition that the SIC grants the Vendor and his concert parties, and does not revoke or repeal any such grant, a waiver of their obligation to make a general offer under Rule 14 of the Code for all the shares not owned or controlled by them. Accordingly, the Vendor will be seeking for a Whitewash Waiver from the SIC prior to the completion of the Proposed Acquisition.

4.9 Completion Date

Completion of the Proposed Acquisition ("**Completion**") shall take place on the date falling five (5) business days after the date on which the last of the conditions precedent set out in the SPA is fulfilled or waived, or such other date as the Parties may agree in writing.

5. **ISSUED AND PAID-UP SHARE CAPITAL AFTER THE PROPOSED ACQUISITION**

As at the date of this announcement, the Company has an issued and paid-up share capital of 249,680,100 Shares (the "**Existing Issued Share Capital**"). The Company does not have any treasury shares. Based on the Existing Issued Share Capital:

- (a) assuming (i) the Issue Price is adjusted to S\$0.08 (following a maximum adjustment to the Issue Price pursuant to Paragraphs 4.2 and 4.7(ii)); (ii) the purchase consideration is US\$36.0 million; (iii) the Earn-Out Payment is US\$14.0 million; and (iv) the maximum Compensation Shares of 30.0 million Shares are issued pursuant to the Special Audit Adverse Impact, the enlarged issued and paid up share capital of the Company (prior to the Share Consolidation) will be as follows ("**Maximum Dilution Scenario**"):

	Number of Shares	Percentage (%)
Existing Issued Share Capital	249,680,100	22.2
Consideration Shares	609,750,000	54.1
Additional Consideration Shares	237,125,000	21.0
Compensation Shares	30,000,000	2.7
Total	1,126,555,100	100.0

- (b) assuming that (i) the Issue Price is S\$0.10; (ii) the minimum purchase consideration is US\$28.8 million pursuant to the condition precedent set out in Paragraph 4.7(i) above; (iii) no Earn-Out Payment to be made; and (iv) no Compensation Shares to be issued, the enlarged issued and paid-up share capital of the Company (prior to the Share Consolidation) will be as follows ("**Minimum Dilution Scenario**"):

	Number of Shares	Percentage (%)
Existing Issued Share Capital	249,680,100	39.0
Consideration Shares	390,240,000	61.0
Total	639,920,100	100.0

6. RELATIVE FIGURES UNDER RULE 1006

6.1 Based on the latest announced audited financial statements of the Group for FY2018, the relative figures of the Proposed Acquisition computed on the bases set out in Rules 1006 of the Catalist Rules are as follows:

Rule 1006	Bases of calculation	Relative figure (%)
(a)	The net asset value of the assets to be disposed of, compared with the Group's net asset value. This basis is not applicable to an acquisition of assets.	Not applicable
(b)	The net profits attributable to the assets acquired or disposed of, compared with the Group's net profits	Not meaningful ⁽²⁾
(c)	The aggregate value of the consideration given, compared with the Company's market capitalisation ⁽³⁾ based on the total number of issued shares excluding treasury shares	256.2 ⁽⁴⁾ to 460.6 ⁽⁵⁾
(d)	The number of equity securities issued by the Company as consideration for the Proposed Acquisition, compared with the number of equity securities previously in issue	156.3 ⁽⁴⁾ to 351.2 ⁽⁵⁾
(e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the Group's proved and probable reserves. This basis is applicable to a disposal of mineral, oil or gas assets by a mineral, oil and gas company, but not to an acquisition of such assets	Not applicable

Notes:

- (1) Under Rule 1002(3)(b) of the Catalist Rules, "net profits" is defined to be profit or loss before income tax, minority interests and extraordinary items.
- (2) The relative figure for Rule 1006(b) is not meaningful as the Group recorded a loss before income tax, non-controlling interests and extraordinary items of approximately US\$1.4 million for FY2018.
- (3) The market capitalisation of the Company is computed based on the Existing Issued Share Capital of 249,680,100 Shares and the volume-weighted average price of the Company's Shares of S\$0.061 per Share on 21 March 2019, being the last traded market day of the Shares prior to the suspension of trading of the Shares. The Company does not have any treasury shares.
- (4) Computed based on the Minimum Dilution Scenario where total number of Shares to be issued to the Vendor is 390,240,000 Shares.
- (5) Computed based on the Maximum Dilution Scenario where total number of Shares to be issued to the Vendor is 876,875,000 Shares.

As the relative figures under Rule 1006 (c) and (d) exceed 100%, and given that the Shares to be issued to the Vendor is no less than 60% of the enlarged share capital of the Company upon completion of the Proposed Acquisition, the Proposed Acquisition will result in a change in control of the Company on completion of the Proposed Acquisition. Accordingly, the Proposed Acquisition constitutes a "Reverse Takeover" transaction pursuant to Rule 1015 of the Catalist Rules. Therefore, the Proposed Acquisition will be conditional upon, *inter alia*, the approval of the Company's shareholders at an extraordinary general meeting to be convened, and the approval of the SGX-ST (or such relevant regulatory authority, as the case may be) being obtained.

7. FINANCIAL EFFECTS OF THE PROPOSED ACQUISITION AND FINANCIAL INFORMATION OF THE ENLARGED GROUP

The Company requires more time to compute the pro forma consolidated financial statements of the enlarged group as well as the financial effects of the Proposed Acquisition. The relevant information required under Rule 1015(1)(a)(ii), as well as Rules 1010(8) and 1010(9) of the Catalist Rules will be announced by the Company in due course.

8. APPOINTMENT OF FINANCIAL ADVISER

The Company has appointed ZICO Capital Pte. Ltd. as its financial adviser and full sponsor to advise on the Proposed Acquisition.

9. APPOINTMENT OF INDEPENDENT FINANCIAL ADVISER

The Company will be appointing an independent financial adviser (“**IFA**”) to advise the Directors who are considered independent of the Proposed Acquisition and the Whitewash Resolution (if required). The Company will announce the appointment of the IFA, and the advice of the IFA will be set out in the Circular to be despatched to Shareholders in due course.

10. SERVICE AGREEMENTS

As at the date of this announcement, the Company has not entered into any service agreement with any person proposed to be appointed as a Director or executive officer in connection with the Proposed Acquisition. It is intended that the Company will, on or prior to Completion, enter into service agreements on terms acceptable to the Company and the Vendor. The details of such appointments and service agreements will be set out in the circular to shareholders to be despatched to Shareholders in due course.

11. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

None of the Directors or substantial Shareholders of the Company has any interest, direct or indirect, in the Proposed Acquisition (other than in their capacity as Directors or Shareholders of the Company).

12. CIRCULAR TO SHAREHOLDERS

The circular to Shareholders setting out, amongst other, the terms of the Proposed Acquisition and the compliance placement exercise (if any), the Valuation Report on the Target Group, and the opinion and recommendations of the IFA in relation to the Whitewash Resolution, together with a notice of EGM, will be despatched by the Company to the Shareholders in due course.

13. DOCUMENT AVAILABLE FOR INSPECTION

A copy of the SPA will be made available for inspection at the registered address of the Company at 20 Pioneer Crescent #09-01 West Park BizCentral Singapore 628555, during normal business hours for a period of three (3) months commencing from the date of this announcement.

14. RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement (save for any information on the Vendor and the Target Companies 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 Acquisition and the Group, and the Directors are not aware of any facts the omissions of which would make any statement in this announcement misleading (save that in respect of information relating to the Vendor and the Target Companies in this announcement, such information is given based on information available to the Company as at the date of this announcement and is subject to further due diligence investigation and verification). 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.

15. CAUTIONARY STATEMENT

Since 21 March 2019, the Shares had been suspended ("**Suspension**") as the Company requires more time to complete the opening of the escrow account(s) in order to comply with Rule 1017(1) of the Catalist Rules. The Company will apply to the SGX-ST for the continued trading of its Shares once the escrow requirements under Rule 1017(1) of the Catalist Rules are complied with. Shareholders and potential investors are advised to exercise caution when trading in the Shares (upon the lifting of the Suspension), as the Proposed Acquisition is subject to numerous conditions and due diligence by the Company. As such, there is no certainty or assurance that the Proposed Acquisition will be completed. The Company will make the necessary announcements when there are further developments on the Proposed Acquisition. Shareholders are advised to read this announcement and any further announcements by the Company carefully. In the event of any doubt as to the action they should take, Shareholders should consult their stock brokers, bank managers, solicitors or other professional advisors.

By Order of the Board

Mirzan Bin Mahathir
Executive Non-Independent Chairman

30 May 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**"), in accordance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalist.*

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.