



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 THE 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 announcements dated 20 February 2019 and 30 May 2019 (“**Announcements**”) in relation to the 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., (xi) Bes Trust Pte. Ltd. (formerly known as Metico Ocean Services Pte. Ltd.), and (xii) 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 Announcements. All currency translations used in this announcement are based on US\$1.00 : S\$1.355, as agreed by the Parties in the SPA.
- 1.3 Further to the Announcements, the Board wishes to update Shareholders on (i) the financial effects of the Proposed Acquisition pursuant to Rules 1010(8) and 1010(9) of the Catalist Rules; and (ii) the financial information of the Group together with the Target Group, following completion of the Proposed Acquisition (the “**Enlarged Group**”) required under Rule 1015(1)(a)(ii) of the Catalist Rules.

2. FINANCIAL EFFECTS OF THE PROPOSED ACQUISITION

- 2.1 The unaudited *pro forma* financial effects of the Proposed Acquisition are purely for illustrative purposes only and do not necessarily reflect the actual financial performance or position of the Enlarged Group.
- 2.2 The unaudited *pro forma* financial effects of the Proposed Acquisition set out below have been prepared based on the audited consolidated financial statements of the Group for the financial year ended 31 December 2018 (“**FY2018**”) and the unaudited *pro forma* financial statements of the Target Group for FY2018, as well as the following bases and key assumptions:
- (i) the financial effects of the Proposed Acquisition on the Group’s net tangible assets (the “**NTA**”) per Share and gearing are computed based on the assumption that the Proposed Acquisition was completed on 31 December 2018;
 - (ii) the financial effects of the Proposed Acquisition on the Group’s loss per Share (the “**LPS**”) are computed based on the assumption that the Proposed Acquisition was completed on 1 January 2018;
 - (iii) no adjustments have been made to account for the different accounting standards of the Group with that of the Target Group;
 - (iv) the Issue Price is S\$0.10 and the Purchase Consideration is US\$36.0 million;

- (v) the analysis does not take into account any effects of the Share Consolidation;
- (vi) the analysis does not take into account any effects of the allotment and issuance of Additional Consideration Shares pursuant to the Earn-Out Payment (which is subject to the level of actual consolidated profit after tax of the Group after the Proposed Acquisition for FY2020 and FY2021);
- (vii) the analysis does not take into account the Special Audit Adverse Impact and accordingly, there is no allotment and issuance of Compensation Shares; and
- (viii) the estimated expenses of US\$1.0 million in relation to the Proposed Acquisition, being payable immediately and accrued as at 1 January 2018 for LPS computation, and as at 31 December 2018 for NTA per Share and gearing computations.

2.3 Share Capital

	Number of Shares	US\$'000
Existing Issued Share Capital	249,680,100	25,253
Add: Consideration Shares	487,800,000	36,000
Issued and paid-up share capital after the Proposed Acquisition (pre-Share Consolidation)	737,480,100	61,253

2.4 NTA per Share

	Before the Proposed Acquisition	After the Proposed Acquisition
NTA attributable to the equity holders of the Company as at 31 December 2018 (US\$'000)	15,208	10,036
Number of Shares (pre-Share Consolidation)	249,680,100	737,480,100
NTA per Share (US cents)	6.09	1.36

2.5 LPS

	Before the Proposed Acquisition	After the Proposed Acquisition
Loss after tax attributable to equity holders of the Company (US\$'000)	(1,396)	(4,516)
Weighted average number of Shares (pre-Share Consolidation)	249,680,100	737,480,100
LPS (US cents)	(0.56)	(0.61)

2.6 Gearing

	Before the Proposed Acquisition	After the Proposed Acquisition
Net debts (US\$'000)	-	101,488
Total equity (US\$'000)	15,208	10,036
Gearing (times)	-	10.1

3. **FINANCIAL INFORMATION OF THE ENLARGED GROUP**

A summary of the unaudited *pro forma* financial information of the Enlarged Group prepared based on the audited consolidated financial statements of the Company for the financial year ended 31 December 2018 ("FY2018") and the unaudited *pro forma* consolidated financial statements of the Target Group for FY2018 is set out below:

(a) *Profit and loss statement*

US\$'000

Revenue	23,452
Gross Profit	5,552
Loss before tax	(4,516)

(b) *Balance sheet*

US\$'000

Non-current assets	79,281
Current assets	48,360
Total assets	127,641
Current liabilities	57,085
Non-current liabilities	60,520
Total liabilities	117,605
Shareholders' equity	10,036

4. **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 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. 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.

5. CAUTIONARY STATEMENT

Since 21 March 2019, the Shares had been suspended 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

4 June 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.