



SBI Offshore Limited

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

UPDATE ON THE STATUS OF OPENING OF ESCROW ACCOUNTS

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 Company’s announcements dated (i) 1 March 2019 in relation to the Company becoming a cash company as defined under Rule 1017 of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) Listing Manual Section B: Rules of Catalist (the “**Catalist Rules**”), and (ii) 6 June 2019 (“**Announcement**”) in relation to the update on the status of opening of escrow accounts. Unless otherwise defined, all terms and references used herein are as defined in the Announcement.

2. ESCROW ARRANGEMENTS FOR THE BALANCE SUM

Further to the Announcement, the Board wishes to announce that JSBI (being the Company’s subsidiary in the PRC) had placed RMB20,972,195.40 (“**PRC Escrow Amount**”) (equivalent to the Balance Sum of US\$3,138,000, converted at an exchange rate of US\$1.00 : RMB6.6833 as at 28 February 2019) in an escrow account opened with CIMB Bank Berhad Shanghai Branch (“**CIMB Shanghai**” or the “**PRC Escrow Agent**”) (“**PRC Escrow Account**”).

As stated in the Announcement, the Company had, since March 2019, explored with more than fifteen (15) financial institutions on the establishment of an escrow account in the PRC. However, due to differences in jurisdictions as well as banking regulations and practices in respect of escrow arrangements in the PRC, the Company was unable to establish an escrow account in the PRC. The Company has exhausted all means and efforts in engaging an Approved Escrow Agent (being a financial institution licensed and approved by the MAS) to act as the escrow agent to govern the Balance Sum. Notwithstanding that CIMB Shanghai is not an Approved Escrow Agent, CIMB Shanghai is able to assist the Company on the establishment of an escrow account in the PRC, on largely similar terms as the Singapore Escrow Account.

Following the placement of the Balance Sum with the PRC Escrow Agent, the Company would have placed an aggregate of approximately US\$14,191,000 (being no less than 90% of the Group’s cash and cash equivalents of approximately US\$15,768,000 as at 28 February 2019) in escrow, in bank accounts opened with CIMB Bank Berhad Singapore Branch (being the Singapore Escrow Account) and CIMB Shanghai.

2.1 PRC Escrow Account

Salient terms of the agreement in respect of the PRC Escrow Account (“**PRC Escrow Agreement**”) are set out as follows:-

(i) Escrow Arrangements

The PRC Escrow Agent shall deliver the PRC Escrow Amount (or any portion thereof) in accordance with the terms of the Notice (as defined below) and the PRC Escrow Agreement, upon receipt of a written notice signed by the Authorised Representatives (as defined below) in the prescribed forms as set out in the PRC Escrow Agreement (the “**Notice**”) upon the occurrence of any of the following events:

- (a) Completion of reverse takeover: In the event the Company has completed the purchase or acquisition of a business which is able to satisfy the SGX-ST’s requirements for a new listing (the “**Acquisition**”), as set out in the announcement of the Company, and the receipt by the PRC Escrow Agent of a letter/email confirmation from the SGX-ST/sponsor of the Company evidencing the same;
- (b) Waiver of Rule 1017 of the Catalist Rules: the SGX-ST having granted the Company a waiver from compliance with Rule 1017 of the Catalist Rules (the “**Waiver**”) to allow for a drawdown on the Escrow Amount and the PRC Escrow Amount (or any portion thereof), such application for Waiver having been made by the Company via its sponsor, in which case the Company shall provide the PRC Escrow Agent a letter from the SGX-ST granting the Company the Waiver before the PRC Escrow Amount (or any portion thereof) may be delivered;
- (c) Insolvency / Winding up of the Company or JSBI:
 - (i) a judgment, a decree or order of court of competent jurisdiction is entered against the Company or JSBI:
 - (A) adjudging the Company or JSBI bankrupt or insolvent or approving a petition seeking its reorganisation or winding up;
 - (B) appointing a liquidator, provisional liquidator, judicial manager, provisional judicial manager or other similar officer;
 - (C) ordering the involuntary winding up or liquidation of the affairs of the Company or JSBI; or
 - (ii) an order or a resolution is passed for the dissolution, winding up, reorganisation or liquidation of the Company or JSBI pursuant to the Singapore Companies Act (Cap. 50) or applicable PRC laws (as applicable);
 - (iii) if the Company or JSBI institutes proceedings to be adjudicated bankrupt or insolvent, or consents to the insolvency proceedings against it;
 - (iv) the Company or JSBI consents to the filing of any winding up petition;
 - (v) the Company or JSBI makes a general assignment for the benefit of creditors, or becomes unable to pay its debts generally as they become due; or
 - (vi) the Company or JSBI takes or consents to any action in furtherance of any of the aforesaid purposes; or

(d) De-listing of the Company:

- (i) the Company is delisted as a result of it not being able to meet the requirements for a new listing within 12 months (or such other longer period of time as may be granted by the SGX-ST) from the time it becomes a cash company; or
- (ii) the Company is delisted as a result of it failing to complete the acquisition of the new business within the further 6-month extension period (if such time extension is granted by the SGX-ST) if it has already signed a definitive agreement for the acquisition of a new business in the 12 months period from the time it becomes a cash company; or
- (iii) the SGX-ST approves the voluntary delisting of the Company,

in which case the Company shall also provide the PRC Escrow Agent a copy of the announcement of the Company and a letter/email confirmation from SGX-ST evidencing the same (as applicable).

(ii) Authorised Representatives

JSBI had appointed Mr Mirzan Bin Mahathir (Executive Non-Independent Chairman of the Company), Mr Mark Leong Kei Wei (Chief Operating Officer of the Company) and Ms Chong Wan Ling (Chief Financial Officer of the Company) as the authorised representatives (each, an “**Authorised Representative**” and collectively, the “**Authorised Representatives**”), whereby any two of the Authorised Representatives are authorized to jointly enter into agreements with the PRC Escrow Agent and/or give any notices or take any action on behalf of JSBI in connection with the PRC Escrow Agreement.

3. UNDERTAKINGS FROM THE AUTHORISED REPRESENTATIVES

Each of the Authorised Representatives had provided a deed of undertaking to the Singapore Exchange Regulation Pte Ltd (“**SGX Regco**”) to undertake that for so long as he/she remains to be an Authorised Representative, he/she will not provide any instruction(s) to the PRC Escrow Agent for any withdrawal from the PRC Escrow Account or make any changes to the PRC Escrow Agreement, without prior approval from the SGX Regco in writing.

4. SUSPENSION OF THE COMPANY’S SHARES

Since 21 March 2019, the Shares had been suspended (“**Suspension**”). The Company will apply to the SGX-ST for the lifting of the Suspension in view that the Company has completed the opening of the respective escrow accounts as set out in Section 2 of this announcement. The Company will make the necessary announcement in due course.

5. RESPONSIBILITY STATEMENT AND CAUTIONARY 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 Company and the Group, and the Directors are not aware of any facts the omissions of which would make any statement in this announcement misleading.

By Order of the Board

Mirzan Bin Mahathir
Executive Non-Independent Chairman

30 July 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.