



SBI Offshore Limited

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

**UPDATE ON LIABILITIES AND POTENTIAL CLAIMS IN CONNECTION
WITH PWC'S REVIEW OF THE NPT TRANSACTIONS**

The board of directors (the "**Board**" or "**Directors**") of SBI Offshore Limited (the "**Company**", and together with its subsidiaries, the "**Group**") refers to Company's announcement dated 20 August 2019 ("**Announcement**") in relation to the Company's receipt of an Originating Summons filed by PricewaterhouseCoopers Advisory Services Pte Ltd ("**PwC**") in the High Court of The Republic of Singapore ("**High Court**") against the Company ("**Originating Summons**").

As set out in the Announcement, the Company appointed PwC in 2016 to review the facts and circumstances of certain issues surrounding the acquisition and disposal of Jiangyin Neptune Marine Appliance Co., Ltd., a then associate of the Company ("**NPT Transactions**"). Following the issuance of PwC's findings on the NPT Transactions (the "**Report**"), Mr Tan Woo Thian (a former executive director and chief executive officer of the Company) ("**Mr Tan**") commenced legal proceedings against PwC in the High Court ("**Suit**"). Under the terms of engagement between the Company and PwC, the Company would be liable for any costs incurred by PwC, other PwC firms, partners, employees and subcontractors ("**Relevant Persons**") in the event that third parties commenced proceedings against the Relevant Persons in relation to the services which were rendered to the Company, unless these claims are finally determined to have resulted from fraud or wilful misconduct by the Relevant Persons.

The Board wishes to announce that, on 8 June 2020, the Company was informed that the Hearing of the Suit had been held on 3 June 2020, and the High Court dismissed Mr Tan's claims that "PwC acted negligently in investigating the NPT Transactions and in presenting its findings in the Report, causing him to lose influence in the Company". The High Court will hear the submissions of PwC and Mr Tan on costs on 17 June 2020.

As at 31 December 2019, the Company made a provision of approximately US\$701,000 (equivalent to approximately S\$954,000) ("**Updated Provision**") based on the invoices and correspondences received from PwC and its legal advisor, in relation to costs incurred by PwC in defending itself in the Suit. Please refer to Note 6, Note 18 and Note 28 to the Audited Financial Statements of the Group for the financial year ended 31 December 2019 in the Company's 2019 Annual Report for further information.

The Company will make further announcements on any material developments in this regard, as and when necessary.

By Order of the Board

Mirzan Bin Mahathir
Executive Non-Independent Chairman

12 June 2020

*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 Catalyst.*

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.