

CHANGE - ANNOUNCEMENT OF APPOINTMENT::APPOINTMENT OF INTERIM CHIEF EXECUTIVE OFFICER - MIRZAN BIN MAHATHIR

Issuer & Securities

Issuer/ Manager

SBI OFFSHORE LIMITED

Securities

SBI OFFSHORE LIMITED - SG1Y97950360 - 5PL

Stapled Security

No

Announcement Details

Announcement Title

Change - Announcement of Appointment

Date & Time of Broadcast

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Status

New

Announcement Sub Title

Appointment of Interim Chief Executive Officer - Mirzan bin Mahathir

Announcement Reference

SG200702OTHRX3G8

Submitted By (Co./ Ind. Name)

Chan Lai Yin

Designation

Company Secretary

Description (Please provide a detailed description of the event in the box below)

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 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.

Additional Details

Date Of Appointment

03/07/2020

Name Of Person

Mirzan bin Mahathir

Age

62

Country Of Principal Residence

Malaysia

The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)

Please refer to the attached Appendix A.

Whether appointment is executive, and if so, the area of responsibility

Executive. Mr Mirzan will facilitate the progression of the ongoing RTO undertaken by the Company, and deal with the several ongoing matters faced by the Company.

Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)

Interim Chief Executive Officer

Professional qualifications

Master of Business Administration

Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/ or substantial shareholder of the listed issuer or any of its principal subsidiaries

Mr Mirzan is a substantial shareholder of the Company.

Conflict of interests (including any competing business)

No

Working experience and occupation(s) during the past 10 years

9 June 2017 to 29 June 2020

Executive Non-Independent Chairman of the Company

October 2007 - Present

Chairman of Crescent Capital Sdn Bhd

Undertaking submitted to the listed issuer in the form of Appendix 7.7 (Listing Rule 704(7)) Or Appendix 7H (Catalist Rule 704(6))

Yes

Shareholding interest in the listed issuer and its subsidiaries?

Yes

Shareholding Details

Mr Mirzan is deemed interested in the 46,736,000 shares in the Company held by CE Ventures Offshore Ltd ("CE Ventures") by virtue of his shareholding in CE Ventures.

These fields are not applicable for announcements of appointments pursuant to Listing Rule 704 (9) or Catalist Rule 704 (8).**Past (for the last 5 years)**

Please refer to the attached Appendix B

Present

Please refer to the attached Appendix B

(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?

No

(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?

No

(c) Whether there is any unsatisfied judgment against him?

No

(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?

No

(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?

No

(f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?

No

(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?

No

(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?

No

(i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?

No

(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of :-

(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or

Yes

If Yes, Please provide full details

On 25 May 2018, the Company engaged an independent reviewer to undertake a review of the matters that have given rise to the unauthorised write-off of RMB17.3 million payable by Jiangyin SBI Offshore Equipment Co., Ltd. ("JSBI") to the Company.

The Company has received the report from the independent reviewer on 20 June 2019.

Follow up actions on the independent review have been taken. Please refer to the Company's announcement dated 25 November 2019.

(ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or

No

(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or

No

(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?

No

(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?

Yes

If Yes, Please provide full details

Please refer to the attached Appendix C.

Any prior experience as a director of an issuer listed on the Exchange?

Yes

If Yes, Please provide details of prior experience

SBI Offshore Limited.

Attachments

[Appendix%20A.pdf](#)

[Appendix%20B.pdf](#)

[Appendix%20C.pdf](#)

Total size =25K MB

Mr Mirzan bin Mahathir ("Mr Mirzan") was not re-elected as a director of the Company at the annual general meeting of the Company held on 29 June 2020. Mr Mirzan was required to step down as a director of the Company immediately and his service agreement with the Company as the Executive Chairman did not contain a notice period.

The management of the Company ("Management") had raised concerns to the Nominating Committee ("NC") on the abrupt cessation of the Executive Chairman. Given that Mr Mirzan has been overall in charge of the Company's reverse takeover of the Berlitz group of companies ("RTO"), the Management believes Mr Mirzan is instrumental in ensuring that the Company is able to complete the outstanding matters relating to the RTO as well as to fulfill the Company's legal obligations pursuant to the sale and purchase agreement in relation to the RTO. Furthermore, upon the cessation of Mr Mirzan as the Executive Chairman, the total employees of the Company only consists of 4 persons and hence the Company will be adversely understaffed. As such, the Management had recommended to the NC to re-engage Mr Mirzan for 2 months up to the end of August 2020, and proposed a revised remuneration of S\$12,000 per month, to commensurate his continued contribution mainly to the RTO matters.

The NC had considered the concerns raised by the Management and proposal to resolve the concerns. The NC notes the importance of the RTO to the Company and its shareholders. Furthermore, adequate staffing with proper experience is important to ensure proper running of a listed company and meeting compliance requirements. Lastly, it is unlikely that the Company will be able to find a replacement CEO in a short time with similar experiences and up-to-date knowledge of the on-going RTO, and further willing to be engaged on a very short term basis. The NC has supported the Management recommendations, as a result.

In view of the above considerations, the Board is of the view that it is beneficial for the Company and agreed with the Management's recommendation to approach and to re-engage Mr Mirzan to continue to be part of the management of the Company, as the Interim Chief Executive Officer of the Company from 3 July 2020 to 31 August 2020 (or such date to be agreed upon, depending on the progress of the RTO).

Details of the past directorships (for the last 5 years)

1. Asian Strategy & Leadership Incorporated Sdn Bhd
2. Bamberg Company Ltd
3. BMM Energy Sdn Bhd
4. Crescent Energy Investment Pte Ltd
5. Crescent Energy Pte Ltd
6. Cuddalore Port Company Pte Ltd
7. Chersonese Gas Sdn Bhd
8. Chersonese Terminal Operations Sdn Bhd
9. Gets Global Berhad
10. Hydrogen Agency Sdn Bhd
11. Hydrogen Oil & Gas Sdn Bhd
12. Icognitive Central Sdn Bhd
13. Ingerson Company Ltd
14. Kakinada Seaports Ltd
15. Lacertus International Co Ltd
16. Libertas Co Ltd
17. Luhaifeng Holdings (M) Sdn Bhd
18. Peninsular Commodities Trade Pte Ltd
19. Penta Energy Sdn Bhd
20. Profina Company Ltd
21. Quest Ventures Ltd
22. Samudra Maritime Co Pte Ltd
23. Solid Maple Sdn Bhd
24. Tropical Dimension Sdn Bhd
25. Utara Ventures FZE
26. SBI Offshore Limited

Details of the present directorships

1. Aurora Italia International Berhad
2. Betamek Electronics (M) Sdn Bhd
3. Betamek Sales & Services Sdn Bhd
4. Capetronic Consumer USA (HK) Ltd
5. CE Ventures Offshore Ltd
6. CE Ventures Pte Ltd
7. Chersonese Oil Sdn Bhd
8. Crescent Capital Resources Sdn Bhd
9. Crescent Capital Sdn Bhd
10. Crescent Energy Holdings Pte Ltd
11. Crescent Energy Ltd
12. Crescent Energy Sdn Bhd
13. Equinox Properties Sdn Bhd
14. Iskandar Holdings Sdn Bhd
15. Jesselton Company Ltd
16. Jiangyin SBI Offshore Equipment Co Ltd
17. M Ocean Capital Sdn Bhd
18. M Ocean Holdings Sdn Bhd
19. Maharizan Sdn Bhd
20. Maple Icon Sdn Bhd
21. OOKM Holdings Ltd
22. Opcom Cables Sdn Bhd
23. Pelana Suasa Sdn Bhd
24. Petron Corporation
25. QuestInvest Ltd
26. Sabit Sdn Bhd
27. Solar Energy Investments Pte Ltd

28. Souqa Fintech Sdn Bhd
29. Stenta Films (M) Sdn Bhd
30. Strategem Pte Ltd
31. Strategem Sdn Bhd
32. Suasa Migas Sdn Bhd
33. Utara Capital Ltd

SBI Offshore Limited:

On 21 March 2019, the Company announced that, in consultation with the Company's sponsor and the Singapore Exchange Regulation ("SGX RegCo"), the Board has appointed RSM Corporate Advisory Pte. Ltd. as the special auditor (the "Special Auditor") to investigate into, among others, the following:

- a) background and circumstances which led to the acquisition and the subsequent disposal of the leasehold property and related land lease prepayment (the "Property") held by JSBI;
- b) whether the disposal price of the Property was marked to comparable market transactions at the time of disposal;
- c) facts and circumstances that could explain for the significant drop in value of the Property given the difference in valuation prices ascribed by Suzhou Welsen Assets Appraisal Co., Ltd ("Suzhou Welsen") in its report of 2017 vis-a-vis the past valuation reports issued by Wuxi Dsinfo Real Estate & Land Appraisal Consulting Co., Ltd ("Wuxi Dsinfo");
- d) background checks on the reputation and track records of Suzhou Welsen and Wuxi Dsinfo;
- e) chronology of events, facts and circumstances surrounding:
 - (i) the appointment of Suzhou Welsen;
 - (ii) the negotiation of the disposal of the Property; and
 - (iii) the scope of due diligence performed on the purchaser and the disposal of the Property;
- f) review of the Company's internal processes relating to:
 - (i) the appointment of professional advisors; and
 - (ii) the acquisitions and disposals, and make recommendations on improvements to any control lapses identified; and
- g) whether there is any potential breach of listing rules, laws or regulations governing the Company and its personnel.

("Special Audit")

The Special Audit has been concluded. Please refer to the Company's announcement dated 12 June 2020.

Konsortium Perkapalan Berhad ("Konsortium")

The Malaysian Securities Commission ("SC") compounded a fine of RM100,000.00 for an offence committed under Section 32(6) of Securities Commission Act 1993 for breach of conditions under the proposed use of proceeds from a private placement exercise undertaken by Konsortium in December 2000. The fine was imposed on him as the Executive Chairman of Konsortium as he had approved the utilisation of funds (for repayment of debt facilities and interest payment) which was not in accordance with SC's approval.