



SBI Offshore Limited

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

RECEIPT OF LEGAL LETTER

1. INTRODUCTION

The board of directors (the “**Board**”) of SBI Offshore Limited (the “**Company**”) refers to the Company’s announcement dated 1 September 2020 in relation to, among others, the cessation and determination of the sale and purchase agreement dated 30 May 2019 (as amended by supplemental agreements dated 20 February 2020 and 11 May 2020) between the Company and Mr. Chan Kern Miang (the “**Vendor**”) in respect of the Company’s proposed acquisition of the entire issued and paid-up share capital of (i) Berlitz Offshore Limited, (ii) Berlitz Marine Pte. Ltd. (“**Berlitz Marine**”), (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., and (xii) Blue Ocean Services K Co Ltd. (collectively, the “**Target Group**”), which are owned by the Vendor (“**Proposed Acquisition**”) (“**Share Sale Agreement**”).

2. CLAIM FOR COSTS OF THE PROPOSED ACQUISITION UNDER THE SHARE SALE AGREEMENT

The Board wishes to announce that the Company had, on 18 September 2020, received a letter of the same date (“**Letter**”) from the lawyer acting for the Vendor and Berlitz Marine claiming that the Company had breached its obligations under the Share Sale Agreement, which relates to the Company’s obligation to procure the undertakings from its shareholders holding at least 45% of the Company’s issued and paid-up share capital to vote in favour of the Proposed Acquisition, thereby entitling the Vendor to terminate the Share Sale Agreement and the party in default is liable to bear all costs of the Proposed Acquisition up to the point of termination. Pursuant to the Letter, the Vendor and Berlitz Marine are claiming for payment of S\$468,403.70 (which includes estimated costs of S\$25,000 in respect of Ernst & Young’s costs and expenses incurred for review of the Target Group’s March 2020 accounts, and the Vendor and Berlitz Marine reserve their rights to claim the full amount of Ernst & Young’s costs and expenses in excess of S\$25,000) and US\$28,311.06, being the total costs incurred in respect of the Proposed Acquisition (the “**Claims**”).

The Letter also claimed that the Company had breached its obligations under the Share Sale Agreement by incurring certain costs of the Proposed Acquisition without such costs having been mutually agreed by the Vendor and the Company in writing (“**Alleged Breach**”). The Letter provided that the Vendor and Berlitz Marine reserve their rights to claim reimbursements of these costs from the Company.

The Letter stated that the Vendor and Berlitz Marine will take all necessary steps to protect their interests, including commencing arbitration proceedings against the Company if no payment is made by the Company to the Vendor and Berlitz Marine by 18 October 2020.

The Company denies the Claims and the Alleged Breach.

The Company is seeking legal advice on the Letter and will provide updates as and when there are material developments.

3. CAUTIONARY STATEMENT

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company. Persons who are in doubt as to the action that they should take, should consult their legal, financial, tax or other professional advisers.

By Order of the Board

Chan Lai Yin
Company Secretary

21 September 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.