



SBI Offshore Limited

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

**RECEIPT OF APPROVAL FROM SGX REGCO FOR WAIVER OF THE ESCROW REQUIREMENTS
UNDER RULE 1017(1)(A) OF THE CATALIST RULES**

1. INTRODUCTION

The board of directors (the “**Board**”) of SBI Offshore Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to the Company’s announcements (“**Announcements**”):

- (i) dated 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**”);
- (ii) dated 6 June 2019 and 30 July 2019 in relation to the update on the status of opening of escrow accounts in accordance with Rule 1017(1)(a) of the Catalist Rules;
- (iii) dated 30 August 2020 in relation to the receipt from the SGX-ST (via the sponsor of the Company) the notification of delisting from the Official List of the SGX-ST; and
- (iv) dated 29 September 2020 in relation to the updates on Cash Exit Offer and Delisting.

Unless otherwise defined, all capitalized terms used herein shall have the same meaning ascribed to them in the Announcements.

2. APPLICATION FOR WAIVER OF THE ESCROW REQUIREMENTS UNDER RULE 1017(1)(A) OF THE CATALIST RULES

The Company had, through the Sponsor, on 13 October 2020 submitted an application to the Singapore Exchange Regulation Pte Ltd (“**SGX RegCo**”) to seek approval from the SGX RegCo for a waiver of Rule 1017(1)(a) of the Catalist Rules to draw down and utilize US\$152,000 (“**Projected Minimum Operating Expenditure**”) of the funds maintained in the Singapore Escrow Account for payment of the Company’s minimum operating expenses to be incurred till December 2020, as it is anticipated that the extraordinary general meeting of the Company’s shareholders to consider and vote on, among other things, the proposed liquidation of the Company, will be convened by end-December 2020 (“**First Milestone**”) (the “**Waiver**”).

The Company had sought the Waiver as:

- (i) the Company is required to undertake the Cash Exit Offer and the Delisting in accordance with Rules 1017(2) and 1308 of the Catalist Rules, and based on the Proposal, the Company is working towards the First Milestone by end-December 2020;

- (ii) the Group's existing non-escrowed cash and bank balances maintained in Singapore are not sufficient for the Company to cover its minimum operating expenses up to the First Milestone by end-December 2020;
- (iii) the Board is of the view that the Projected Minimum Operating Expenditure, amounting to approximately 1.07% of the funds in the Group's escrow accounts (comprising the Singapore Escrow Account and the PRC Escrow Account), is not material and is required to ensure that the Company continues its operations with a management team of appropriate experience and expertise in order to successfully complete the First Milestone, leading to the Cash Exit Offer and the Delisting, as well as to ensure that the Company continues to meet its continuing listing obligations prior to the Cash Exit Offer and the Delisting;
- (iv) the Company has tried in vain to source for loan(s) from banks and third party lenders, as no lender is willing to loan to the Company without any collateral. The bank requires a charge over the Singapore Escrow Account as collateral which was not feasible;
- (v) even if the Company can secure a bank loan or third party loan, the Company would need to incur high interest charges (without any collateral), which would affect its shareholders' value as the interests incurred on such loans would be much higher than the interest earned on the Singapore Escrow Account; and
- (vi) the Board is of the view that the quantum of the payment for minimum operating expenses will not hinder the value of the shareholders' interest in the Company.

3. RECEIPT OF WAIVER FROM SGX REGCO

The SGX RegCo had on 9 November 2020 informed the Company that it will grant a waiver of the escrow requirements under Rule 1017(1)(a) of the Catalist Rules to draw funds of up to US\$114,000 from its Singapore Escrow Account for the payment of certain operating expenditure (comprising mainly staff costs (for the Company's Chief Financial Officer, Assistant Finance Manager and Accounts and Admin Executive), office rental and utility charges, related office expenses and insurance expenses), as well as legal fees and costs pursuant to Court Orders ("**Waiver Granted**").

The Waiver Granted is subject to the following:

- (a) the Company announcing the Waiver Granted, the reasons for seeking the Waiver, the conditions as required under Rule 106 of the Catalist Rules and if the Waiver Granted conditions have been satisfied. If the Waiver Granted conditions have not been met on the date of the announcement, the Company must make an update announcement when the conditions have all been met;
- (b) the Company's statutory auditors and sponsor to review the Projected Minimum Operating Expenditure and be satisfied with the reasons for disbursement;
- (c) disclosure by the Board including the Audit Committee on the reasons for the Waiver and that the Waiver is in the best interests of the Company and minority shareholders;
- (d) the Board's confirmation that the Waiver Granted will not be in contravention of any laws and regulations governing the Company and its constitution (or the equivalent in the Company's country of incorporation); and

- (e) regular updates to the SGX RegCo and investors via SGXNET on the Company's progress on the liquidation and delisting process.

The Company will continue to update its shareholders as and when the conditions set out in the Waiver Granted have been satisfied.

By Order of the Board

Chan Lai Yin
Company Secretary

10 November 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 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.