



TRIYARDS HOLDINGS LIMITED (“COMPANY”)
(Incorporated in the Republic of Singapore)
(UEN/Company Registration Number: 201210555Z)

SALE OF SHARES OF STRATEGIC MARINE (S) PTE LTD AND TRYARDS STRATEGIC MARINE AUSTRALIA PTY LTD

The board of directors of the Company and its subsidiaries (“**Group**”) wishes to announce that DBS Bank Ltd (“**DBS**”) had notified its wholly owned subsidiary, Triyards Strategic Investments Pte Ltd (“**TSI**”) that it would be exercising its power of sale in respect of certain of TSI’s assets including its stocks and shares in Strategic Marine (S) Pte Ltd (“**SMS**”) in or towards payment of certain amounts including:

1. the sums owing from SMS to DBS under a Banker’s Guarantee No. 550-02-1126946 in the amount of S\$2,590,513.71;
2. the sums owing from Triyards Marine Services Pte Ltd (“**TMS**”) to DBS under a facility agreement entered into between DBS, TMS, the Company and Lewek Hercules Pte Ltd dated 25 September 2014 as amended by an amendment letter dated 26 January 2017 in the amount of US\$10,528,568.75 (with interest accruing); and
3. the sums owing from Saigon Offshore Fabrication and Engineering Limited to DBS under a facility agreement dated 21 September 2015 and a facility agreement dated 5 May 2016 as amended on 6 Jun 2016 in the amount of US\$23,297,348.97 (with interest accruing).

DBS has informed the Company and TSI that it has exercised its power of sale in respect of the TSI’s interest in the shares of SMS on 27 May 2019 to Vanguard Investment Holding Pte. Ltd., a company incorporated in Singapore, managed by Singapore-based Ferrell Asset Management Pte Ltd, licensed by the Monetary Authority of Singapore (“**Ferrell**”) for a confidential sum (“**SMS Consideration Amount**”). The SMS Consideration Amount will partially discharge the debts owing by the Company and TSI to DBS.

To further improve the liquidity and reduce commitment of the Group, TSI has also entered into a sale and purchase agreement for its entire shareholding in its wholly-owned subsidiary Triyards Strategic Marine Australia Pty Ltd (“**TSMA**”) on 27 May 2019 with Ferrell for a lump sum cash consideration of A\$320,000 (“**TSMA Consideration Amount**”) (“**TSMA Disposal**”). The TSMA Consideration Amount will be mainly utilised to settle overdue debts and tax obligation of TSMA and was arrived at on a willing-buyer willing-seller basis, after taking into consideration, *inter alia*, information regarding TSMA’s business and operations and its financial position.

The TSMA Disposal will not have a material impact on the net tangible assets or earnings per share of the Group for the financial year ending 31 August 2019.

In addition to the TSMA Disposal, Ferrell will also sign a consultancy agreement with Triyards Holdings Limited for the provision of management services to SMS and TSMA for the commencement of construction of up to 4 Crew Transfer Vessels (“CTV”).

None of the Directors or the controlling shareholder of the Company has any interest, direct or indirect, in the TSMA Disposal, save for their shareholdings in the Company (if any).

Further announcements will be made by the Company and the Board via SGXNET as and when there are any material developments in compliance with the listing rules of the Singapore Exchange Securities Trading Limited.

By Order of the Board

Lee Kian Soo
Chairman
28 May 2019