

OEL (HOLDINGS) LIMITED
(Company Registration No. 198403368H)
(Incorporated in Singapore)

CLAIM BY BANGKOK DOCK COMPANY LIMITED

The Board of Directors of OEL (Holdings) Limited (the "**Company**", and together with its subsidiaries, the "**Group**") wishes to announce that a claim has been filed by Bangkok Dock Company Limited ("**BDC**") in Thailand against OCT Co. Ltd. ("**OCT**"), an associated company of the Group in relation to a lease agreement entered into between BDC and OCT (the "**Lease Agreement**") for the use of the Mahidol Adulyadej Royal Navy Dock, Thailand (the "**Shipyard**"). OCT is a company 49%-held by the Company. The remaining 51% of OCT is held by a Thai partner.

With the prior consent of BDC previously, OCT had sub-leased part of the Shipyard to OSC Co. Ltd ("**OSC**"), a wholly-owned subsidiary of OSEC Shipyard Pte. Ltd. ("**OSEC**"), which is in turn a wholly-owned subsidiary of the Company, for its operations in the Shipyard.

The claim is in relation to contractual obligations under the Lease Agreement which BDC alleges has not been complied with. OCT and the Company have been advised by Thai lawyers that there will be minimal risk in the use by OSC of the Shipyard being revoked because of the following reasons:

1. the alleged breaches of the contractual obligations under the Lease Agreement have been suspended (confirmed by minutes of meeting between representatives of OCT and BDC) and there is therefore no breach; and
2. OCT had been making regular payments for the use of the Shipyard under the Lease Agreement and continues to do so.

OCT is engaging BDC in discussions for resolution of the matter and the view of the Thai lawyers is that the court proceedings would take some time to resolve with no material effect on the operation of the Shipyard, OSC or OCT.

For the above reasons, the Company is of the view that the claims by BDC will not have a material adverse impact on the financial position and financial performance of OCT, OSC or the Group.

Whilst the claim was dated 26 March 2015, it was only received on 23 April 2015, and the claim was first brought to the attention of the Thai partner of OCT on 5 May 2015 with the Company only informed of this claim at the same time. Since then, OCT and the Company have been involved in investigating the case and preparing its defence as well as taking advice from its Thai lawyers in assessing the materiality and impact of the claim on the Group.

The Company will make further announcements as and when there are material developments on the above matter.

By Order of the Board

Yeo Poh Noi Caroline
Company Secretary
29 May 2015

*This announcement has been reviewed by the Company's sponsor, RHT Capital Pte. Ltd. (the "**Sponsor**"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"). The Sponsor has not independently verified the contents of this announcement.*

This announcement has not been examined 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 details of the contact person for the Sponsor are:-

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