CH OFFSHORE LTD.

(Co. Reg. No. 197600666D)
(Incorporated in the Republic of Singapore)

RESPONSE TO QUERIES FROM SGX-ST

The Board of Directors of CH OFFSHORE LTD. (the "Company" together with its subsidiaries, collectively referred to as the "Group") wishes to provide the following information in response to queries from the SGX-ST in respect of the Company's announcement published on 7 December 2017.

SGX-ST queries

It has been announced that the Company's Audit Committee has reviewed the terms of the loans to Falcon and is of the view that the loans were entered into on an arm's length basis and on normal commercial terms that were not prejudicial to the interests of the Company as well as its minority shareholders.

(a) Why did CH Offshore not require security from Falcon for the grant of loans to Falcon?
(b) Does CH Offshore intend to grant further loans to Falcon, and will independent shareholders' approval be obtained?
(c) When does CH Offshore expect the loans and accrued interest to be repaid by Falcon?

Company's response

a. The loans to Falcon were intended to be short-term in nature and therefore the question of security was not considered.

b. There is no intention to grant further loan to Falcon. As such the question of approval does not arise.

c. The company is in discussion with Falcon on the question of repayment of the loan. We hope to resolve this as soon as possible.

By Order of the Board
Lim Mee Fun
Company Secretary
18 December 2017