

CIRCULAR DATED 15 OCTOBER 2020

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.

This Circular is issued by Viking Offshore and Marine Limited ("Company"). If you are in any doubt about its contents or the action you should take, you should consult your bank manager, stockbroker, solicitor, accountant or other professional advisers immediately.

This Circular, the Notice of EGM and the accompanying Proxy Form has been made available on SGXNET and the Company's website at www.vikingom.com. **A printed copy of this Circular will NOT be despatched to Shareholders.**

If you have sold or transferred all your shares in the capital of the Company, you should immediately inform the purchaser or transferee or bank, stockbroker or agent through whom the sale or transfer was effected for onward notification to the purchaser or transferee, that this Circular (together with the Notice of EGM and accompanying Proxy Form) may be accessed via SGXNET and the Company's website at www.vikingom.com.

This Circular has been prepared by the Company and its contents have been reviewed by the Company's sponsor, ZICO Capital Pte. Ltd. ("**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 Circular has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this Circular, including the correctness of any of the statements or opinions made or reports contained in this Circular.

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.



VIKING OFFSHORE AND MARINE LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 199307300M)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO

THE PROPOSED DISPOSAL OF THE PROPERTIES LOCATED AT 21 KIAN TECK ROAD SINGAPORE 628773 AND 23 KIAN TECK ROAD SINGAPORE 628774 (WHETHER BY WAY OF DISPOSAL OF THE ENTIRE ISSUED AND PAID-UP SHARE CAPITAL OF VIKING FACILITIES MANAGEMENT & OPERATIONS PTE. LTD. OR OTHERWISE)

IMPORTANT DATES AND TIMES

Last date and time to pre-register online to attend the Extraordinary General Meeting : 27 October 2020 at 8.00 a.m.

Last date and time for lodgment of Proxy Form : 28 October 2020 at 8.00 a.m.

Date and time of Extraordinary General Meeting : 30 October 2020 at 8.00 a.m.

Place of Extraordinary General Meeting : The Extraordinary General Meeting will be held by way of electronic means. Please refer to Sections 13 and 14 of this Circular for further details.

CONTENTS

DEFINITIONS	3
LETTER TO SHAREHOLDERS	
1. INTRODUCTION	6
2. THE DISPOSAL MANDATE	6
3. REQUIREMENT FOR SHAREHOLDER APPROVAL.....	6
4. INFORMATION ON THE PROPERTIES AND VFMO	7
5. RATIONALE FOR THE PROPOSED DISPOSAL AND THE DISPOSAL MANDATE	8
6. TERMS OF THE DISPOSAL MANDATE.....	10
7. PROTECTION FOR SHAREHOLDERS	12
8. RELATIVE FIGURES COMPUTED PURSUANT TO RULE 1006 OF THE CATALIST RULES ...	12
9. FINANCIAL EFFECTS OF THE PROPOSED DISPOSAL.....	13
10. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS.....	15
11. SERVICE CONTRACTS.....	16
12. DIRECTORS' RECOMMENDATION.....	16
13. EXTRAORDINARY GENERAL MEETING	16
14. ACTION TO BE TAKEN BY SHAREHOLDERS	17
15. INFORMATION RELATING TO CPF/SRS INVESTORS	18
16. DIRECTORS' RESPONSIBILITY STATEMENT.....	19
17. CONSENT.....	19
18. DOCUMENTS AVAILABLE FOR INSPECTION	19
APPENDIX - VALUATION LETTER	A-1
NOTICE OF EXTRAORDINARY GENERAL MEETING	N-1
PROXY FORM.....	

DEFINITIONS

In this Circular, the following definitions apply throughout unless the context otherwise requires:

"Board"	:	The board of directors of the Company
"Business Day"	:	A day (other than a Saturday, Sunday or a public holiday) on which commercial banks in Singapore are open for business
"Catalist Rules"	:	Section B: Rules of Catalist of the SGX-ST's Listing Manual
"Circular"	:	This circular to Shareholders dated 15 October 2020
"Code"	:	The Singapore Code on Take-overs and Mergers
"Companies Act"	:	The Companies Act (Chapter 50 of Singapore), as amended, modified or supplemented from time to time
"Company"	:	Viking Offshore and Marine Limited
"Completion"	:	The completion of the Proposed Disposal
"COVID-19 Act"	:	The COVID-19 (Temporary Measures) Act 2020, as amended, modified or supplemented from time to time, which, <i>inter alia</i> , enables the Minister for Law by order to prescribe alternative arrangements for listed companies in Singapore to conduct general meetings, either wholly or partly, by electronic communication, video conferencing, tele-conferencing or other electronic means
"COVID-19 Order"	:	The COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020, as amended, modified or supplemented from time to time, which sets out the alternative arrangements in respect of, <i>inter alia</i> , general meetings of companies
"Directors"	:	The directors of the Company as at the date of this Circular, and each a "Director"
"Disposal Mandate"	:	The mandate to authorise the Company to undertake the Proposed Disposal, the terms of which are set out in Sections 6 and 7 of this Circular
"Disposal Price"	:	Not less than S\$12,000,000
"Disposal Proceeds"	:	The proceeds from the Proposed Disposal under the Disposal Mandate
"Disposal Shares"	:	The entire issued and paid-up share capital of VFMO, comprising 5,702,943 ordinary shares as at the Latest Practicable Date
"EGM"	:	The extraordinary general meeting of the Company to be held by way of electronic means on 30 October 2020 at 8.00 a.m., notice of which is set out on page N-1 of this Circular

DEFINITIONS

"FY2019"	:	The financial year ended 31 December 2019
"HY2020"	:	The six months ended 30 June 2020
"Group"	:	The Company and its subsidiaries
"Independent Valuer"	:	SRE Global Pte Ltd
"Latest Practicable Date"	:	The latest practicable date prior to the date of issue of this Circular, being 12 October 2020
"LPS"	:	Loss per Share
"Market Day"	:	A day on which the SGX-ST is open for trading in securities
"Maybank"	:	Maybank Singapore Limited
"Notice of EGM"	:	The notice of EGM which is set out on page N-1 of this Circular
"NAV"	:	Net asset value
"Ordinary Resolution"	:	The ordinary resolution proposed to approve the Proposed Disposal, as set out in the Notice of EGM
"Properties"	:	The properties situated at 21 Kian Teck Road Singapore 628773 and 23 Kian Teck Road Singapore 628774
"Proposed Disposal"	:	The proposed disposal of the Properties (whether by way of disposal of the Disposal Shares held by the Company or otherwise)
"Register"	:	The register of members of the Company
"SFA"	:	The Securities and Futures Act (Chapter 289 of Singapore), as amended, modified or supplemented from time to time
"Shares"	:	Ordinary shares in the capital of the Company
"SGX-ST"	:	Singapore Exchange Securities Trading Limited
"Shareholders"	:	Holders of Shares as indicated on the Register and Depositors who have Shares entered against their names in the Depository Register
"Valuation"	:	Has the meaning ascribed to it in Section 4 of this Circular
"VFMO"	:	Viking Facilities Management & Operations Pte. Ltd. (UEN: 200719391W), a wholly-owned subsidiary of the Company
"S\$" and "cents"	:	Singapore dollars and cents, respectively, being the lawful currency for the time being of the Republic of Singapore
"%" or "per cent."	:	Per centum or percentage

DEFINITIONS

The terms "**associate**" and "**associated company**" shall have the meanings ascribed to them respectively in the Catalist Rules.

The terms "**Depositor**" and "**Depository Register**" shall have the meanings ascribed to them respectively in Section 81SF of the SFA.

The term "**subsidiary**" shall have the meaning ascribed to it in Section 5 of the Companies Act.

Words importing the singular shall, where applicable, include the plural and *vice versa*. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*. References to persons, where applicable, shall include corporations.

The headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act, the SFA, the Catalist Rules or any modification thereof and used in this Circular shall, where applicable, have the meaning assigned to that word under the Companies Act, the SFA, the Catalist Rules or that modification, as the case may be.

Any reference to a time of day or date in this Circular shall be a reference to a time of day or date, as the case may be, in Singapore unless otherwise specified.

In this Circular, unless otherwise stated, the total number of issued Shares in the capital of the Company is 1,098,719,574 Shares (excluding 7,961,500 treasury shares) as at the Latest Practicable Date. All percentages calculated with reference to the issued Shares are rounded to the nearest two decimal places.

Any discrepancies in this Circular between the listed amounts and the totals thereof are due to rounding. Accordingly, figures shown as totals may not be an arithmetic aggregation of the figures that precede them.

For the purposes of this Circular, Rajah & Tann Singapore LLP has been appointed as the legal adviser to the Company in relation to the Proposed Disposal.

LETTER TO SHAREHOLDERS

VIKING OFFSHORE AND MARINE LIMITED

(Incorporated in the Republic of Singapore)

(Company Registration No. 199307300M)

Directors:

Andy Lim *(Chairman and Executive Director)*
Ng Yeau Chong *(Chief Executive Officer and Executive Director)*
Lee Suan Hiang *(Lead Independent Director)*
Kelvin Tan Wee Peng *(Independent Director)*
Cynthia Phua Siok Gek *(Independent Director)*

Registered Office:

21 Kian Teck Road
Singapore 628773

15 October 2020

To: The Shareholders of the Company

Dear Sir/Madam

THE PROPOSED DISPOSAL OF THE PROPERTIES (WHETHER BY WAY OF DISPOSAL OF THE ENTIRE ISSUED AND PAID-UP SHARE CAPITAL OF VIKING FACILITIES MANAGEMENT & OPERATIONS PTE. LTD. OR OTHERWISE)

1. INTRODUCTION

- 1.1 The Directors propose to convene an EGM to seek Shareholders' approval for the proposed disposal of the Properties (whether by way of disposal of the Disposal Shares held by the Company or otherwise) ("**Proposed Disposal**").
- 1.2 The purpose of this Circular is to provide Shareholders with relevant information relating to the Proposed Disposal to be tabled at the EGM to be held by way of electronic means on 30 October 2020 at 8.00 a.m..

2. THE DISPOSAL MANDATE

The Company proposes to seek approval from the Shareholders for a mandate to authorise the Company to dispose of the Properties (whether by way of disposal of the Disposal Shares held by the Company or otherwise), the terms of which are set out in Sections 6 and 7 of this Circular ("**Disposal Mandate**").

3. REQUIREMENT FOR SHAREHOLDER APPROVAL

- 3.1 Chapter 10 of the Catalist Rules governs the continuing listing obligations of a listed company in respect of significant transactions, principally acquisitions and realisations and the provision of financial assistance. Under Rule 1014 of the Catalist Rules, Shareholders' approval must be obtained for "major transactions" within the meaning of Chapter 10 of the Catalist Rules. Rule 1006 of the Catalist Rules sets out the computation for, *inter alia*, relative figures for acquisitions and disposals of assets by a listed issuer. Shareholders' approval is required if any of the relative figures as computed on the bases set out in Rule 1006 of the Catalist Rules exceeds, for a disposal, 50% and such a transaction is classified as a "major transaction". In determining whether a disposal transaction or a series of disposal transactions is considered a major transaction, the SGX-ST may aggregate separate transactions

LETTER TO SHAREHOLDERS

completed within a 12-month period and treat these transactions as one transaction under Rule 1005 of the Catalist Rules.

- 3.2 In the event the Company disposes of the Properties (whether by way of disposal of the Disposal Shares or otherwise), the applicable relative figures computed on the bases set out in Rule 1006 of the Catalist Rules may exceed 50%. While it may be that a single disposal transaction to dispose of the Properties under the Disposal Mandate may, in itself, trigger the requirement of Shareholders' approval in accordance with Rule 1014 of the Catalist Rules, the Directors believe that it is also possible that Shareholders' approval will be required if the Proposed Disposal is undertaken by way of separate, smaller transactions within a 12-month period, which the SGX-ST may aggregate and consider as a single transaction. As such, in the interest of good governance, the Company is seeking the prior approval of Shareholders for the Disposal Mandate.

4. INFORMATION ON THE PROPERTIES AND VFMO

Information on the Properties and VFMO

The Properties are situated at 21 Kian Teck Road Singapore 628773 and 23 Kian Teck Road Singapore 628774, and have an aggregate gross floor area of approximately 18,049.62 square metres. The Properties are under a 60-year lease which commenced on 1 February 1972 and has a balance lease term of 11 years.

The Properties are owned by VFMO and are subject to mortgages granted by VFMO in favour of Maybank in respect of facilities extended by Maybank in favour of certain of the Company's wholly-owned subsidiaries, namely VFMO, Viking Airtech Pte Ltd, Marshal Systems Private Limited and Promoter Hydraulics Pte. Ltd.. As at 30 June 2020, the aggregate outstanding amount owing by the Group to Maybank was approximately S\$16.89 million.

VFMO is a wholly-owned subsidiary of the Company and was incorporated in Singapore on 18 October 2007. As at the Latest Practicable Date, the Company holds the entire issued and paid-up share capital of VFMO, comprising the Disposal Shares. Other than ownership and subletting of the Properties, VFMO does not have any other business.

Following the completion of the Proposed Disposal, if undertaken by way of a sale of the Disposal Shares, VFMO will cease to be a subsidiary of the Company.

Valuation on the Properties

Based on the valuation by the Independent Valuer commissioned by VFMO, as at 21 September 2020:

- (a) the market value of the Properties, free from all encumbrances, was S\$16,000,000; and
- (b) the "forced sale" value of the Properties, free from all encumbrances, was S\$12,000,000,

("Valuation").

LETTER TO SHAREHOLDERS

The Valuation based on market value of the Properties was made using the "Market Value" method. Market Value is defined by the Singapore Institute of Surveyors and Valuers (SISV) as "the estimated amount for which a property should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion".

In arriving at the Valuation using the "Market Value" method, the Independent Valuer had taken into consideration the recent transactions of similar properties around the vicinity and elsewhere and had made appropriate adjustments for differences between the Properties and comparables in terms of size, tenure, location, proximity to MRT stations, condition, prevailing market conditions and all other relevant factors affecting its value.

The valuation letter from the Independent Valuer is set out in the **Appendix** to this Circular.

Financial Information on VFMO

Based on the Group's unaudited consolidated financial statements for HY2020, the net asset value of VFMO was approximately negative S\$3.60 million as at 30 June 2020, and a net loss⁽¹⁾ of approximately S\$0.16 million was reported in HY2020.

There is no available open market value of the Disposal Shares as VFMO is a wholly-owned subsidiary of the Company and is a private company which is not publicly listed on any stock exchange.

5. RATIONALE FOR THE PROPOSED DISPOSAL AND THE DISPOSAL MANDATE

- 5.1 The Company is currently undergoing a court-supervised process to reorganise its liabilities and there is currently in place a statutory moratorium against enforcement actions and legal proceedings by its creditors pursuant to section 211B of the Companies Act. As at the Latest Practicable Date, the moratorium period will end on 30 October 2020. The Company will make further announcements as and when there are material developments on the moratorium.

The Shares have also been suspended from trading on the SGX-ST since 14 June 2019.

The Company continues to engage the Group's key creditors in relation to a potential settlement or arrangement of the Group's debts and liabilities therewith. In particular, as mentioned above, as at 30 June 2020, the aggregate outstanding amount owing by the Group to Maybank was approximately S\$16.89 million. On 17 January 2020, Maybank had commenced an application (HC/OS 63/2020) against the relevant Group entities in respect of the banking facilities extended to these entities, and the next hearing date in these proceedings is currently fixed on 6 November 2020. On completion of the Proposed Disposal, it is intended that Maybank will release and discharge all existing liabilities and securities owing to Maybank by the Group as well as the discontinuance of Maybank's application (HC/OS 63/2020) against the relevant Group entities.

(1) "Net loss" means loss including discontinued operations that have not been disposed and before income tax and non-controlling interests.

LETTER TO SHAREHOLDERS

- 5.2 As at the Latest Practicable Date, save as disclosed below, the Company has not formalised or entered into any definitive agreement with any party with respect to the Proposed Disposal or the Disposal Shares.

As announced by the Company, the Company had, on 18 September 2020, entered into a binding term sheet with Kinghaus Engineering Pte. Ltd. ("**Kinghaus Engineering**") to set out the in-principle understanding and intention of the Company and Kinghaus Engineering in respect of the sale by the Company to Kinghaus Engineering of the Disposal Shares.⁽²⁾ There is, however, no certainty or assurance that the parties will enter into definitive sale and purchase documentation in relation to such transaction.

In addition, even if definitive documentation is subsequently entered into with Kinghaus, there is no certainty or assurance that all the conditions precedent thereunder will be fulfilled and the Proposed Disposal will be completed.

As such, as a matter of prudence, the Company is seeking the prior approval from the Shareholders for the Proposed Disposal by way of the Disposal Mandate, which give the Company the flexibility to negotiate and enter into the Proposed Disposal on a timely basis (whether with Kinghaus or any other prospective purchaser), during the Disposal Mandate Period, subject to the terms and limits set out in the Disposal Mandate (under Section 6 of this Circular).

- 5.3 In the event the Company disposes of the Properties (whether by way of the disposal of the Disposal Shares or otherwise), the applicable relative figures computed on the bases set out in Rule 1006 of the Catalist Rules may exceed 50%, thereby requiring specific Shareholders' approval under the Catalist Rules. Please refer to Section 8 of this Circular for the illustrative relative figures computed on the bases set out in Rule 1006 of the Catalist Rules in relation to the Proposed Disposal under the Disposal Mandate.
- 5.4 The Directors are of the view that the time required for, and the uncertainties posed by any specific requirement for, Shareholders' approval may deter potential purchasers for the Disposal Shares and/or the Properties. The lead-time required for the preparation of the Shareholders' circular and for the convening of an extraordinary general meeting may also put the Company at risk of missing a window of opportunity for any potential sale of the Properties (whether by way of the disposal of the Disposal Shares or otherwise).
- 5.5 For the reasons specified above, the Board believes that it is important that the Company obtains prior Shareholders' approval for the Disposal Mandate in order for the Company to dispose of the Properties (whether by way of the disposal of the Disposal Shares or otherwise) at opportune times. The Disposal Mandate will allow the Company to act flexibly and decisively on opportunities that will maximise the value of the Disposal Shares and/or the Properties. Subject to the approval of Shareholders for the Disposal Mandate, and the terms of the Disposal Mandate as set out in Section 6.1 of this Circular, the Directors will and shall exercise the authority conferred by the Disposal Mandate in the best interests of the Company. The terms of the Proposed Disposal to be agreed upon between the Company and the prospective purchaser will be subject to and fall within the ambit of the Disposal Mandate as set out in Section 6, and failing which, the Company will seek specific approval from Shareholders for the Proposed Disposal. The Company will make further announcements as and when there are material developments on the Proposed Disposal.

(2) Based on enquiries made by the Company to Kinghaus Engineering, none of the directors and shareholders of Kinghaus Engineering (i) holds, directly or indirectly, any ordinary shares in the issued and paid-up share capital of the Company; and (ii) is related to the Directors or controlling shareholders of the Company and their respective associates.

LETTER TO SHAREHOLDERS

- 5.6 The minimum Disposal Price is determined on the basis of the "forced sale" value of S\$12,000,000 arrived at by the Independent Valuer under its Valuation in respect of the Properties, and taking into consideration the following factors:
- (a) the financial condition of the Group and its inability to meet the debt repayment obligation to Maybank, being the mortgagee of the Properties; and
 - (b) the prevailing economic conditions affecting the property market and the Company's previous futile efforts in sourcing for potential buyers in the open market at a higher price prior to the entry into the termsheet entered into between the Company and Kinghaus Engineering and the Company's proposal for the Disposal Mandate.
- 5.7 Assuming that Shareholders' Approval for the Disposal Mandate is obtained and that the Proposed Disposal takes place in accordance with the terms of the Disposal Mandate, the Disposal Proceeds received by the Company, whether directly or indirectly, will be used towards repayment and discharge of the Group from all existing liabilities owing to Maybank. Please refer to Section 4 for further details on the outstanding amounts owing by the Group to Maybank.

6. TERMS OF THE DISPOSAL MANDATE

- 6.1 The terms of the Disposal Mandate are as follows:
- (a) the Properties may be disposed of (whether by way of disposal of the Disposal Shares held by the Company or otherwise), through various arrangements and/or transaction structures agreed with the prospective purchaser at the sole discretion of the Directors without seeking the specific approval of Shareholders for such disposal;
 - (b) the Properties shall be disposed of (whether by way of disposal of the Disposal Shares held by the Company or otherwise) at a price which the Directors deem fair and reasonable, after taking into account the relevant factors (including without limitation, such adjustments as may be necessary or appropriate in relation to the assets and liabilities of VFMO), provided that such price will represent a disposal of the Properties at or above the Disposal Price, and on the basis that VFMO does not own or hold any other assets and liabilities (whether actual or contingent), save for the Properties.

The consideration in respect of such disposal shall be satisfied in such manner as the Directors deem fit in the best interest of the Company, including, whether in whole or in part, by way of cash, cash equivalents, marketable securities and/or release of the Group from all existing liabilities owing to Maybank.

It is further contemplated that the Company may continue to be liable for pre-completion liabilities of the Properties (including amounts payable to the landlord, costs associated with obtaining the certificate of statutory completion in respect of the Properties and such other costs and expenses classified as pre-completion liabilities as may be agreed between the Company and the prospective purchaser) and the Group may pledge and/or transfer ownership of certain of its plant and machinery on terms agreed with the prospective purchaser for purposes of ensuring such repayment;

LETTER TO SHAREHOLDERS

- (c) if approved by Shareholders at the EGM, the authority conferred by the Disposal Mandate will continue in force for a period of one (1) calendar year commencing from and including the day of the EGM (whereupon at the end of the period it will lapse, unless renewed) or until it is varied or revoked by the Company in a general meeting, whichever is the earlier ("**Disposal Mandate Period**"). If the Company enters into a sale and purchase agreement with any prospective purchaser for the Proposed Disposal prior to or during the Disposal Mandate Period, completion under such sale and purchase agreement shall not be subject to the specific approval of Shareholders, provided that the completion of the transaction shall take place during the Disposal Mandate Period. Further, completion of the Proposed Disposal after the expiry of the Disposal Mandate Period shall not be subject to the specific approval of Shareholders, where it is in pursuance of a sale and purchase agreement entered into between the parties while the Disposal Mandate was in force and the Company was authorised by the Disposal Mandate to enter into such agreement which would or might require the Proposed Disposal to take place after the Disposal Mandate Period;
- (d) the Proposed Disposal shall not result in a breach of any agreement or legal instrument to which the Group is a party;
- (e) a prospective purchaser for the Properties or the Disposal Shares shall not be an interested person of the Company, unless the specific approval of Shareholders for such transaction is obtained in accordance with Chapter 9 of the Catalist Rules; and
- (f) any negotiation, if applicable, with a prospective purchaser of the Properties or the Disposal Shares shall be conducted on an arm's length and commercial basis, taking into consideration such factors as the Directors may deem fit in the interests of the Group.

For the purposes of sub-paragraph (e) above:

- (i) an "**interested person**" means a director, chief executive officer or controlling shareholder of the Company, or an associate of such director, chief executive officer or controlling shareholder;
- (ii) a "**controlling shareholder**" means a person who holds directly or indirectly 15% or more of the nominal amount of all voting shares in the Company (unless otherwise determined by the SGX-ST), or in fact exercises control over the Company; and
- (iii) an "**associate**", in relation to any director, chief executive officer or controlling shareholder (being an individual), means his immediate family (i.e. spouse, children, adopted children, step-children, siblings and parents), the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object, and any company in which he or his immediate family together (directly or indirectly) have an interest of 30% or more; in relation to a controlling shareholder (being a company), means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30% or more.

6.2 If the Directors are not able to dispose of the Properties or the Disposal Shares in accordance with the terms set forth above, the Company will seek the Shareholders' approval for a fresh mandate, for specific approval for the transaction pursuant to Rule 1014 of the Catalist Rules, as applicable.

LETTER TO SHAREHOLDERS

7. PROTECTION FOR SHAREHOLDERS

7.1 Minimum Disposal Price

In order to protect Shareholders' interests in respect of any disposal carried out under the Disposal Mandate, the Board will ensure that such transaction(s) carried out under the Disposal Mandate will be at a price (on an aggregate basis) which will represent a disposal of the Properties at or above the minimum Disposal Price, and is on the basis VFMO does not own or hold any other assets and liabilities (whether actual or contingent), save for the Properties.

7.2 Announcement of Disposals

The Company will also keep Shareholders informed of transactions conducted under the Disposal Mandate by doing the following:

- (a) if the transaction conducted under the Disposal Mandate exceeds 5% of any of the relative figures computed on the bases set out in Rule 1006 of the Catalist Rules, the Company will make an announcement setting out the information required under Rule 1010 of the Catalist Rules. Such transaction is a "discloseable transaction" as defined under Rule 1010 of the Catalist Rules;
- (b) the Company will make an immediate announcement of the transaction conducted under the Disposal Mandate in accordance with Rule 704(17)(a), Rule 704(18) and Rule 706A(1)(b) of the Catalist Rules, as may be applicable; and
- (c) upon the earlier of (i) the disposal of the Properties or Disposal Shares or (ii) upon the expiry of the Disposal Mandate, the Company will make an announcement of such a fact.

8. RELATIVE FIGURES COMPUTED PURSUANT TO RULE 1006 OF THE CATALIST RULES

Based on the unaudited consolidated financial statements of the Group for HY2020, the relative figures computed pursuant to Rule 1006 of the Catalist Rules in respect of the Proposed Disposal by way of (i) disposal of the Properties; and (ii) disposal of the Disposal Shares, are set out below:

Bases in Rule 1006	Size of Relative Figure	
	Disposal of the Properties	Disposal of the Disposal Shares
(a) Net asset value of the assets to be disposed of ⁽¹⁾ , as compared with the Group's net asset value as at 30 June 2020 of S\$2.47 million	751%	(146%)
(b) Net loss ⁽²⁾ attributable to the assets to be disposed of ⁽³⁾ , as compared with the Group's net loss ⁽²⁾ for HY2020 of S\$1.75 million	9%	9%
(c) Aggregate consideration ⁽⁴⁾ of S\$12.0 million, as compared with the Group's market capitalisation of S\$3.85 million ⁽⁵⁾	312%	312%

LETTER TO SHAREHOLDERS

Bases in Rule 1006	Size of Relative Figure	
	Disposal of the Properties	Disposal of the Disposal Shares
(d) Number of equity securities issued by the Company as consideration for the Proposed Disposal, compared with the number of equity securities previously in the issue	N.A. ⁽⁶⁾	N.A. ⁽⁶⁾
(e) Aggregate volume of proved and probable reserves to be disposed of compared with the Group's proved and probable reserves	N.A. ⁽⁷⁾	N.A. ⁽⁷⁾

Notes:

- (1) As at 30 June 2020, net asset value attributable to the Properties (on a Group level) amounted to S\$18.57 million, while net asset value attributable to the Disposal Shares (being the net asset value of VFMO) amounted to negative S\$3.60 million.
- (2) Net loss means loss including discontinued operations that have not been disposed and before income tax and non-controlling interests.
- (3) As VFMO is in the business of ownership and subletting of the Properties, for purpose of computing the relative figure under Rule 1006(b), the net loss attributable to the assets to be disposed of will be based on the net loss of VFMO. For HY2020, net loss of VFMO amounted to S\$0.16 million.
- (4) Assuming the aggregate consideration for the disposal of the Properties or the disposal of the Disposal Shares is the minimum Disposal Price.
- (5) The Company's market capitalisation is determined by multiplying the number of Shares in issue (being 1,098,719,574 Shares (excluding 7,961,500 treasury shares) by the volume weighted average price of S\$0.0035 per Share, based on the trades transacted on 6 June 2019 (being the last market day on which the Shares were traded preceding the date of the trading suspension of the Shares on 14 June 2019).
- (6) This is not applicable as the Proposed Disposal does not involve any issuance of consideration shares by the Company.
- (7) This is not applicable as the Company is not a mineral, oil and gas company.

9. FINANCIAL EFFECTS OF THE PROPOSED DISPOSAL

- 9.1 The *pro forma* financial effects of the Proposed Disposal are purely for illustrative purposes and are neither indicative of the actual financial effects of the Proposed Disposal on the LPS and net tangible liabilities of the Group, nor are they indicative of the actual financial performance or the financial position of the Group for FY2019, or the future financial performance or the financial position of the Group after the completion of the Proposed Disposal.

LETTER TO SHAREHOLDERS

- 9.2 The *pro forma* financial effects have been prepared based on the audited consolidated financial statements of the Group for FY2019, being the most recently completed financial year, and based on both scenarios, being (a) the Proposed Disposal is undertaken by way of disposal of the Properties ("**Scenario 1**"); and (b) the Proposed Disposal is undertaken by way of sale of the Disposal Shares ("**Scenario 2**"), and on the following key bases and assumptions:
- (a) for the purposes of illustrating the financial effects of the Proposed Disposal on the LPS of the Group, it is assumed that the Proposed Disposal had been completed on 1 January 2019;
 - (b) for the purposes of illustrating the financial effects on the net tangible liabilities per Share of the Group, it is assumed that the Proposed Disposal had been completed on 31 December 2019;
 - (c) for Scenario 2, all VFMO's liabilities (whether actual or contingent) and assets (save for the Properties) prior to Completion are assumed by the Group (excluding VFMO) at Completion;
 - (d) the Proposed Disposal takes place at the minimum Disposal Price of S\$12,000,000 and the proceeds of which are applied toward the release and discharge of all the liabilities and securities owing to Maybank by the Group as at 31 December 2019; and
 - (e) the transaction costs for the Proposed Disposal are disregarded for the purposes of the computation.

Net Tangible Liability

As at 31 December 2019	Before the Proposed Disposal	After the Proposed Disposal	
		Scenario 1	Scenario 2
Number of Shares (excluding treasury shares)	1,098,719,574	1,098,719,574	1,098,719,574
Net tangible liabilities (S\$'000)	(2,359)	(3,634)	(3,619)
Net tangible liabilities per Share (cents)	(0.21)	(0.33)	(0.33)

LPS

FY2019	Before the Proposed Disposal	After the Proposed Disposal	
		Scenario 1	Scenario 2
Weighted number of Shares (excluding treasury Shares)	1,098,719,574	1,098,719,574	1,098,719,574
Loss attributable to Shareholders (S\$'000)	(31,978)	(34,307)	(34,272)
LPS (cents)	(2.91)	(3.12)	(3.12)

LETTER TO SHAREHOLDERS

Loss on Disposal

Based on the minimum Disposal Price of S\$12.0 million (to be applied toward the release and discharge of all the liabilities owing by the Group to Maybank, being the mortgagee of the Properties), assuming the Proposed Disposal is completed on 31 December 2019 and the mortgages granted by VFMO on the Properties in favour of Maybank are discharged concurrently, the net deficit of the proceeds over the net book value of the Properties and the liabilities owing to Maybank, will be approximately S\$1.28 million and S\$1.26 million under Scenario 1 and Scenario 2, respectively. Accordingly, the loss on disposal will be equivalent to the above respective amounts for Scenario 1 and Scenario 2.

10. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

As at the Latest Practicable Date, the interests of the Directors and Substantial Shareholders in the Shares (excluding treasury Shares), based on the registers of Directors' interests in Shares and register of Substantial Shareholders' interests in Shares, respectively, are as follows:

	Direct Interest		Deemed Interest	
	Number of Shares	% ⁽¹⁾	Number of Shares	% ⁽¹⁾
Directors				
Andy Lim ⁽²⁾	243,643,120	22.18	29,400,000	2.68
Ng Yeau Chong	1,540,000	0.14	-	-
Lee Suan Hiang	3,570,000	0.32	-	-
Kelvin Tan Wee Peng	2,000,000	0.18	-	-
Cynthia Phua Siok Gek	-	-	-	-
Other Substantial Shareholders				
Viking Engineering Pte Ltd ⁽³⁾	85,989,200	7.83	-	-
Johansson Bo Robert ⁽⁴⁾	-	-	85,989,200	7.83
Sune Gustaf Sigvard Andersson ⁽⁴⁾	-	-	85,989,200	7.83
Tan Boy Tee ⁽⁵⁾	80,000,000	7.28	-	-

Notes:

- (1) Based on the issued share capital of the Company as at the Latest Practicable Date of 1,098,719,574 Shares (which excludes 7,961,500 Shares held in treasury).
- (2) Andy Lim has a direct interest in 243,643,120 Shares, of which 243,106,880 Shares are registered in his own name and 536,240 Shares are registered and held through United Overseas Bank Nominees. Andy Lim is further deemed interested in the 29,400,000 Shares held by Associated Leisure International Pte Ltd whereby he holds a 99% shareholding interest.
- (3) Viking Engineering Pte Ltd has a direct interest in 85,989,200 Shares which are registered and held through DBS Vickers Securities (Singapore) Pte Ltd.
- (4) Johansson Bo Robert and Sune Gustaf Sigvard Andersson are the substantial shareholders (50% each) of Viking Engineering Pte Ltd and are deemed interested in the 85,989,200 Shares held by Viking Engineering Pte Ltd..
- (5) Tan Boy Tee has a direct interest in 80,000,000 Shares which are registered and held through DBS Nominees Pte Ltd..

Save as disclosed above, none of the Directors or substantial shareholders of the Company has any interest, whether direct or indirect, in the Proposed Disposal save for their direct or indirect interests (if any) arising by way of their shareholdings and/or directorships, as the case may be, in the Company.

LETTER TO SHAREHOLDERS

11. SERVICE CONTRACTS

No person is proposed to be appointed as a Director in connection with the Proposed Disposal. Accordingly, no service contract is proposed to be entered into between the Company and any such person.

12. DIRECTORS' RECOMMENDATION

The Directors, having carefully considered, *inter alia*, the terms and rationale of the Proposed Disposal and the Disposal Mandate set out in Sections 5 to 7 of this Circular, are of the view that the Proposed Disposal (including the Disposal Mandate) is in the best interests of the Company and accordingly, recommend that Shareholders vote in favour of the Ordinary Resolution relating to the Proposed Disposal (including the Disposal Mandate) to be proposed at the EGM as set out in the Notice of EGM.

In giving the above recommendations, the Directors have not had regard to the specific investment objectives, financial situation, tax position or unique needs or constraints of any individual Shareholder. As different Shareholders would have different investment objectives and profiles, the Directors recommend that any individual Shareholder who may require specific advice in relation to his specific investment portfolio should consult his stockbroker, bank manager, solicitor, accountant, tax advisor or other professional advisers.

13. EXTRAORDINARY GENERAL MEETING

Date and time of EGM

The EGM, notice of which is set out on page N-1 of this Circular, will be held by way of electronic means on 30 October 2020 at 8.00 a.m. for the purpose of considering and, if thought fit, passing with or without any modification, the Ordinary Resolution as set out in the Notice of EGM.

No despatch of printed copies of the Circular, Notice of EGM and Proxy Form

In line with the provisions under the COVID-19 Order, no printed copies of this Circular, the Notice of EGM and the Proxy Form in respect of the EGM will be despatched to Shareholders.

Copies of this Circular, the Notice of EGM and the Proxy Form have been uploaded on SGXNET and are now also available on the Company's website at www.vikingom.com.

A Shareholder will need an Internet browser and PDF reader to view these documents on SGXNET and the Company's designated website.

Shareholders are advised to read this Circular carefully in order to decide whether they should vote in favour of or against the Ordinary Resolution as set out in the Notice of EGM.

LETTER TO SHAREHOLDERS

14. ACTION TO BE TAKEN BY SHAREHOLDERS

14.1 Registration to Attend the EGM remotely

Shareholders will be able to watch the proceedings of the EGM through a "live" webcast via their mobile phones, tablets or computers or listen to the EGM proceedings via "live" audio feed via telephone.

In order to do so, Shareholders must follow these steps:

- (a) Members and investors holding shares in the Company through the Central Provident Fund ("**CPF**") or Supplementary Retirement Scheme ("**SRS**") ("**CPF/SRS investors**") who wish to follow the proceedings through a "live" webcast via their mobile phones, tablets or computers or listen to the proceedings through a "live" audio feed via telephone must pre-register at <http://www.vikingom.com/egm20/egm.html> no later than **8.00 a.m. on 27 October 2020** ("**Registration Cut-Off Date**") (being 72 hours before the time fixed for the EGM).

Upon successful registration, authenticated members will receive an email confirmation by **29 October 2020** with a unique link to access the "live" webcast and telephone number for the "live" audio feed of the EGM proceedings on the date of the EGM.

Investors holding Shares through relevant intermediaries (as defined in Section 181 of the Companies Act) ("**Investors**") (other than CPF/SRS investors) will not be able to pre-register for the "live" broadcast of the EGM. An Investor (other than CPF/SRS investors) who wishes to participate in the "live" broadcast of the EGM should instead approach his/her relevant intermediary as soon as possible in order for the relevant intermediary to make the necessary arrangements to pre-register. The relevant intermediary is required to submit a consolidated list of participants (setting out in respect of each participant, his/her name, email address and NRIC/Passport number) to the Company's Share Registrar, M&C Services Private Limited, via email to gpb@mncsingapore.com no later than **8.00 a.m. on 27 October 2020**.

- (b) Members and CPF/SRS investors who do not receive any email by **10.00 a.m. on 29 October 2020** but who have registered by the Registration Cut-Off Date, should contact the Company's Share Registrar, M&C Services Private Limited, at the following email address: gpb@mncsingapore.com.

PHYSICAL ATTENDANCE OF THE EGM WILL NOT BE PERMITTED.

14.2 Prior submission of questions

Shareholders and Investors will not be able to ask questions "live" during the broadcast of the EGM. Shareholders may submit questions related to the Ordinary Resolution to be tabled for approval for the EGM in the following manner:

- (a) All questions must be submitted by **8.00 a.m. on 27 October 2020** (being 72 hours before the time fixed for the EGM):
- (i) via the pre-registration website at <http://www.vikingom.com/egm20/egm.html>;
 - (ii) by email to the Company at egm@vikingom.com; or
 - (iii) by post, the Company's Share Registrar, M&C Services Private Limited at 112 Robinson Road, #05-01, Singapore 068902.

LETTER TO SHAREHOLDERS

- (b) The Company will endeavour to address substantial and relevant questions relating to the Ordinary Resolution for approval at the EGM as received from Shareholders either (i) before the EGM on SGXNET and the Company's website at www.vikingom.com, or (ii) during the EGM.
- (c) The Company will, within one (1) month after the date of the EGM, publish the minutes of the EGM on SGXNET and the Company's website, and the minutes will include the responses to the questions referred to above.
- (d) Please note that Shareholders and Investors will not be able to ask questions at the EGM "live" during the webcast and the audio feed, and therefore it is important to pre-register their participation in order to be able to submit their questions in advance of the EGM.

14.3 Voting by Proxy

Shareholders will not be able to vote online on the resolutions to be tabled for approval at the EGM. Shareholders (whether individual or corporate) who wish to exercise their votes must submit a proxy form to appoint the Chairman of the EGM to vote on their behalf:

- (a) if in hard copy and sent personally or by post, the proxy form must be lodged at the Company's Share Registrar, M&C Services Private Limited at 112 Robinson Road, #05-01, Singapore 068902; or
- (b) if submitted electronically, the proxy form must be received at gpb@mncsingapore.com,

in either case, by **8.00 a.m. on 28 October 2020** (being 48 hours before the time fixed for the EGM).

Shareholders (whether individual or corporate) appointing the Chairman of the EGM as proxy must give specific instructions as to his manner of voting, or abstentions from voting, in the proxy form, failing which the appointment will be treated as invalid.

Investors (other than CPF Investors/SRS Investors) who wish to vote should approach his/her relevant intermediary as soon as possible to specify his/her voting instructions.

14.4 Depositor not member

A Depositor will not be regarded as a member of the Company entitled to attend the EGM and to speak and vote thereat unless he is shown to have Shares entered against his name in the Depository Register as certified by CDP to the Company at least 72 hours before the EGM.

15. INFORMATION RELATING TO CPF/SRS INVESTORS

CPF/SRS Investors who wish to vote at the EGM should approach their respective CPF Agent Banks or SRS Operators to submit their voting instructions at least seven Business Days before the date of the EGM and are advised to consult their respective CPF Agent Banks or SRS Operators should they require further information. If they are in any doubt as to the action they should take, CPF/SRS Investors should seek independent professional advice.

16. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm, after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Disposal, the Disposal Mandate, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading.

Where information in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Circular in its proper form and context.

17. CONSENT

The Independent Valuer has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its name and the valuation letter and all references thereto, in the form and context in which they are included in this Circular.

18. DOCUMENTS AVAILABLE FOR INSPECTION

Subject to prevailing regulations, orders, advisories and guidelines relating to safe distancing which may be issued by the relevant authorities, the following documents are available for inspection during normal business hours at the registered office of the Company at 21 Kian Teck Road, Singapore 628773, up to and including the date of the EGM:

- (a) the valuation report of the Independent Valuer dated 21 September 2020;
- (b) the written consent of the Independent Valuer;
- (c) the constitution of the Company;
- (d) the annual report of the Company for FY2019; and
- (e) the unaudited financial statements of the Group for HY2020.

The annual report of the Company for FY2019 and the unaudited financial statements of the Group for HY2020 may also be accessed via SGXNET.

Yours faithfully

For and on behalf of the Board of Directors of
VIKING OFFSHORE AND MARINE LIMITED

Ng Yeau Chong
Executive Director and Chief Executive Officer

**APPENDIX
VALUATION LETTER**



SRE GLOBAL PTE LTD
60 Paya Lebar Road
#12-29 Paya Lebar Square
Singapore 409051
Tel: +65 6221 8288
Fax: +65 6225 7537

UEN No. 198404370K

Our Ref: 2200466/AA/CSH

25 September 2020

Viking Facilities Management and Operations Pte Ltd
21 Kian Teck Road
Singapore 628773

Attention : Mr Ng Yeau Chong

Dear Sirs

VALUATION OF 21 & 23 KIAN TECK ROAD SINGAPORE 628773 & 628774 RESPECTIVELY

1.0 Instruction

We have been instructed by Viking Facilities Management and Operations Pte Ltd (the “client”) to conduct a valuation of the subject property located at 21 & 23 Kian Teck Road Singapore 628773 & 628774 respectively (collectively known as the “subject property”) for an intending sale.

2.0 Interests to be valued

Our instruction is to value the client’s unexpired leasehold interest in the subject property.

3.0 Basis of Value

The basis of value adopted in this valuation is Market Value.

Market Value is defined by the Singapore Institute of Surveyors and Valuers (SISV) as “the estimated amount for which a property should exchange on the valuation date between a willing buyer and a willing seller in an arm’s length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion”.

*Valuation of 21 & 23 Kian Teck Road Singapore 628773 & 628774
For Viking Facilities Management and Operations Pte Ltd*



4.0 Valuation Standards

Our opinion of the value is based on generally accepted valuation principles and practices that rely on the use of reasonable assumptions, and it is our independent assessment based on our professional judgement and experience, taking into consideration the general market, economic and relevant industry conditions prevailing at the material date.

Our valuation complies with the Valuation Standards and Guidelines by the Singapore Institute of Surveyors and Valuers (SISV) and the International Valuation Standards by International Valuation Standards Council (IVSC).

5.0 Inspection

We have inspected the subject property on 21 September 2020.

6.0 Material Date

The material date of valuation is 21 September 2020

7.0 Qualifications

We have relied upon material information supplied by the client, which we assume to be true and accurate. We take no responsibility for inaccurate data supplied by the manager and the subsequent conclusions related to such data.

The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, unbiased professional analyses, opinions and conclusions. We have no present or prospective interest in the subject property and are not a related corporation of nor do we have a relationship with other party/parties whom the client is contracting with in relation to the subject property. We confirm that there is no conflict of interest in our role as external valuers.

Our compensation is not contingent upon the reporting of a predetermined value or direction in value that favours the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.

In our valuation, we have not carried out any structural survey of the property that have been completed or any testing of services. We have assumed that there are no structural defects and that all building services are fully functional. We have also not carried out any investigations on the suitability of the site and ground conditions for the existing or any new development, nor have we undertaken any archaeological, ecological or environmental surveys. Our valuation is on the basis that these aspects are satisfactory.

**APPENDIX
VALUATION LETTER**

*Valuation of 21 & 23 Kian Teck Road Singapore 628773 & 628774
For Viking Facilities Management and Operations Pte Ltd*



We have prepared this valuation and specifically disclaim liability to any person in the event of any omission from or false or misleading statement included in the circular, other than in respect of the information provided within the valuation report. We do not make any warranty or representation as to the accuracy of the information in any part of the circular other than as expressly made or given in this valuation report.

We certify that the valuers undertaking this valuation are licensed appraisers and are suitably qualified with the relevant experience.

8.0 Brief Description of Subject Property

Type : The subject property comprises three single-storey JTC factory buildings each with a mezzanine level and a 5-storey industrial building with an approved temporary secondary workers' dormitory for 386 workers for 5 years commencing from 8 April 2019

Registered Proprietor : Viking Facilities Management & Operations Pte. Ltd.

Tenure : 60 years lease commencing on 1/2/1972. As at the date of this valuation the balance lease term is approximately 11.3 years.

Gross Floor Area : Approximately 18,049.62 square metres.

Legal Description & Site Area :

Address	Legal Description	Site Area (square metres)
21 Kian Teck Road	MK6-1392T	5072.5
23 Kian Teck Road	MK6-1027V	7,305.7
Total		12,378.2

Approved Use : For stockist of marine equipment & assembling / installing of parts.

Property Tax : Tax rate of 10% on an Annual Value of \$2,139,000/- for the year 2020.

Land Use Zoning (Master Plan 2019) : Business 2 with gross plot ratio of 2.5.

**APPENDIX
VALUATION LETTER**

*Valuation of 21 & 23 Kian Teck Road Singapore 628773 & 628774
For Viking Facilities Management and Operations Pte Ltd*



Age & Condition : The single-storey factory buildings with mezzanine levels are in an above-average state of repair and maintenance and the 5-storey industrial building is in a good state of repair and maintenance.

9.0 Valuation Premise

We have carried out our valuation of the subject property in its continued existing use without taking into account any redevelopment potential it may have.

10.0 Valuation Approach

We have adopted the Market approach and cross check with the Income approach to value the subject property.

The market value of the subject property is assessed having regard to recent transactions of similar properties around the vicinity and elsewhere. Appropriate adjustments have been made between the comparables and the subject property to reflect the differences in size, tenure, location, proximity to MRT stations, condition, prevailing market conditions and all other relevant factors affecting its value.

We have cross-checked the valuation with the Income Approach. In this approach, the current gross rental income from the subject property is estimated. Deductions are made for property tax, repair and maintenance, and land rent as well as for rental void period. The resultant net rental income is capitalized at an appropriate market capitalisation rate over the remaining lease term to derive the market value of the subject property.

11.0 Opinion of Value

Having considered all relevant factors, we are of the opinion that the Values of the subject property, free from all encumbrances, are as follows:

Market Value : S\$16,000,000/-
(Singapore Dollars Sixteen Million)

Forced Sale Value : S\$12,000,000/-
(Singapore Dollars Twelve Million)

**APPENDIX
VALUATION LETTER**

*Valuation of 21 & 23 Kian Teck Road Singapore 628773 & 628774
For Viking Facilities Management and Operations Pte Ltd*



We are pleased to be of service to you in this instance. Our invoice is also attached for your kind attention.

Yours faithfully
For and on behalf of
SRE Global Pte Ltd

A handwritten signature in black ink, appearing to read 'Shih Hian', written in a cursive style.

Chng Shih Hian
Senior Executive Director
Licensed Appraiser (Lands & Buildings)
MSISV, MRICS (Registered Valuer)

NOTICE OF EXTRAORDINARY GENERAL MEETING

VIKING OFFSHORE AND MARINE LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 199307300M)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting ("**EGM**") of the shareholders ("**Shareholders**") of Viking Offshore And Marine Limited ("**Company**") will be held by way of electronic means on 30 October 2020 at 8.00 a.m. for the purposes of considering and, if thought fit, passing (with or without modifications) the following resolution:

*Unless otherwise defined or the context otherwise requires, all capitalised terms herein shall bear the same meaning as used in the circular dated 15 October 2020 issued by the Company ("**Circular**").*

ORDINARY RESOLUTION – THE PROPOSED DISPOSAL OF THE PROPERTIES LOCATED AT 21 KIAN TECK ROAD SINGAPORE 628773 AND 23 KIAN TECK ROAD SINGAPORE 628774 (WHETHER BY WAY OF DISPOSAL OF THE ENTIRE ISSUED AND PAID-UP SHARE CAPITAL OF VIKING FACILITIES MANAGEMENT & OPERATIONS PTE. LTD. OR OTHERWISE)

THAT:

- (1) approval be and is hereby given, for the purposes of Chapter 10 of the Catalist Rules, for the Company to dispose of the Properties (whether by way of disposal of the entire issued and paid-up share capital of Viking Facilities Management & Operations Pte. Ltd. or otherwise), in accordance with the terms of the Disposal Mandate as described in the Circular ("**Proposed Disposal**"); and
- (2) the Directors and any of them be and are hereby authorised to do all acts and things (including without limitation, executing all such documents and approving any amendments, alterations, or modifications to any such documents as may be required in connection with the Proposed Disposal) as they or each of them deem desirable, necessary or expedient to give effect to the matters referred to in the above paragraph of this Ordinary Resolution as they or each of them may in their or each of their absolute discretion deem fit in the interests of the Group.

BY ORDER OF THE BOARD

Ng Yeau Chong
Executive Director and Chief Executive Officer

Singapore
15 October 2020

NOTICE OF EXTRAORDINARY GENERAL MEETING

Important Notice from the Company on COVID-19

As the COVID-19 situation continues to evolve, the Company is closely monitoring the situation, including any precautionary measures which may be required or recommended by government agencies to minimise the risk of community spread of COVID-19. **Shareholders should note that the Company may be required (including at short notice) to make further changes to its EGM arrangements as the situation evolves, and Shareholders are advised to keep abreast of any such changes as may be announced by the Company as may be made from time to time on SGXNET.**

Notes:

1. The EGM will be held by way of electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020.

Printed copies of this Notice of EGM will not be sent to members. Instead, this Notice of EGM will be sent to members by electronic means via publication on the Company's website at www.vikingom.com and the SGXNet.

2. **Registration to Attend the EGM remotely**

The proceedings of the AGM will be broadcasted "live" through an audio-and-video webcast and an audio-only feed.

Members and investors holding shares in the Company through the Central Provident Fund ("CPF") or Supplementary Retirement Scheme ("SRS") ("CPF/SRS investors") who wish to follow the proceedings through a "live" webcast via their mobile phones, tablets or computers or listen to the proceedings through a "live" audio feed via telephone must pre-register at <http://www.vikingom.com/egm20/egm.html> no later than **8.00 a.m. on 27 October 2020** ("**Registration Cut-Off Date**") (being 72 hours before the time fixed for the EGM).

Upon successful registration, authenticated members will receive an email confirmation by **29 October 2020** with a unique link to access the "live" webcast and telephone number for the "live" audio feed of the EGM proceedings on the date of the EGM.

Members and CPF/SRS investors who do not receive any email by **10.00 a.m. on 29 October 2020** but who have registered by the Registration Cut-Off Date, should contact the Company's Share Registrar, M&C Services Private Limited, at the following email address: gpb@mncsingapore.com.

Investors holding Shares through relevant intermediaries (as defined in Section 181 of the Companies Act) ("**Investors**") (other than CPF/SRS investors) will not be able to pre-register for the "live" broadcast of the EGM. An Investor (other than CPF/SRS investors) who wishes to participate in the "live" broadcast of the EGM should instead approach his/her relevant intermediary as soon as possible in order for the relevant intermediary to make the necessary arrangements to pre-register. The relevant intermediary is required to submit a consolidated list of participants (setting out in respect of each participant, his/her name, email address and NRIC/Passport number) to the Company's Share Registrar, M&C Services Private Limited, via email to gpb@mncsingapore.com no later than **8.00 a.m. on 27 October 2020**.

PHYSICAL ATTENDANCE OF THE EGM WILL NOT BE PERMITTED.

3. **Prior submission of questions**

Members and Investors will not be able to ask questions "live" during the broadcast of the EGM. All members and Investors may submit questions relating to the business of the EGM no later than **8.00 a.m. on 30 October 2020** (being 72 hours before the time fixed for the EGM):

- (a) via the pre-registration website at <http://www.vikingom.com/egm20/egm.html>; or
- (b) by email to the Company at egm@vikingom.com; or

NOTICE OF EXTRAORDINARY GENERAL MEETING

- (c) by post to the Company's Share Registrar, M&C Services Private Limited at 112 Robinson Road, #05-01, Singapore 068902.

The Company will endeavour to address substantial and relevant questions relating to the Ordinary Resolution for approval at the EGM as received from Shareholders either (i) before the EGM on SGXNET and the Company's website at www.vikingom.com, or (ii) during the EGM.

4. Voting by Proxy

Shareholders (whether individual or corporate) who wish to exercise their votes must submit a proxy form to appoint the Chairman of the EGM to vote on his/her/its behalf:

- (a) if in hard copy and sent personally or by post, the proxy form must be lodged at the Company's Share Registrar, M&C Services Private Limited at 112 Robinson Road, #05-01, Singapore 068902; or
- (b) if by email, the proxy form must be received at gpb@mncsingapore.com,

in either case, by **8.00 a.m. on 28 October 2020** (being 48 hours before the time fixed for the EGM).

A member who wishes to submit the proxy form must first download, complete and sign the proxy form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

The Chairman of the EGM, as proxy, need not be a member of the Company.

The instrument appointing the Chairman of the EGM as proxy must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing the Chairman of the EGM as proxy is executed by a corporation, it must be executed either under its seal, executed as a deed in accordance with the Companies Act (Chapter 50) of Singapore or under the hand of an attorney or an officer duly authorised, or in some other manner approved by the Directors. Where the instrument appointing the Chairman of the EGM as proxy is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument of proxy.

The Company shall be entitled to reject the instrument appointing the Chairman of the EGM as proxy if it is incomplete, improperly completed or illegible, or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing the Chairman of the EGM as proxy.

In the case of members of the Company whose Shares are entered against their names in the Depository Register, the Company may reject any proxy form lodged if such members are not shown to have Shares entered against their names in the Depository Register (as defined in Part IIIAA of the Securities and Futures Act, Chapter 289 of Singapore), as at 72 hours before the time appointed for holding the EGM as certified by The Central Depository (Pte) Limited to the Company.

The proxy form is not valid for use by Investors and shall be ineffective for all intents and purposes if used or purported to be used by them. An Investor who wishes to vote should instead approach his/her relevant intermediary as soon as possible to specify his/her voting instructions. CPF/SRS investor who wishes to vote should approach his/her CPF Agent Banks or SRS Operator at least 7 working days before the date of the EGM to submit his/her voting instructions. This is so as to allow sufficient time for the respective relevant intermediaries to in turn submit a proxy form to appoint the Chairman of the EGM to vote on their behalf by 8.00 a.m. on 28 October 2020.

Please refer to Sections 13 and 14 of the Circular for more details on how members may attend and participate in the EGM.

PERSONAL DATA PRIVACY

By (a) submitting an instrument appointing the Chairman of the EGM as proxy to attend, speak and vote at the EGM and/or any adjournment thereof, or (b) submitting details for the registration to watch the "live" webcast or listen to the "live" audio feed of the proceedings of the EGM, or (c) submitting any question prior to the EGM in

NOTICE OF EXTRAORDINARY GENERAL MEETING

accordance with this Notice of EGM, a member of the Company consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the following purposes:

- (i) processing and administration by the Company (or its agents or service providers) of proxy forms appointing the Chairman of the EGM as proxy for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the EGM (including any adjournment thereof);
- (ii) processing of the registration for purpose of granting access to members of the Company (or their corporate representatives in the case of members of the Company which are legal entities) to watch the "live" webcast or listen to the "live" audio feed of the proceedings of the EGM and providing them with any technical assistance where necessary;
- (iii) addressing relevant and substantial questions from members of the Company received before the EGM and if necessary, following up with the relevant members of the Company in relation to such questions; and
- (iv) enabling the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines by the relevant authorities.

Photographic, sound and/or video recordings of the EGM may be made by the Company for record keeping and to ensure the accuracy of the minutes prepared of the EGM. Accordingly, the personal data of a member of the Company (such as his name, his presence at the EGM and any questions he may raise or motions he propose/second) may be recorded by the Company for such purpose.

This notice has been prepared by 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 notice has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this notice, including the correctness of any of the statements or opinions made or reports contained in this notice.

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.

PROXY FORM

VIKING OFFSHORE AND MARINE LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No. 199307300M)

EXTRAORDINARY GENERAL MEETING PROXY FORM

(Please see notes overleaf before completing this form)

IMPORTANT:

1. The EGM will be held by way of electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. Printed copies of the Notice of EGM and this Proxy Form will not be sent to members. Instead, the Notice of EGM and this Proxy Form will be sent to members by electronic means via publication on the Company's website at www.vikingom.com and the SGXNET.
2. Alternative arrangements relating to attendance at the EGM by way of electronic means (including arrangements by which the EGM can be electronically accessed via "live" audio-and-video webcast or "live" audio-only stream), submission of questions to the Chairman of the Meeting in advance of the EGM, addressing of substantial and relevant questions at the EGM and voting by appointing the Chairman of the Meeting as proxy at the EGM, are set out in the Notice of EGM.
3. Due to the current COVID-19 restriction orders in Singapore, a member will not be able to attend the EGM in person. A member will also not be able to vote online on the resolutions to be tabled for approval at the EGM. A member (whether individual or corporate) who wishes to exercise his/her/its vote must appoint the Chairman of the Meeting as his/her/its proxy to attend, speak and vote on his/her/its behalf at the EGM if such member wishes to exercise his/her/its voting rights at the EGM. In appointing the Chairman of the Meeting as proxy, a member must give specific instructions as to voting, or abstentions from voting, in the proxy form, failing which the appointment will be treated as invalid.
4. This proxy form is not valid for use by investors holding shares in the Company ("Shares") through relevant intermediaries (as defined in Section 181 of the Companies Act (Chapter 50 of Singapore)) ("Investors") (including investors holding through CPF Investment Scheme ("CPFIS") ("CPF Investors" or Supplementary Retirement Scheme ("SRS") ("SRS investors")) and shall be ineffective for all intents and purposes if used or purported to be used by them. An Investor who wishes to vote should instead approach his/her relevant intermediary as soon as possible to specify voting instructions. A CPF/SRS investor who wishes to vote should approach his/her CPF Agent Banks or SRS Operator at least 7 working days before the date of the EGM to submit his/her vote.
5. **Personal Data Privacy:** By submitting this proxy form, a member of the Company accepts and agrees to the personal data terms set out in the Notice of EGM dated 15 October 2020.
6. Please read the notes overleaf which contain instructions on, inter alia, the appointment of the Chairman of the Meeting as a member's proxy to attend, speak and vote on his/her/its behalf at the EGM.

I/We _____ (Name) _____ (NRIC/Passport Number)

of _____ (Address)

being a *member/members of **VIKING OFFSHORE AND MARINE LIMITED** ("**Company**") hereby appoint the Chairman of the Extraordinary General Meeting ("**Meeting**") as *my/our proxy to attend, speak and vote for *me/us on *my/our behalf at the Meeting of the Company to be held by way of electronic means on 30 October 2020 at 8.00 a.m. and at any adjournment thereof. *I/We direct the Chairman of the Meeting as *my/our proxy to vote for, against and/or abstain from voting on the resolution proposed at the Meeting as indicated hereunder. If no specific direction as to voting is given, the appointment of the Chairman of the Meeting as your proxy for the resolution will be treated as invalid.

Voting will be conducted by poll.

No.	Resolution	¹ No. of Votes For	¹ No. of Votes Against	¹ No. of Votes Abstaining
1.	To approve the Disposal Mandate (Ordinary Resolution)			

¹ If you wish the Chairman of the Meeting as your proxy to exercise all your votes "For" or "Against" the resolution, please tick (✓) within the relevant box provided. Alternatively, if you wish to exercise some and not all of your votes "For" and "Against" the resolution and/or if you wish to abstain from voting in respect of the resolution, please indicate the number of votes "For", the number "Against" and/or the number "Abstaining" in the boxes provided for the resolution.

Dated this _____ day of _____ 2020

Total number of Shares in:	No. of Shares
(a) CDP Register	
(b) Register of Members	

Signature of Shareholder(s) or,
Common Seal of Corporate Shareholder

* Delete where inapplicable

PROXY FORM

Notes:

1. Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act, Chapter 289) of Singapore, you should insert that number. If you have shares registered in your name in the Register of Members of the Company, you should insert that number. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number. If no number is inserted, this form of proxy will be deemed to relate to all the shares held by you (in both the Register of Members and the Depository Register).
2. Due to the current COVID-19 restriction orders in Singapore, a member will not be able to attend the EGM in person. A member will also not be able to vote online on the resolution to be tabled for approval at the EGM. A member (whether individual or corporate) must appoint the Chairman of the Meeting as his/her/its proxy to attend, speak and vote on his/her/its behalf at the EGM if such member wishes to exercise his/her/its voting rights at the EGM. This proxy form may be accessed at the Company's website at www.vikingom.com and the SGXNET. Where a member (whether individual or corporate) appoints the Chairman of the Meeting as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the proxy form, failing which the appointment of the Chairman of the Meeting as proxy for that resolution will be treated as invalid.
3. This proxy form is not valid for use by Investors and shall be ineffective for all intents and purposes if used or purported to be used by them. An Investor who wishes to vote should instead approach his/her relevant intermediary as soon as possible to specify his/her voting instructions. A CPF/SRS investor who wishes to vote should approach his/her CPF Agent Banks or SRS Operator at least 7 working days before the date of the EGM to submit his/her vote.
4. The proxy form must be submitted to the Company in the following manner:
 - (a) if submitted by post, be lodged with the Company's Share Registrar, M&C Services Private Limited, at 112 Robinson Road, #05-01, Singapore 068902; or
 - (b) if submitted electronically, be submitted via email to gpb@mncsingapore.com,in either case, by **8.00 a.m. on 28 October 2020** (being not less than 48 hours before the time fixed for the EGM).

A member who wishes to submit the proxy form must first download, complete and sign the proxy form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.
5. The Chairman of the Meeting, as proxy, need not be a member of the Company.
6. The instrument appointing the Chairman of the Meeting must be under the hand of the appointor or his attorney duly authorised in writing. Where the instrument appointing the Chairman of the Meeting is executed by a corporation, it must be executed under its common seal or under the hand of its attorney or a duly authorised officer.
7. Where an instrument appointing the Chairman of the Meeting is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.
8. The Company shall be entitled to reject an instrument of proxy which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the instrument of proxy. In addition, in the case of shares entered in the Depository Register, the Company may reject an instrument of proxy if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the EGM, as certified by The Central Depository (Pte) Limited to the Company. A Depositor shall not be regarded as a member of the Company entitled to attend the EGM and to vote thereat unless his name appears on the Depository Register 72 hours before the time appointed for the EGM.
9. The Circular, this Notice of EGM and the Proxy Form have been made available on SGXNet and the Company's website at www.vikingom.com.

Personal Data Privacy:

By submitting an instrument appointing the Chairman of the Meeting, the member accepts and agrees to the personal data privacy terms set out in the Notice of Extraordinary General Meeting dated 15 October 2020.