

VIKING OFFSHORE AND MARINE LIMITED

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

MORATORIUM PURSUANT TO SECTIONS 211B AND 211C OF THE COMPANIES ACT (CAP. 50) AND TRADING SUSPENSION

1. INTRODUCTION

The Board of Directors (the “**Board**”) of Viking Offshore & Marine Ltd (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to the Company’s announcement on 11 June 2019 in respect of the request for a trading halt of the Company’s securities listed on Catalist Board of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”).

Further to the above announcement, the Company wishes to announce that it has on 13 June 2019 made an application to the High Court of the Republic of Singapore to commence a court-supervised process to reorganise its liabilities and to seek a moratorium against enforcement actions and legal proceedings by creditors against the Company pursuant to section 211B of the Companies Act (Cap. 50). Further, its subsidiary Viking Asset Management Pte Ltd (“**VAM**”) has also made an application to the High Court of the Republic of Singapore to seek a moratorium against enforcement actions and legal proceedings by creditors pursuant to section 211C of the Companies Act (Cap. 50).

2. MORATORIUM APPLICATION

The Company and VAM are seeking in their respective applications, amongst other things, an order that for a period of six (6) months from the date of the Application, or until further order:

- (a) no resolution shall be passed for a winding up of the Company or VAM;
- (b) no proceedings whether before a court, arbitral tribunal or administrative agency, and whether current, pending or threatened against the Company and/or VAM, shall be commenced or continued against the Company and/or VAM, except with the leave of the Court and subject to such terms as the Court may impose;
- (c) no appointment of a receiver or manager over any property or undertaking of the Company and/or VAM shall be made;
- (d) no execution, distress or other legal process shall be commenced, continued or levied against any property of the Company and/or VAM;
- (e) no step to enforce any security over any property of the Company and/or VAM, or to repossess any goods held by the Company and/or VAM under any chattels leasing agreement, hire purchase agreement or retention of title agreement shall be taken; and
- (f) no right of re-entry or forfeiture under any lease in respect of any premises occupied by the Company and/or VAM shall be enforced, including any enforcement that may be taken pursuant to sections 18 or 18A of the Conveyancing and Law of Property Act (Cap. 61), except with the leave of the Court and subject to such terms as the Court may impose.

For a period of 30 days from 13 June 2019 (or until the date on which the said application is decided by the Court, whichever is the earlier), an automatic moratorium arises in respect of the Company pursuant to Section 211B(8) of the Companies Act.

The Company and VAM have engaged Rajah & Tann Singapore LLP as legal advisor and DHC Capital Pte Ltd as their independent financial advisor. As part of the reorganisation process, the Company and VAM will work closely with their advisors, creditors and stakeholders to achieve the best possible outcome for all interested parties.

3. TRADING SUSPENSION

The Company would like to highlight the following:

- (a) As stated in the Company's audited financial statements for the financial year ended 31 December 2018 ("**FY2018**") released on SGXNET today, the Company was in a net negative current asset position with net current liabilities of S\$11,076,941 as of 31 December 2018;
- (b) As stated in the Company's First Quarter Financial Statement and Dividend Announcement for the Three Month Financial Period Ended 31 March 2019 ("**1Q2019**"), the Company reported losses of approximately S\$1.6 million in 1Q 2019; and
- (c) The Independent Auditor's Report for FY2018 is a qualified one with a disclaimer of opinion by the Company's independent auditors, Ernst & Young LLP ("**EY**"), where EY has stated, *inter alia*, that "we have not been able to obtain sufficient audit evidence to satisfy ourselves as to the appropriateness of the use of the going concern assumption in the preparation of the financial statements." Please refer to the Company's separate announcement released on SGXNET today in relation to the disclaimer of opinion for more information.

In view of the aforesaid, the Board has recommended that it is in the best interests of the Company that the trading halt on the Company's shares will be converted into a trading suspension with immediate effect to allow and enable the Company to use the time provided to it by the moratorium to seek a restructuring of its liabilities and to seek potential investment. A trading suspension will ensure that no person is trading in the shares of the Company without sufficient information that is required to enable such a person to make an informed decision. Further announcements will be made by the Company as and when there are any material developments.

Shareholders and potential investors of the Company should note that under Catalist Rule 1304, the Company must:

- (a) submit a proposal (or proposals) through its Sponsor to the SGX-ST with a view to resuming trading in its securities within 12 months of the date of suspension. If no such resumption proposals are received to enable trading to resume within 12 months of the date of suspension, the SGX-ST may remove the Company from the Official List of the SGX-ST; and
- (b) implement the resumption proposals within 6 months from the date the SGX-ST indicates that it has no objection to the resumption proposals. If the resumption proposals have not been implemented within the 6 months, the SGX-ST may remove the Company from the Official List. The Company is expected to provide monthly valuation of its assets and utilisation of cash and updates of milestones in completing the relevant transactions to the market via SGXNET.

4. CAUTIONARY STATEMENT

Shareholders and potential investors of the Company are advised to read this announcement and any further announcements by the Company carefully. Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company. Shareholders and potential investors who are in doubt as to the action they should take should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers.

BY ORDER OF THE BOARD

Viking Offshore & Marine Limited

Ng Yeau Chong
Executive Director and Chief Executive Officer

13 June 2019

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, CIMB Bank Berhad, Singapore Branch (the "**Sponsor**") in accordance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") Listing Manual Section B: Rules of Catalyst.*

The announcement has not been examined or approved by the SGX-ST. The SGX-ST assume 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 Mr Ken Lee, Associate Director, Investment Banking. The contact particulars are 50 Raffles Place, #09-01 Singapore Land Tower, Singapore 048623; telephone: (65) 6337 5115.