

CH OFFSHORE LTD.
(UEN No. 197600666D)
(Incorporated in the Republic of Singapore)

ARBITRATION BETWEEN CH OFFSHORE LTD. AND (1) INTERNAVES CONSORCIO NAVIERO S.A., (2) MARITIMA ALTAIR PETROMAR S.A., AND (3) LAMAT OFFSHORE MARINE INC.
– SETTLEMENT

The Board of Directors of CH OFFSHORE LTD. (the "**Company**", together with its subsidiaries, the "**Group**") refers to its announcements dated 23 August 2019, 16 December 2019, 2 July 2020 and 28 July 2020 relating to the arbitration proceedings brought by 3 ship brokers (the "**Claimants**") against the Company for unpaid brokers' commissions and damages amounting to US\$3,736,289 (the "**Claim Amount**").

The Company wishes to announce that parties have agreed to a full and final settlement of all claims brought by the Claimants against the Company (the "**Settlement**") under the arbitration proceedings for the settlement amount of US\$5,250,000 ("**Settlement Amount**"), upon due payment of which, the Claimants shall fully and irrevocably discharge, waive and release the Company from all and any such claims. The Settlement Amount took into account the value of the unpaid brokers' commissions plus interest accrued thereon, as well as legal and other recoverable costs incurred by the Claimants relating to the arbitration proceedings which the Company has agreed to bear.

As stated in its previous announcements, the Company had already made a provision for brokers' commission in its financial statements for the year ended 31 December 2019 in view of the arbitral award. As such provision substantially covers the Settlement Amount, the financial impact of the Settlement on the Group for the current financial year ending 31 December 2020 will be incremental. **For illustrative purposes only**, based on the unaudited consolidated financial statements of the Group for the half year ended 30 June 2020 ("**1H2020**") and assuming the Settlement payment was made on 30 June 2020, the financial effects of the Settlement¹ are shown below:

	1H2020 (unaudited, as at 30 June 2020)	
	Before the Settlement	After the Settlement
Net asset value per share (US cents)	10.60	10.56
Earnings per share (US cents)	(0.21)	(0.24)

By Order of the Board
Lim Mee Fun
Company Secretary
24 August 2020

¹ The financial effects are prepared based on historical financial data for 1H2020 and based on 704,892,514 ordinary shares in issue (excluding treasury shares). The financial effects shown above are purely for illustrative purposes only and should not to be taken as indicative of the actual or future financial position of the Group following the Settlement.