

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

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**ENTRY INTO TERM SHEET IN RELATION TO A PROPOSED PLACEMENT OF SHARES**

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**1. INTRODUCTION**

- 1.1 The board of directors ("**Board**" or "**Directors**") of Viking Offshore and Marine Limited ("**Company**", and together with the subsidiaries of the Company, "**Group**") wishes to announce that the Company had on 13 January 2021 entered into a binding conditional term sheet dated and taken effect on 12 January 2021 ("**Term Sheet**") with Blue Ocean Capital Partners Pte. Ltd. ("**Investor 1**") and Mr. Ng Yeau Chong ("**Investor 2**", and together with Investor 1, "**Investors**"), in relation to a proposed placement of shares in the Company ("**Shares**") ("**Proposed Placement**").
- 1.2 Investor 1 and Investor 2 will subscribe for such number of new Shares ("**Placement Shares**") equivalent to 80.475% and 6.525% respectively, of the enlarged issued Shares (after taking into account new Shares to be issued to creditors of the Group ("**Creditors' Shares**") as part of a proposed creditors scheme of arrangement to be finalised in due course ("**Proposed Creditors Scheme**")), for a cash consideration of S\$1,850,000 and S\$150,000, respectively ("**Placement Consideration**").
- 1.3 The issue price of the Placement Shares ("**Placement Price**") will be derived based on the relevant Placement Consideration divided by the number of relevant Placement Shares, for each of the Investors. The issue price of the Creditors' Shares will be determined pursuant to the Proposed Creditors Scheme which will be finalised in due course. Accordingly, the Placement Price will not be the same as the issue price of the Creditors' Shares. The Placement Price and the number of Placement Shares cannot be determined at the point when the Proposed Creditors Scheme is finalised and announced. Such details can only be determined after the issue price and the number of Creditors' Shares have been determined, after, among others, (a) the creditors of the Group file their respective proof of debts after the launch of the Proposed Creditors Scheme; and (b) the completion of the adjudication process for the aforesaid proof of debts received by the Group. Based on the Company's indicative timeline of the Proposed Creditors Scheme and the Proposed Placement, the Company envisages that it would be able to determine and announce the Placement Price and the number of Placement Shares prior to the issuance of the circular to shareholders of the Company in relation to, *inter alia*, the Proposed Placement and the Proposed Creditors Scheme.
- 1.4 In connection with the Proposed Placement, Investor 1 and Investor 2 will also extend an interest-free loan of S\$925,000 and S\$75,000 to the Company respectively ("**Loans**", and together with the Proposed Placement, "**Proposed Transactions**"), which shall be repayable on the date falling 12 months (subject to extension based on mutual agreement) after the date of disbursement of such amounts under the Loans. The Loans will be secured by a mortgage over the assets of the Company.
- 1.5 The Term Sheet sets out broadly the salient terms and conditions in respect of the Proposed Placement and the Loans which will form the basis of a definitive share subscription agreement, loan agreement and security agreement to be signed between the Company and the Investors in relation to the Proposed Transactions by no later than 1 February 2021 ("**Definitive Agreements**"). Further details of the Proposed Transactions will be announced upon the execution of the respective Definitive Agreements.
- 1.6 The Term Sheet provides for an exclusivity period of 14 days commencing from 12 January 2021, being the effective date of the Term Sheet, for the parties to negotiate and finalise the terms of the Definitive Agreements.

## 2. INFORMATION ON THE INVESTORS

### 2.1 Investor 1

Investor 1, a private company limited by shares incorporated in Singapore, is engaged in the business of corporate consultancy, in particular client engagement on mergers, acquisitions, joint ventures and corporate restructuring.

The executive director and sole shareholder of Investor 1, Mr. Daniel Lin Wei, is the son of Mr. Andy Lim (the Executive Chairman and Director of the Company). As at the date of this announcement, Mr. Daniel Lin Wei holds 840,000 Shares and 120,000 warrants in the Company. Save for the foregoing, as at the date of this announcement, none of the directors of Investor 1 (i) holds, directly or indirectly, any Shares; and (ii) is related to the Directors or substantial shareholders of the Company and their respective associates.

On the basis of the foregoing, Mr. Daniel Lin Wei is an “interested person” of the Company for the purposes of Chapter 9 of Singapore Exchange Securities Trading Limited (“SGX-ST”) Listing Manual Section B: Rules of Catalist (“Catalist Rules”). Accordingly, the proposed issuance and allotment of Placement Shares to Investor 1 and the Loan to be extended to the Company by Investor 1 will constitute interested person transactions pursuant to Chapter 9 of the Catalist Rules.

### 2.2 Investor 2

Investor 2 is the Executive Director and Chief Executive Officer of the Company. As at the date of this announcement, Investor 2 holds 1,540,000 Shares and 220,000 warrants in the Company.

On the basis of the foregoing, Investor 2 is an “interested person” of the Company for the purposes of Chapter 9 of Catalist Rules. Accordingly, the proposed issuance and allotment of Placement Shares to Investor 2 and the Loan to be extended to the Company by Investor 2 will constitute interested person transactions pursuant to Chapter 9 of the Catalist Rules.

## 3. RATIONALE FOR THE PROPOSED TRANSACTIONS AND USE OF PROCEEDS

3.1 The Company is currently undergoing a court-supervised process to reorganise its liabilities and has been granted moratoria against enforcement actions and legal proceedings by creditors against the Company and its wholly-owned subsidiary, Viking Asset Management Pte. Ltd. (“VAM”) pursuant to Sections 211B and 211C of the Companies Act (Chapter 50) of Singapore (“Companies Act”), respectively. Trading of the Shares on the SGX-ST has been suspended since 14 June 2019.

3.2 The Proposed Transactions will provide funds to the Company to facilitate the restructuring of its debts and liabilities as part of the Proposed Creditors Scheme.

3.3 Completion of the Proposed Transactions is envisaged to take place concurrently with completion of the Proposed Creditors Scheme.

The gross proceeds of the Proposed Transactions is S\$3.0 million (“Transaction Proceeds”). Pursuant to the Term Sheet, the Company is to use the Transaction Proceeds for the repayment of debts owed to eligible creditors of the Company under the Proposed Creditors Scheme.

## 4. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

Save as disclosed in this announcement, none of the Directors or substantial shareholders of the Company and their respective associates has any interest, direct or indirect, in the Proposed Transactions 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.

## 5. FURTHER ANNOUNCEMENTS ON THE PROPOSED TRANSACTIONS

The Company will make the relevant update announcements on the Proposed Transactions, including but not limited to, requisite information in compliance with the Catalist Rules if and when the Definitive

Agreements are entered into. The proposed issuance and allotment of the Placement Shares to the Investors and the disbursement of the Loans, which constitute interested person transactions pursuant to Chapter 9 of the Catalist Rules, as well as new Shares to be issued and allotted as part of the Proposed Creditors Scheme will be subject to specific approval of shareholders of the Company ("**Shareholders**") at an extraordinary general meeting to be convened.

## **6. RESPONSIBILITY STATEMENT**

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

## **7. CAUTIONARY STATEMENT**

The Board would like to emphasise that there is no certainty or assurance that the Definitive Agreements will be entered into or the Proposed Transactions or Proposed Creditors Scheme will be consummated or completed. Shareholders and potential investors are advised to read this announcement and any further announcements by the Company carefully, and should consult their stockbrokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take.

### **ON BEHALF OF THE BOARD**

Viking Offshore and Marine Limited

Ng Yeau Chong  
Executive Director and Chief Executive Officer

14 January 2021

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*This announcement 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 Catalist.*

*This announcement has not been examined or approved 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 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.*