

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

RESPONSE TO QUERIES FROM SINGAPORE EXCHANGE REGULATION PTE LTD

The Board of Directors (the “**Board**”) of Viking Offshore and Marine Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to the Company’s announcement dated 19 November 2021 titled “**MANDATORY UNCONDITIONAL CASH OFFER BY UOB KAY HIAN PRIVATE LIMITED FOR AND ON BEHALF OF MR. TOH KOK SOON, SYNERGY SUPPLY CHAIN MANAGEMENT SDN. BHD., IRELIA MANAGEMENT SDN. BHD., TRISTAN MANAGEMENT SDN. BHD. AND SUBTLEWAY MANAGEMENT SDN. BHD. FOR ALL THE ISSUED AND PAID-UP ORDINARY SHARES IN THE CAPITAL OF VIKING OFFSHORE AND MARINE LIMITED**” in respect of the mandatory unconditional cash offer announcement released on 18 November 2021.

In this regard, the Board wishes to respond to the following queries raised by the Singapore Exchange Regulation Pte Ltd (“**SGX**”) on 19 November 2021 (the “**SGX Queries**” and each an “**SGX Query**”) as follows:

SGX Query 1

*We refer to the announcement by Viking Offshore and Marine Limited (“**Viking**” or the “**Company**”) on 18 Nov 2021, in relation to a mandatory unconditional cash offer by 5 Joint Offerors (the “**Offer**”). The Offer was triggered by the sale of shareholdings of Blue Ocean Capital Partners Pte. Ltd. (“**Blue Ocean**”) and Mr. Ng Yeau Chong (“**Mr Ng**”) to the Joint Offerors (the “**Sale**”).*

Mr Ng is the Executive Director cum CEO of the Company. Blue Ocean is an entity owned by Mr Daniel Lin Wei, 0.1% shareholder of the Company and son of Mr Andy Lim (Chairman and ED), who is in turn the cousin of Mr Ng’s spouse.

The Company resumed trading resumption on 23 August 2021 after completing a scheme of arrangement. In July 2021, the Company completed a placement to Blue Ocean and Mr Ng, which raised total proceeds of S\$3m which was utilised to pay the Scheme Creditors.

- a. *Please provide rationale for Blue Ocean and Mr Ng to agree to the Sale.*
- b. *How was the sale price of S\$0.01 per share arrived at, having considered that the last traded price on 18 Nov 2021 was S\$0.086?*

Company’s Response

- a. The Company has reached out to Mr Ng and Blue Ocean, and has been informed by them that they had received an offer from interested buyers for their shares in the Company. After considering their personal circumstances, they were of the view that it was an opportune time for the Sale of their shares and had proceeded with the Sale accordingly.
- b. The sale price of S\$0.01 per share was negotiated among the parties at arm’s length on a willing buyer and willing seller basis. The Company understands from Mr Ng and Blue Ocean that the parties had considered, among others, that (i) based on the Company’s latest unaudited financial statements for the three months and nine months ended 30 September 2021 as announced on 12 November 2021, the Group recorded net asset value of approximately S\$2.65 million and net asset value per share of S\$0.0048 as at 30 September 2021, and the sale price of S\$0.01 per share implied a premium to the latest net asset value per share of the Group of S\$0.0048 as at 30 September 2021; and (ii) the cost price per share of the shares for both Blue Ocean and Mr Ng was below the sale price of S\$0.01 per share (please refer to the Company’s circular to shareholders dated 15 June 2021).

SGX Query 2

As part of Company's trading resumption proposal, the Company prepared a cash flow forecast of the Group for the financial period from 1 April 2021 to 31 July 2022 ("**Cash Flow Forecast**"). As announced by the Company on 31 July 2021, (i) the Company's auditors examined the evidence supporting the assumptions used in the Cash Flow Forecast and confirmed to the Board that nothing has come to its attention which causes it to believe that these assumptions do not provide a reasonable basis for the Cash Flow Forecast, and (ii) the Board took into account, among others, the Cash Flow Forecast and confirmed that the working capital available to the Group as at 31 July 2021 is sufficient for its present requirements and for at least 12 months after the date of resumption of trading of the Company's shares on the SGX-ST.

- a. *In view of the Sale by Blue Ocean, are the assumptions used in the preparation of the Cash Flow Forecast still valid?*
- b. *Will the Company be able to generate positive cash flow and operate as a going concern for the next 12 months? Please provide the Board's assessment with bases to support its views.*

Company's Response

- a. Notwithstanding the Sale by Blue Ocean, key assumptions used in the preparation of the Cash Flow Forecast have not changed materially and are still valid as at the date of this announcement, barring any unforeseen circumstances and assuming no material changes to the operations and business of the Group by the Joint Offerors after completion of the Offer.
- b. Barring any unforeseen circumstances and assuming no material changes to the operations and business of the Group by the Joint Offerors after completion of the Offer, the Board is of the view that the Company will be able to generate sufficient cash flow and operate as a going concern throughout the period of the Cash Flow Forecast on the basis that key assumptions used in the preparation of the Cash Flow Forecast have not changed materially and are still valid as at the date of this announcement.

SGX Query 3

How did Blue Ocean and Mr Ng get to know the Joint Offerors? When did Blue Ocean and Mr Ng commence negotiations with the Joint Offerors on the Sale and Offer?

Company's Response

The Company has been informed by Blue Ocean and Mr Ng that they were introduced to UOB Kay Hian Private Limited and Mr. Toh Kok Soon, one of the Joint Offerors, by an unrelated intermediary. The negotiations on the Sale of their shares commenced on or about 5 November 2021.

BY ORDER OF THE BOARD

Viking Offshore and Marine Limited

Lee Suan Hiang
Lead Independent Director
23 November 2021

*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 Catalyst.*

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.