

ATLANTIC NAVIGATION HOLDINGS (SINGAPORE) LIMITED
(Incorporated in Singapore)
(Company Registration No. 200411055E)

- (A) **UPDATE ON POTENTIAL SALE OF SUBSTANTIAL EQUITY STAKE IN COMPANY BY A MAJOR SHAREHOLDER OF THE COMPANY TO GULF NAVIGATION HOLDING PJSC**
- (B) **LOAN AGREEMENT BETWEEN MR. MUBARAK ABDULLAH AL-SUWAIKET AND ATLANTIC MARITIME GROUP FZE**
-

A. UPDATE ON POTENTIAL SALE OF SUBSTANTIAL EQUITY STAKE IN COMPANY BY A MAJOR SHAREHOLDER OF THE COMPANY TO GULF NAVIGATION HOLDING PJSC

The board of directors (the “**Board**” or the “**Directors**”) of Atlantic Navigation Holdings (Singapore) Limited (“**Atlantic Navigation**” or the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to its announcement dated 31 January 2018 in respect of the discussion between a major shareholder of the Company (“**Major Shareholder**”), the Company and Gulf Navigation Holding PJSC (“**GulfNav**”) in respect to the potential sale of a substantial equity stake in the Company (the “**January Announcement**”).

Unless otherwise defined, capitalised terms used herein shall have the same meaning as defined in the January Announcement.

The Board wishes to update Shareholders that after extensive discussions between the Major Shareholder, the Company and GulfNav, the parties have been unable to come into agreement on the definitive terms of the Proposed Transaction. Accordingly, the parties have agreed to terminate further discussions on the Proposed Transaction.

B. LOAN AGREEMENT BETWEEN MR. MUBARAK ABDULLAH AL-SUWAIKET AND ATLANTIC MARITIME GROUP FZE

1. The Board also wishes to inform shareholders that the Company’s wholly-owned subsidiary, Atlantic Maritime Group Fze (“**Borrower**”) has, on 28 March 2018, entered into a loan agreement (“**Loan Agreement**”) with Mr. Mubarak Abdullah Al-Suwaiket (“**Lender**”), for the grant of a loan of a principal amount of US\$8,500,000 by the Lender to the Borrower (“**Loan**”). The Lender is the Company’s country representative in the Middle East, and an independent and unrelated third party to the Directors and controlling shareholders of the Company.

2. **Conditions Precedent**

The Lender agrees to extend the Loan to the Borrower on the following conditions:

- (i) due execution and delivery by the Borrower to the Lender of a promissory note issued in favour of the Lender for the amount of US\$9,350,000 (i.e. principal amount of the Loan plus financial charges of US\$850,000), drafted in the prescribed form and maturing 365 days after the date of receipt by the Borrower of the Loan amount;
- (ii) a share pledge and option issued by Mr. Wong Siew Cheong (“**Mr. Wong**”), the Executive Chairman and Chief Executive Officer of the Group;

- (iii) a corporate guarantee issued by the Company;
- (iv) a corporate guarantee issued by the Atlantic Navigation Holdings Inc. – BVI; and
- (v) a corporate guarantee and a second lien on the vessels named AOS Valliant, AOS Valor, AOS Eagle, AOS Venture, and AOS Emerald (the “**Vessels**”) issued by the entity owning/holding title to the Vessels.

In connection with the Loan, Mr. Wong has entered into a letter agreement dated 28 March 2018, pursuant to which Mr. Wong had pledged to the Lender, as security for the Loan, 50,000,000 ordinary shares held by Mr. Wong in the Company, equivalent to 19.2% of the total issued and paid-up share capital of the Company as at the date of this announcement.

3. The Loan shall carry annual financial charges equivalent to ten per cent. (10%) of the outstanding amount of the Loan (the “**Financial Charges**”).

The Borrower has undertaken to repay the Loan and the Financial Charges to the Lender within five (5) years commencing on the date on which the Loan is received by the Borrower in five (5) instalments.

4. On 9 June 2016, the Group entered into shipping contracts between the Group and Wuhan Shuangliu Wuchang Shipbuilding Industry Co. Ltd. to build seven (7) new vessels to support the long-term charter contracts of US\$236 million awarded by a Middle Eastern National Oil Company. The first batch of five (5) new vessels out of seven (7) new vessels have been delivered to the Company for loading on to a dry-tow vessel to prepare for mobilisation to the Middle East. The Loan will be exclusively utilised towards the partial settlement of the cash portion and mobilization cost due for the five (5) new vessels, with the outstanding part of the purchase price for the first batch of five (5) new vessels being funded by a US\$20.4 million term loan from the Company’s UAE banker.
5. Save as disclosed, none of the Directors or controlling shareholders of the Company or their respective associates has any interest, direct or indirect, in the Loan Agreement, save for their respective shareholdings in the Company (if any).

By Order of the Board

Wong Siew Cheong
Executive Chairman and Chief Executive Officer

2 April 2018

*This announcement has been prepared by the Company and its contents have been reviewed by the Company’s sponsor (“**Sponsor**”), SAC Capital Private Limited, for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”). The Sponsor has not independently verified the contents of this announcement.*

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 Lee Khai Yinn (Tel: (65) 6532 3829) at 1 Robinson Road, #21-02 AIA Tower, Singapore 048542.