MERCATOR LINES (SINGAPORE) LIMITED

(Company Registration No. 200507205N)
(Incorporated in Singapore)
(the "**Company**")

MOA FOR SALE OF VESSELS M.V. KESARI PREM, M.V. GAURI PREM, M.V. SRI PREM APARNA

The Board of Directors (the "**Board**") of Mercator Lines (Singapore) Limited (the "**Company**") wishes to announce that the Company has received Notice of Enforcement from its Lender who is the Mortgagee of the 3 vessels namely Kesari Prem, Gauri Prem and Sri Prem Aparna (the "**Vessels**") and requesting that the Vessels be sold. Pursuant to this, the Company has entered into 3 Memorandum of Agreement (MOA) to sell these 3 vessels to related companies of the Lender (the "**Purchasers**") on arms-length basis at market value for total net proceeds of US$ 14.8 million, thereby reducing the debt owing to the Lender by the sale price. The Vessels are expected to be delivered to the Purchasers in December 2015/January 2016.

The Purchasers are unrelated to the Directors and controlling shareholder of the Company. Save as disclosed above, none of the Directors or the controlling shareholders of the Company has any interest, direct or indirect, in relation to the sale of the Vessels.

By Order of the Board

SHALABH MITTAL
Managing Director & Chief Executive Officer

23 December 2015