

THIRD QUARTER FINANCIAL STATEMENT FOR THE PERIOD ENDED 30 SEPTEMBER 2019

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 and Q3), HALF YEAR AND FULL YEAR RESULTS

1 a) An income statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

The Board of Directors announces the unaudited results of the Group for the period ended 30 September 2019.

1 a)(i) Income Statement for the period ended 30 September 2019

	Note	Group		+ / (-) %
		3Q 2019 US\$'000	3Q 2018 US\$'000	
Revenue		89,576	116,332	(23.0)
Cost of sales		(86,926)	(110,870)	(21.6)
Gross profit		2,650	5,462	(51.5)
Other operating income	(A)	1,005	438	129.5
Marketing expenses		(1,820)	(1,912)	(4.8)
Administrative expenses		(1,523)	(1,406)	8.3
Other operating expenses	(B)	(306)	(301)	1.7
Profit from operations		6	2,281	(99.7)
Finance income		226	138	63.8
Finance costs		(768)	(540)	42.2
Operating (loss) profit		(536)	1,879	n.m.
Share of results of associates/joint venture		118	196	(39.8)
(Loss) Profit before tax		(418)	2,075	n.m.
Income tax expense		(61)	(129)	(52.7)
(Loss) Profit after tax		(479)	1,946	n.m.
Attributable to:				
Owners of the Company		(542)	2,119	n.m.
Non-controlling interests		63	(173)	n.m.
(Loss) Profit after tax		(479)	1,946	n.m.

n.m. = not meaningful

1 a)(ii) Notes to the Income Statement

	Group		+ / (-) %
	3Q 2019 US\$'000	3Q 2018 US\$'000	
(Loss) Profit after tax for the period is arrived at after charging (crediting) the following:			
- Depreciation of property, plant and equipment	2,188	2,821	(22.4)
- Depreciation of right of use assets	2,085	-	n.m.
- Depreciation of investment properties	9	6	50.0
- Amortisation of intangible assets	14	9	55.6
- Allowance for doubtful trade debts	104	-	n.m.
- Write back of allowance for doubtful trades debts	-	(44)	n.m.
- Finance costs - interest on borrowings	559	540	3.5
- Finance costs - interest on lease liabilities	209	-	n.m.
(A) Other operating income			
- Rental income	86	66	30.3
- Net foreign exchange gains	565	-	n.m.
- Gain on disposal of assets held for sale	245	-	n.m.
- Gain on disposal of plant, property and equipment	83	9	822.2
- Gain on disposal of investment at fair value through profit and loss- investment securities	-	6	n.m.
- Refund of insurance premium	-	337	n.m.
- Others	26	20	30.0
	<u>1,005</u>	<u>438</u>	129.5

1 a)(ii) **Notes to the Income Statement (continued)**

	Group		+ / (-) %
	3Q 2019	3Q 2018	
	US\$'000	US\$'000	
(B) Other operating expenses			
- Net of foreign exchange loss	-	(301)	n.m.
- Impairment on assets held for sale (vessels)	(306)	-	n.m.
	<u>(306)</u>	<u>(301)</u>	1.7

1 a)(iii) **Statement of Comprehensive Income for the period ended 30 September 2019**

	Group	
	3Q 2019	3Q 2018
	US\$'000	US\$'000
(Loss) Profit after tax for the period	(479)	1,946
Items that may be reclassified subsequently to profit or loss		
Share of other comprehensive income of associates	173	256
Exchange differences on translation of foreign operations	(121)	(197)
	<u>52</u>	<u>59</u>
Other comprehensive income for the period, net of tax	52	59
Total comprehensive income for the period	(427)	2,005
Total comprehensive income attributable to:		
Owners of the Company	(481)	2,121
Non-controlling interests	54	(116)
	<u>(427)</u>	<u>2,005</u>

1 b)(i) **A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.**

Balance Sheets as at

	Group		Company	
	30 Sept 19	31 Dec 18	30 Sept 19	31 Dec 18
	US\$'000	US\$'000	US\$'000	US\$'000
ASSETS				
Current assets				
Cash and bank balances	52,354	28,802	35,256	12,392
Trade receivables - third parties	53,223	70,930	45,822	60,788
Prepaid operating expenses	13,124	9,797	8,704	7,417
Other receivables and deposits	3,495	3,148	2,057	341
Due from immediate holding company (non-trade)	261	2,087	-	-
Due from immediate holding company (trade)	3,921	6,346	3,917	6,341
Due from subsidiaries (trade)	-	-	3,769	2,298
Due from subsidiaries (non-trade)	-	-	1,164	4,136
Due from related companies (trade)	9,564	8,786	3,698	5,123
Due from non-controlling interest of subsidiary (trade)	-	493	-	-
Inventories	1,675	2,008	1,386	1,433
	<u>137,617</u>	<u>132,397</u>	<u>105,773</u>	<u>100,269</u>
Assets classified as held for sale	1,075	-	-	-
	<u>138,692</u>	<u>132,397</u>	<u>105,773</u>	<u>100,269</u>
Non-current assets				
Investment properties	1,175	606	587	606
Property, plant and equipment	118,501	144,631	86,410	90,065
Right of use assets*	9,325	-	4,907	-
Intangible assets	119	93	119	93
Subsidiaries	-	-	73,293	73,204
Associate	13,629	12,018	10,099	10,099
Deferred tax assets	85	85	-	-
Due from subsidiary (non-trade)	-	-	870	876
	<u>142,834</u>	<u>157,433</u>	<u>176,285</u>	<u>174,943</u>
Total assets	<u>281,526</u>	<u>289,830</u>	<u>282,058</u>	<u>275,212</u>
LIABILITIES AND EQUITY				
Current liabilities				
Bank term loans	6,648	8,861	5,319	6,023
Trade payables	20,734	25,653	17,337	21,747
Other payables and liabilities	21,762	24,512	12,493	14,665
Due to subsidiary (trade)	-	-	32	57
Due to subsidiary (non-trade)	-	-	6,223	3
Due to related companies (trade)	112	273	10	54
Due to non-controlling interest of subsidiary (trade)	26	-	-	-
Due to non-controlling interest of subsidiary (non trade)	1,039	1,028	-	-
Finance leases	17	18	14	14
Lease liabilities*	4,587	-	4,480	-
Income tax payable	1,180	1,223	359	369
	<u>56,105</u>	<u>61,568</u>	<u>46,267</u>	<u>42,932</u>
Non-current liabilities				
Bank term loans	28,671	34,182	20,946	18,092
Finance leases	69	82	69	80
Lease liabilities*	5,728	-	1,319	-
Retirement benefit obligations	30	26	-	-
Deferred tax liabilities	17	40	-	-
Due to non-controlling interest of subsidiaries	574	577	-	-
	<u>35,089</u>	<u>34,907</u>	<u>22,334</u>	<u>18,172</u>
Capital, reserves and non-controlling interests				
Share capital	68,761	68,761	68,761	68,761
Treasury shares	(174)	(174)	(174)	(174)
Retained earnings	119,369	121,041	144,870	145,521
Other reserves	(212)	(409)	-	-
Foreign currency translation reserve	(130)	(143)	-	-
Equity attributable to owners of the Company	<u>187,614</u>	<u>189,076</u>	<u>213,457</u>	<u>214,108</u>
Non-controlling interests	2,718	4,279	-	-
Total equity	<u>190,332</u>	<u>193,355</u>	<u>213,457</u>	<u>214,108</u>
Total liabilities and equity	<u>281,526</u>	<u>289,830</u>	<u>282,058</u>	<u>275,212</u>

*Refer to Paragraph 5 on Page 7 for details

1 b)(ii) **The aggregate amount of the group's borrowings and debt securities**

	As at 30 Sept 2019		As at 31 Dec 2018	
	Secured US\$ million	Unsecured US\$ million	Secured US\$ million	Unsecured US\$ million
Amount repayable in one year or less, or on demand	6.67	-	8.88	-
Amount repayable after one year	28.74	-	34.26	-
	<u>35.41</u>	<u>-</u>	<u>43.14</u>	<u>-</u>

Details of any collateral

The Group's borrowings are secured by means of:

- > Corporate guarantees from the Company and the subsidiaries
- > Legal mortgages over certain vessels of the Company
- > Pledges over certain bank accounts of a subsidiary
- > Assignment of insurance of certain vessels of the Company
- > Legal mortgages over freehold properties of the Company and the subsidiaries
- > Assignment of insurance, income or proceed of sale of freehold properties of the Company

1 c) **A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.**

Cashflow Statement for the period ended

	Group	
	3Q 2019	3Q 2018
	US\$'000	US\$'000
Cash flows from operating activities		
(Loss) Profit before tax	(418)	2,075
Adjustments:		
Depreciation of property, plant and equipment	2,188	2,821
Depreciation of right of use assets	2,085	-
Amortisation of intangible assets	14	9
Depreciation of investment properties	9	6
Gain on disposal of property, plant and equipment	(83)	(9)
Gain on disposal of assets held for sale (vessels)	(245)	-
Net gain on disposal of investments at fair value through profit or loss - investment securities	-	(6)
Allowance for doubtful trade debts	104	-
Write back of doubtful trade debts	-	(44)
Finance costs	768	540
Finance income	(226)	(138)
Share of results of associates/joint venture	(118)	(196)
Impairment loss on assets held for sale (vessels)	306	-
Net foreign exchange gain	(387)	(7)
Operating cash flows before working capital changes	3,997	5,051
Decrease (increase) in:		
Inventories	911	(234)
Trade receivables	4,631	3,758
Other receivables and deposits	(439)	79
Prepaid operating expenses	(1,692)	(1,191)
Due from immediate holding company	102	2,838
Due from related companies	(1,694)	(2,774)
Due from non-controlling interest of subsidiary	26	-
Increase (decrease) in:		
Trade payables	1,274	(4,789)
Other payables and liabilities	(2,013)	(2,185)
Due to related companies	(240)	266
Due to non-controlling interest of subsidiary	-	127
Cash generated from operations	4,863	946
Interest paid	(768)	(540)
Income tax paid	(249)	(94)
Net cash from operating activities	3,846	312
Cash flows from investing activities		
Interest income received	226	138
Proceeds from disposal of property, plant and equipment	4	9
Proceeds from disposal of assets held for sale	19,736	-
Proceeds from disposal of investments at fair value through profit or loss - investment securities	-	692
Purchase of property, plant and equipment	(71)	(2,096)
Purchase of intangible assets	(51)	-
Purchase of investments at fair value through profit or loss - investment securities	-	(686)
Due from joint venture	(335)	(60)
Net cash from (used in) investing activities	19,509	(2,003)
Cash flows from financing activities		
Repayment of finance leases	(4)	(1)
Proceeds from bank term loans	475	30,209
Repayment of bank term loans	(9,199)	(37,201)
Repayment of lease liabilities	(2,143)	-
(Increase) decrease in pledged deposits	(69)	4,086
Loan from non-controlling interest of subsidiary	4	155
Net cash used in financing activities	(10,936)	(2,752)
Net increase (decrease) in cash and cash equivalents	12,419	(4,443)
Effects of exchange rate changes on the balance of cash held in foreign currencies	(112)	(255)
Cash and cash equivalents at the beginning of the period	31,519	26,904
Cash and cash equivalents at the end of the period	43,826	22,206
Cash and bank balances (current)	52,354	30,024
Less: Pledged deposits	(8,528)	(7,818)
Cash and cash equivalents at the end of the period	43,826	22,206

- 1 d)(i) **A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding period.**

Statements of Changes in Equity for the period ended 30 September 2019

	Share Capital	Treasury Shares	Other Reserves	Translation Reserve	Retained Earnings	Attributable to Equity holders	Non-Controlling Interests	Total Equity
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
GROUP								
Balance as at 30 Jun 2019	68,761	(174)	(385)	(18)	119,911	188,095	2,664	190,759
Loss for the period	-	-	-	-	(542)	(542)	63	(479)
Other comprehensive income for the period	-	-	173	(112)	-	61	(9)	52
Total	-	-	173	(112)	(542)	(481)	54	(427)
Balance as at 30 Sept 2019	68,761	(174)	(212)	(130)	119,369	187,614	2,718	190,332
Balance as at 30 Jun 2018	68,761	(174)	(702)	23	113,912	181,820	4,367	186,187
Profit for the period	-	-	-	-	2,119	2,119	(173)	1,946
Other comprehensive income for the period	-	-	256	(254)	-	2	57	59
Total	-	-	256	(254)	2,119	2,121	(116)	2,005
Balance as at 30 Sept 2018	68,761	(174)	(446)	(231)	116,031	183,941	4,251	188,192
	Share Capital	Treasury Shares	Retained Earnings	Total Equity				
	US\$'000	US\$'000	US\$'000	US\$'000				
COMPANY								
Balance as at 30 Jun 2019	68,761	(174)	145,108	213,695				
Loss for the period, representing total comprehensive loss for the period	-	-	(238)	(238)				
Total	-	-	(238)	(238)				
Balance as at 30 Sept 2019	68,761	(174)	144,870	213,457				
Balance as at 30 Jun 2018	68,761	(174)	138,457	207,044				
Profit for the period, representing total comprehensive profit for the period	-	-	2,945	2,945				
Total	-	-	2,945	2,945				
Balance as at 30 Sept 2018	68,761	(174)	141,402	209,989				

- 1 d)(ii) **Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

During the quarter ended 30 September 2019, there was no change in the Company's share capital.

As at 30 September 2019, total issued share capital of the Company was 539,131,199 (30 September 2018: 539,131,199) ordinary shares which include 1,093,000 (30 September 2018: 1,093,000) ordinary shares held as treasury shares and no subsidiary holdings (30 September 2018 : Nil). As at 30 September 2019, the percentage of treasury shares approximate 0.2% (30 September 2018 : 0.2%) of the total number of issued shares excluding treasury shares.

As at 30 September 2019, there were no outstanding convertibles (30 September 2018: Nil).

1 d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

Total number of issued shares excluding treasury shares as at 30 September 2019 was 538,038,199 (31 December 2018: 538,038,199) shares.

1 d)(iv) A statement showing all sales, transfer, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable.

1 d)(v) A statement showing all sales, transfer, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

Not applicable.

2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed by the auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

Other than the adoption of the new/revised Singapore Financial Reporting Standards (International) ("SFRS(I)s"), the new FRS and Interpretation of FRS ("INT FRS") that are mandatory for the financial year beginning 1 January 2019, the Group has adopted the same accounting policies and methods of computation for the current period as those adopted for the audited financial statements for the financial year ended 31 December 2018.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard what has changed, as well as the reasons for, and the effect of, the change.

The Group adopted the new/revised SFRS(I)s that are effective for annual periods beginning on or after 1 January 2019.

Adoption of SFRS(I) 16

SFRS(I) 16 is effective for financial years beginning on or after 1 January 2019. The Group has applied a transition approach and will not restate comparative amounts.

The Standard provides a comprehensive model for the identification of lease arrangements and their treatment in the financial statements of both lessees and lessors. The identification of leases, distinguishing between leases and service contracts, are determined on the basis of whether there is an identified asset controlled by the customer.

Significant changes to lessee accounting are introduced, with the distinction between operating and finance leases removed and assets and liabilities are recognised in respect of all leases (subject to limited exemptions for short-term leases and leases of low value assets). The Standard maintains substantially the lessor accounting approach under the existing framework.

The Group adopted to measure the right of use assets to an amount equal to the lease liabilities related to that leases recognized in the statement of financial position as at 1 January 2019. In addition, the Group applied the practical expedient to apply a single discount rate to a portfolio of assets with reasonably similar characteristics.

On adoption of SFRS(I) 16, the Group has recognized right of use assets and lease liabilities of USD16,176,000 as at 1 January 2019.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

Earnings per ordinary share of the Group based on net profit attributable to the owners of the Company
(i) Based on the weighted average number of ordinary shares in issue
(ii) On a fully diluted basis

Group	
3Q 2019	3Q 2018
US cents	US cents
(0.10)	0.39
(0.10)	0.39

Earnings per ordinary share for the quarter ended 30 September 2019 is computed based on the number of issued ordinary shares (excluding treasury shares) during the period of 538,038,199 (30 September 2018 : 538,038,199).

**7. Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the:-
(a) current financial period reported on; and
(b) immediately preceding financial year.**

Net asset value per ordinary share based on issued share capital as at the end of the period

Group		Company	
30 Sept 19	31 Dec 18	30 Sept19	31 Dec 18
US cents	US cents	US cents	US cents
34.87	35.14	39.67	39.79

Net asset value per ordinary share as at 30 September 2019 and 31 December 2018 is calculated based on the number of issued ordinary shares (excluding treasury shares) of 538,038,199.

**8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-
(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

Income statement

The Group recorded revenue of USD89.6 million for the third quarter ended 30 September 2019 ("3Q19"), compared to USD116.3 million in the previous corresponding quarter ("3Q18"), on lower revenue recorded across both the container shipping and bulk and tankers segments.

Container volume handled in 3Q19 declined 15.8% to 341,000 TEUs, compared to 405,000 TEUs in 3Q18, on the back of a slowdown in global trade activity and reduction of our services. In addition, freight rates softened during the period. As a result, revenue of container shipping segment fell 22.5% to USD84.4 million, compared to USD109.0 million in 3Q18.

With the disposal of an underperforming tanker and two operationally loss making bulk carriers in January 2019 and 3Q2019 respectively, the Group operated a smaller fleet compared to 3Q18. This, along with lower charter rates year-on-year, resulted in revenue from the bulk and tanker segment declining 58% to USD2.2 million in 3Q19, from USD5.2 million in 3Q18.

In line with the lower level of business activity in the container shipping and bulk and tanker business segments, cost of services fell 21.6% to USD86.9 million, from USD110.9 million in 3Q18. Consequently, the Group recorded a lower gross profit of USD2.7 million in 3Q19, compared to USD5.5 million in 3Q18.

The Group benefitted from the strengthening of the US Dollar against the Singapore Dollar, resulting in a foreign exchange gain of USD0.6 million, compared to a loss of USD0.3 million a year ago.

The Group recorded an impairment loss of USD0.3 million in other operating expenses in 3Q19, following the reclassification of an Indonesia-flagged container vessel from property, plant and equipment to asset held for sale.

Taking the above factors into account, the Group recorded net loss of USD0.5 million in 3Q19, compared to net profit of USD2.1 million in 3Q18.

Balance Sheet

The disposal of an oil tanker and two bulk carriers, together with the reclassification of a container vessel to asset held for sale, resulted in a decrease in property, plant and equipment from USD144.6 million as at 31 December 2018 to USD118.5 million as at 30 September 2019. On the other hand, the adoption of new accounting standards required the Group to recognise right-of-use assets with effect from 1 January 2019 amounting to USD9.3 million as at 30 September 2019. As a result, the non-current assets of the Group reduced to USD142.8 million, compared to USD157.4 million as at 31 December 2018.

Cash and bank balances rose to USD52.4 million as at 30 September 2019, compared to USD28.8 million as at 31 December 2018, on account of the collection of trade receivables during the period and proceeds from the disposal of vessels. Correspondingly, the trade receivables balance decreased to USD53.2 million as at 30 September 2019, compared to USD70.9 million as at 31 December 2018.

Trade payables declined to USD20.7 million at the end of 3Q19, from USD25.7 million, in line with the lower overall business activity.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

Not applicable

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

Global trade for goods and services has been on the decline amid the fallout from US/China trade friction and rising geopolitical tensions in Europe and Asia, putting intense pressure on the competition for cargo. Other challenges include rising operating costs from the volatility in oil prices and complying with the International Maritime Organisation's low-sulphur regulations effective 2020.

Overall the shipping industry is facing strong headwinds and the outlook for the industry will continue to be challenging.

Going forward, the Group will continue its prudent and nimble approach towards fleet and capacity management, as well as cost and operational efficiency, to ensure that it remains competitive. It will be keeping a lookout for opportunities to grow its logistics business in order to build up the resilience of its revenue stream.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? No

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? No

(c) Date payable

Not applicable

(d) Books closure date

Not applicable

12. If no dividend has been declared / recommended, a statement to that effect and the reason(s) for the decision.

The Company's practice is to declare dividend on an annual basis. Therefore, no dividend was declared or recommended for the third quarter ended 30 September 2019.

13. Interested Person Transactions

(A) Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (Mandated transactions)	3Q 2019 US\$'000	3Q 2018 US\$'000
Expenses		
<u>PT. Samudera Indonesia Tbk and its subsidiary</u>		
Agency commissions ⁽¹⁾	-	289
Office rental	6	16
Vessel charter hire	639	750
<u>PT. Samudera Agencies Indonesia</u>		
Agency commissions ⁽¹⁾	555	271
<u>PT. Samudera Indonesia Ship Management</u>		
Ship management fees	154	169
<u>PT. Perusahaan Pelayaran Nusantara Panuriwan</u>		
Vessel charter hire	767	845
<u>PT. Samudera Sarana Logistik</u>		
Container depot	23	23
<u>PT. Tangguh Samudera Java</u>		
Stevedorage charges	1,525	1,546
(B) Aggregate value of all interested person transactions during the financial period under review excluding transactions conducted under shareholders' mandate pursuant to Rule 920 (Non-Mandated transactions)	3Q 2019 US\$'000	3Q 2018 US\$'000
Expenses		
<u>PT. Perusahaan Pelayaran Nusantara Panuriwan</u>		
Freight expenses	15	6
<u>PT. Praweda Sarana Informatika</u>		
Software development and system maintenance	114	94
Revenue		
<u>PT. Perusahaan Pelayaran Nusantara Panuriwan</u>		
Vessel charter hire	277	150
<u>PT. Samudera Energi Tangguh</u>		
Vessel charter hire	1,495	848
<u>PT. Cumawis Indonesia</u>		
Vessel charter hire	-	317

⁽¹⁾ No agency commission is payable for revenue collected or payments made on behalf of Samudera Shipping Line Ltd and the transaction has been accorded as a nil value.

14. Confirmation that the Issuer has procured undertakings from its directors and executive officers (in the format set out in Appendix 7.7 under Rule 720(1)).

The Company hereby confirms that it has procured undertakings from all its directors and executive officers under Rule 720(1) of the Listing Manual.

15. Negative Assurance Confirmation Pursuant To Rule 705(5) of the Listing Manual

We, Asmari Herry Prayitno and Hermawan F Herman, being two Directors of SAMUDERA SHIPPING LINE LTD (the "Company"), do hereby confirm on behalf of the Directors of the Company that, to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the financial results for the period ended 30 September 2019 to be false or misleading in any material aspect.

Asmari Herry Prayitno
Executive Director, CEO

Hermawan F Herman
Executive Director, Finance

BY ORDER OF THE BOARD

Hermawan F Herman
Executive Director, Finance
24 October 2019