CIRCULAR DATED 24 SEPTEMBER 2020

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.

If you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

If you have sold or transferred all your shares in the capital of Seroja Investments Limited (the "**Company**") held through The Central Depository (Pte) Limited ("**CDP**"), you need not forward this Circular to the purchaser or transferee as arrangements will be made by CDP for a separate Circular to be sent to the purchaser or the transferee. If you have sold or transferred all your shares in the capital of the Company which are not deposited by the CDP, you should forward this Circular with the Notice of Extraordinary General Meeting and the attached Proxy Form immediately to the purchaser or the transferee or to the bank, stockholder or agent through whom the sale or transfer was effected for onward transmission to the purchaser or the transferee.

The Singapore Exchange Securities Trading Limited ("**SGX-ST**") assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained in this Circular.

Trading will be suspended on the date of Extraordinary General Meeting of the Company once there is approval from the shareholders. For further details, please see Section 6.2 contained in this Circular.

SEROJA INVESTMENTS LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 198300847M)

CIRCULAR TO SHAREHOLDERS

in relation to

THE PROPOSED DISPOSAL OF THE ENTIRE ISSUED AND PAID-UP SHARE CAPITAL OF TRANS LK MARINE PTE. LTD. AS A MAJOR TRANSACTION AND AN INTERESTED PERSON TRANSACTION

Independent Financial Adviser to the Independent Directors of the Company
in relation to the Proposed Disposal

W CAPITAL MARKETS PTE. LTD.
(Incorporated in the Republic of Singapore)
(Company Registration No. 201813207E)

Legal Adviser to the Company in relation to the Proposed Disposal

LEE & LEE
(Registered in the Republic of Singapore)
(Registration No. 53130786K)

IMPORTANT DATES AND TIMES

Last date and time for lodgement of Proxy Form	:	Tuesday, 6 October 2020 at 2.00 p.m.
Date and time of Extraordinary General Meeting	:	Friday, 9 October 2020 at 2.00 p.m.
Place of Extraordinary General Meeting	:	The Extraordinary General Meeting will be held by way of electronic means

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Except where the context otherwise requires, the following definitions apply throughout this Circular:

"Act" or the **"Companies Act"**	:	The Companies Act, Chapter 50 of Singapore.
"Assets"	:	Has the meaning ascribed to it in Section 2.1.
"Associate"	:	(a) in relation to any director, chief executive officer, Substantial Shareholder or Controlling Shareholder (being an individual) means: (i) his immediate family; (ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and (iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more; (b) in relation to a Substantial Shareholder or a Controlling Shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30% or more.
"Associated Company"	:	A company in which at least 20% but not more than 50% of its shares are held by the Company or the Group.
"Audit Committee"	:	The audit committee of the Company as at the date of this Circular.
"Board" or **"Board of Directors"**	:	The board of Directors of the Company as at the date of this Circular.
"Business"	:	Has the meaning ascribed to it in Section 2.1.
"Business Days"	:	The day (excluding Saturdays, Sundays and public holidays) on which banks are open for normal banking business in Singapore.
"CDP"	:	The Central Depository (Pte) Limited.
"Circular"	:	This circular to Shareholders dated 24 September 2020.
"Company"	:	Seroja Investments Limited.
"Completion"	:	The completion of the sale and purchase of the entire issued and paid-up capital of TLM pursuant to the terms and conditions of the SPA.
"Conditions Precedent"	:	The conditions precedent to Completion as set out in Section 2.5 of this Circular.
"Consideration"	:	Has the meaning ascribed to it in Section 1.1 of this Circular.
"Controlling Shareholder"	:	A person who: (a) holds directly or indirectly 15% or more of the total number of issued Shares excluding treasury shares and subsidiary holdings in the Company (provided that the SGX-ST may

		determine that a person who satisfies this definition is not a controlling shareholder); or (b) in fact exercises control over the Company.
"Director"	:	A director of the Company as at the date of this Circular.
"EGM"	:	The extraordinary general meeting of the Company, notice of which is set out on pages N-1 and N-2 of this Circular.
"Entity at Risk"	:	(a) the Company; (b) a subsidiary of the Company that is not listed on the SGX-ST or an approved exchange; or (c) an Associated Company of the issuer that is not listed on the SGX-ST or an approved exchange, provided that the listed group, or the listed group and its interested person(s), has control over the Associated Company.
"EPS"	:	Earnings per Share.
"FY2019 Results"	:	Audited consolidated financial results of the Group for the financial year ended 31 December 2019.
"Group"	:	The Company and its subsidiaries.
"IFA"	:	W Capital Markets Pte. Ltd., the independent financial adviser to the Independent Directors in relation to the Proposed Disposal.
"IFA Letter"	:	The letter from the IFA dated 24 September 2020, as required under Rule 921(4)(a) of the Listing Manual, a copy of which is set out in Appendix B to this Circular.
"Independent Directors"	:	The Directors who are considered independent in relation to the Proposed Disposal, being as at the Latest Practicable Date, Mr. Edwin Soeryadjaya, Mr. Andreas Tjahjadi, Mr. Ng Soon Kai, Mr. Ng Yuen, Mr. Yap Kian Peng and Mr. Low Chee Chiew.
"interested person"	:	(a) A Director, chief executive officer, or Controlling Shareholder of the Company; or (b) an Associate of any such Director, chief executive officer, or Controlling Shareholder.
"interested person transaction"	:	A transaction between an Entity at Risk and an interested person.
"Latest Practicable Date"	:	17 September 2020, being the latest practicable date prior to the printing of this Circular.
"Legal Adviser"	:	Lee & Lee, the Legal Adviser to the Company in relation to the Proposed Disposal.
"Listing Manual"	:	The Listing Manual of the SGX-ST as amended, modified or supplemented from time to time.
"LPS"	:	Loss per Share.
"Notice of EGM"	:	The notice of EGM as set out on pages N-1 and N-2 of this Circular.

"NTA"	:	Net tangible assets.
"Official List"	:	The list of issuers maintained by the SGX-ST in relation to the Main Board of the SGX-ST.
"PSJ"	:	PT Pulau Seroja Jaya.
"Previous Consideration"	:	Has the meaning ascribed to it in Section 1.1 of this Circular.
"Proposed Disposal"	:	The proposed sale of 100,000 ordinary shares, representing the entire issued and paid-up capital of TLM, in accordance with the terms and conditions of the SPA.
"Proxy Form"	:	The proxy form in respect of the EGM as set out in this Circular.
"PSJ Group"	:	PSJ and its subsidiaries.
"Purchaser"	:	Mr. Masdjan.
"SFA"	:	The Securities and Futures Act (Cap. 289) of Singapore.
"SGXNET"	:	Singapore Exchange Network, a system network used by listed companies in sending information and announcements to the SGX-ST or any other system networks prescribed by the SGX-ST.
"SGX-ST"	:	Singapore Exchange Securities Trading Limited.
"Shares"	:	Ordinary shares in the capital of the Company.
"Shareholder(s)"	:	The registered holder(s) of the Shares, except that where the registered holder is CDP, the term "Shareholders" shall, where the context admits, mean the Depositors to whose securities accounts maintained with CDP are credited with the Shares.
"SPA"	:	The conditional sale and purchase agreement dated 15 August 2019 entered into between the Company and the Purchaser in relation to the Proposed Disposal as amended by the first supplemental letter dated 14 February 2020, the second supplemental letter dated 13 May 2020, the third supplemental letter dated 26 May 2020 and the Supplemental Deed.
"Substantial Shareholder"	:	A person who has an interest in voting shares of the Company, the total votes attached to which is not less than 5% of the total votes attached to all the voting shares of the Company.
"Subsidiary"	:	A subsidiary of the Company within the definition of Section 5 of the Act.
"Summary Valuation Report"	:	The summary report dated 24 September 2020 prepared by the Valuer in respect of the Valuation Report, a copy of which is set out in Appendix C to this Circular.
"Supplemental Deed"	:	The supplemental deed dated 3 July 2020 entered into between the Company and the Purchaser to amend, modify and supplement the SPA in relation to the Proposed Disposal.
"TLM"	:	Trans LK Marine Pte. Ltd..
"TLM Group"	:	TLM and its subsidiaries.
"Valuation Report"	:	The valuation report dated 24 September 2020 prepared by the Valuer in respect of its independent valuation to determine the market value

		of 100% equity interest in the capital of TLM as at 31 May 2020.
"Valuer"	:	Cushman & Wakefield VHS Pte. Ltd., the independent professional valuer appointed by the Company to conduct an independent valuation to determine the market value of 100% equity interest in the capital of TLM as at 31 May 2020.
"Vessel Valuation Report"	:	The valuation report dated 21 July 2020 prepared by the Vessel Valuer in respect of its asset valuation to determine the market value of the tugboats and barges of the PSJ Group as at 31 May 2020, a copy of which is set out in Appendix E to this Circular.
"Vessel Valuer"	:	Kantor Jasa Penilai Public Amin Nirwan Alfiantori dan Rekan, the professional valuer appointed by the Company to conduct an independent valuation to determine the market value of the tugboats and barges of the PSJ Group as at 31 May 2020.
"%" or "per cent"	:	Per centum or percentage.
"S$"	:	Singapore dollars, the lawful currency of Singapore.
"US$"	:	United States dollars, the lawful currency of the United States of America.

The terms "**Depositor",** "**Depository Agent"** and "**Depository Register"** shall have the meanings ascribed to them respectively in Section 81SF of the SFA or any statutory modification thereof, as the case may be.

Words importing the singular shall, where applicable, include the plural and *vice versa,* and words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall, where applicable, include corporations.

The headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Act, the SFA or the Listing Manual or any modification thereof and used in this Circular shall, where applicable, have the same meaning assigned to it under the Act, the SFA or the Listing Manual or any modification thereof, as the case may be, unless otherwise provided.

Any reference to a date and time of day in this Circular shall be a reference to Singapore date and time, unless otherwise stated.

Any discrepancies in the tables included herein between the amounts listed and the totals thereof are due to rounding; accordingly, figures shown as totals in certain tables may not be arithmetic aggregation of the figures which precede them.

SEROJA INVESTMENTS LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 198300847M)

Directors:

Mr. Edwin Soeryadjaya (Non-Executive Chairman)
Mr. Andreas Tjahjadi (Executive Director)
Mr. Masdjan (Executive Director)
Mr. Ng Soon Kai (Non-Executive Director)
Mr. Ng Yuen (Independent Director)
Mr. Yap Kian Peng (Independent Director)
Mr. Low Chee Chiew (Independent Director)

Registered Office:

50 Raffles Place
#06-00 Singapore Land Tower
Singapore 048623

To: The Shareholders of the Company

Date: 24 September 2020

Dear Sir/Madam

THE PROPOSED DISPOSAL OF THE ENTIRE ISSUED AND PAID-UP SHARE CAPITAL OF TRANS LK MARINE PTE. LTD. AS A MAJOR TRANSACTION AND AN INTERESTED PERSON TRANSACTION

1. INTRODUCTION

1.1. On 15 August 2019, the Company announced that it had entered into a conditional sale and purchase agreement with Mr. Masdjan as the Purchaser, in relation to the proposed disposal of the entire issued and paid up share capital of Trans LK Marine Pte. Ltd. ("**TLM**") to the Purchaser for an aggregate consideration of US$32,160,000 ("**Previous Consideration**"). On 3 July 2020, the Company announced that it had entered into a supplemental deed with the Purchaser to amend, modify and supplement the SPA in relation to the Proposed Disposal for an aggregate consideration of US$30,000,000 ("**Consideration**"). The rationale for the revision in aggregate consideration for the Proposed Disposal is as set out in Section 2.3 of this Circular. The Proposed Disposal will result in TLM ceasing to be a Subsidiary of the Company. TLM holds a 48% shareholding interest in PT Pulau Seroja Jaya ("**PSJ**"). PSJ owns a fleet of tugboats and barges and provides marine transportation of dry bulk freight in Indonesia. Following the completion of the Proposed Disposal, the Company will also cease to have any interests in PSJ. Please refer to Appendix A to this Circular for the Group structure as at the Latest Practicable Date and upon completion of the Proposed Disposal.

1.2. The relative figures for the Proposed Disposal calculated under Rule 1006 of the Listing Manual exceed 20.0%, and the Purchaser, being an Executive Director and Chief Operating Officer of the Group, is regarded as an "interested person" for the purpose of Chapter 9 of the Listing Manual. As such, the Proposed Disposal constitutes:

(a) a major transaction under Chapter 10 of the Listing Manual; and

(b) an interested person transaction under Chapter 9 of the Listing Manual.

Accordingly, it is subject to the approval of Shareholders.

1.3. Upon completion of the Proposed Disposal, the Company will become a cash company and its Shares will remain suspended unless and until it acquires a business that meets the SGX-ST's listing requirements. The Company is also required to comply with Rule 1018 of the Listing Manual, further details of which are provided in Section 6 of this Circular.

1.4. The purpose of this Circular is to provide Shareholders with information on the Proposed Disposal, and to seek approval of Shareholders at the EGM for the matter set out in the Notice of EGM on pages N-1 and N-2 of this Circular.

1.5. The SGX-ST assumes no responsibility for the accuracy of any of the statements made, reports contained or opinions expressed in this Circular. If any Shareholder is in any doubt as to the action he should take, he should consult his bank manager, stockbroker, solicitor, accountant or other professional adviser immediately.

2. THE PROPOSED DISPOSAL

2.1. Information relating to TLM

As at the date of this Circular, the Company owns 100% of the entire issued and paid-up share capital of TLM. As at the Latest Practicable Date, TLM has an issued and paid-up capital of US$1,013,064 comprising 100,000 ordinary shares. Under the SPA, the Company will sell, and the Purchaser will acquire, the entire issued and paid up share capital of TLM, comprising the business and undertaking of the Company (the "**Business**") and all the property, assets, rights, undertakings and liabilities of the Company pertaining to the Business and existing on the Company's balance sheet as at completion of the Proposed Disposal ("**Assets**").

The share capital of PSJ is divided into 178,142 Series A shares (ordinary shares), and 9,376 Series B shares (non-voting shares). The shareholders of PSJ are:

(i) TLM, which owns 90,009 Series A shares, representing 48% of the entire issued share capital of PSJ. The 90,009 Series A shares owned by TLM carry 50.53% of the total votes in PSJ because there are 9,376 Series B shares in the issued share capital of PSJ owned by another shareholder of PSJ called PT Laju Kencana Murni ("**LKM**") which do not carry any votes;

(ii) LKM, which owns 82,451 Series A shares and 9,376 Series B shares. This represents 48.97% of the entire issued share capital of PSJ and carries 46.28% of the votes in PSJ; and

(iii) the Purchaser owns 5,682 Series A shares, which amount to 3.03% of the issued share capital of PSJ and which carries 3.19% of the votes in PSJ.

PSJ owns and operates a fleet of 72 vessels consisting of tugboats and barges which navigate the waters around the Indonesian archipelago and are used to transport mainly thermal coal, sand and other quarry materials. The fleet of tugboats has an average age of 16 years and the fleet of barges has an average age of 13 years as compared to the estimated useful lives of 16 years for such vessels under normal wear and tear conditions. The directors of PSJ are: (i) Andreas Tjahjadi; (ii) Boby Susanto; and (iii) Dading T. Soetarso. Boby Susanto is the son of the Purchaser. TLM does not own any assets or business other than the 90,009 Series A shares representing 48% of the entire issued share capital of PSJ.

The Company will cease to hold any interest in TLM, and will cease to have any operating businesses and assets following completion of the Proposed Disposal. Please refer to Appendix A to this Circular for the Group structure as at the Latest Practicable Date and upon completion of the Proposed Disposal.

2.2. Information on the Purchaser

The Purchaser is also an Executive Director and Chief Operating Officer of the Group. Accordingly, the Proposed Disposal between the Company as the Entity at Risk and the Purchaser as an "interested person" would constitute an "interested person transaction" for the purpose of Chapter 9 of the Listing Manual. Please refer to Section 4 of this Circular for further details.

As at the Latest Practicable Date, the Purchaser is a substantial shareholder of the Company. The Purchaser owns 100% equity interest in Reavis Global Ltd, which holds 36,325,195 Shares, amounting to 9.3% of the total number of shares in issue in the capital of the Company. As such, the Purchaser is deemed interested in the Shares held by Reavis Global Ltd by virtue of Section 7 of the Companies Act.

The Purchaser is deemed interested in the entire issued share capital of LKM, as he directly owns 0.32% of the shares in the capital of LKM, and is deemed interested in the balance 99.68% of the shares of LKM which are owned by PT Kalimantan Mentari Khatulistiwa ("**KMK**"). The Purchaser

directly owns 38.04% of the shares in the capital of KMK, Mr Boby Susanto who is the Purchaser's son, owns 27.71% of the shares in the capital of KMK, and the balance 34.25% of the shares of KMK are owned by PT Anugerah Mandiri Indotama, which is wholly owned by the Purchaser.

LKM owns 48.97% of the entire issued share capital of PSJ. The Purchaser also owns 3.03% of the entire issued share capital of PSJ directly. However, LKM's 48.97% stake in the share capital of PSJ includes 9,376 Series B shares in the issued share capital of PSJ which do not carry any votes. Consequently as at the Latest Practicable Date, LKM and the Purchaser holds 46.28% and 3.19% respectively of the total votes in PSJ.

2.3. Consideration

The Consideration of US$30,000,000 is payable by the Purchaser to the Company in cash on completion of the Proposed Disposal.

The Consideration was arrived at after arm's length negotiations between the Seller and the Purchaser, on a "willing buyer willing seller" basis and after taking into account the following:

(a) The book value or the net tangible asset value of the Business and the Assets based on FY2019 Results was approximately US$31,974,000;

(b) The net profit after tax attributable to TLM for FY2019, based on the FY2019 Results is approximately US$2,736,000; and

(c) The rationale for and benefits of the Proposed Disposal are as set out in Section 2.7 of this Circular.

In view of the ongoing global Covid-19 pandemic which has affected Indonesia considerably, the business of TLM Group has been adversely affected and the Purchaser refused to extend the long stop date of the Proposed Disposal unless the Previous Consideration was reduced to the Consideration of US$30,000,000. The pandemic has resulted in a slowdown in the business of TLM Group and this is borne out by the following:

(i) Revenue for the TLM Group has decreased by 22.2% from US$18.4 million for the six months ended 30 June 2019 to US$14.3 million for the six months ended 30 June 2020 and there is a reversal from net profit of US$0.9 million for the six months ended 30 June 2019 to a net loss of US$0.4 million for the six months ended 30 June 2020; and

(ii) The Valuation Report shows that the market value of the entire equity interest in the capital of TLM as at 31 May 2020, which has been impacted by the uncertainty that the Covid-19 outbreak has caused, is in the range of between US$24.3 million to US$25.6 million which is still a significant discount of between 14.7% to 19.0% to the reduced consideration of US$30,000,000.

2.4. Valuer's Valuation of TLM

The Audit Committee has commissioned Cushman & Wakefield VHS Pte. Ltd. to undertake an independent valuation to determine the market value of 100% equity interest in the capital of TLM as at 31 May 2020. Apart from the 48% stake that it owns in PSJ, TLM does not own any other assets.

The Company understands that Cushman & Wakefield VHS Pte. Ltd. is a major professional services firm providing valuation services. It provides valuation and advisory services pertaining to compliance and transactions support purpose for financial, business and intangible assets.

The Company has been informed that the Valuer adopted both the income approach and the cost approach as the primary approach, and the market approach purely as reference, and that:

(i) The income approach provides an indication of value by converting future cash flow to a single current value. Under the income approach, the value of an asset is determined by reference to the value of income, cash flow or cost savings generated by the asset. Based on the income approach, specifically the discounted cash flow method, the market value of 100% and 48%

equity interest in the capital of the PSJ Group as at the date of valuation on 31 May 2020 ranges from US$32.5 million to US$37.9 million and US$15.6 million to US$18.2 million respectively. TLM does not have any other assets apart from its investment in the PSJ Group. Accordingly, the market value of 100% equity interest in the capital of the TLM Group ranges from US$15.6 million to US$18.2 million.

(ii) The cost approach provides an indication of value using the economic principle that a buyer will pay no more for an asset than the cost to obtain an asset of equal utility, whether by purchase or by construction, unless undue time, inconvenience, risk or other factors are involved. Based on the cost approach, the market value of 100% and 48% equity interest in the capital of the PSJ Group is US$68.8 million and US$33.0 million respectively. TLM does not have any other assets apart from its investment in the PSJ Group. Accordingly, the market value of 100% equity interest in the TLM Group is US$33.0 million.

(iii) The market approach provides an indication of value by comparing the asset with identical or comparable assets, where information on transaction or offer prices is available.

The Valuer has in its valuation referred to the valuation of tugboats and barges of the PSJ Group prepared by Kantor Jasa Penilai Public Amin Nirwan Alfiantori dan Rekan. The Company understands that the Vessel Valuer has been established for more than 12 years and provides valuation services for assets and shares. The Company has been informed that the valuation was performed in accordance to Indonesian Valuers Code of Ethics (Kode Etik Penilai Indonesia) and Indonesian Valuation Standards (StandarPenilaian Indonesia) and that the Vessel Valuer has adopted the market approach.

PSJ Group owns 72 vessels consisting of tugboats and barges which were valued as at 31 May 2020. The market value of the vessels amounts to US$43,994,000 (equivalent of IDR 648,170,000,000 at exchange rate of USD 1 = IDR 14,733) as at 31 May 2020. Please refer to the breakdown of the market value of the vessels set out in the Summary of Valuation by the Vessel Valuer for further information, a copy of which is reproduced and appended as Appendix D to this Circular.

Please refer to the Vessel Valuation Report for further information, a copy of which is reproduced and appended as Appendix E to this Circular.

Based on the Valuation Report as well as the Summary Valuation Report, the market value of 100% equity interest in the capital of TLM as at 31 May 2020 was in the range of US$24.3 million to US$25.6 million based on both the income approach and cost approach with market approach as reference. The market value has been defined in the Valuation Report as being "*the estimated amount for which an asset or liability should exchange on the date of valuation, between a willing buyer and a willing seller in an arm's length transaction, after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion*".

Please also refer to the Summary Valuation Report for further information, a copy of which is reproduced and appended as Appendix C to this Circular.

2.5. Conditions Precedent

Completion is subject to and conditional upon, *inter alia*, the following conditions precedent being fulfilled or waived (as the case may be) in accordance with the SPA:

(a) The Company having obtained the approval of its shareholders at an EGM for the Proposed Disposal and other acts as may be required to give effect to the transactions contemplated in the SPA ("**Contemplated Transactions**");

(b) the approval of the Board of the Company for the Proposed Disposal and other acts as may be required to give effect to the Contemplated Transactions;

(c) approval, if required, from the SGX-ST for the Contemplated Transactions, including clearance from the SGX-ST for the circular from the Company to its shareholders that is required under the SGX-ST listing rules for the Contemplated Transactions;

(d) all relevant licences, authorisations, orders, grants, confirmations, permissions, registrations and other approvals as may be required by the Company for or in respect of the sale and purchase of the entire issued and paid up share capital of TLM;

(e) the Purchaser having procured the execution of an assignment agreement by PSJ in favour of the Company, to be entered into with the Company and TLM; and

(f) the Purchaser having procured the execution of a second assignment agreement by PSJ in favour of the Company, to be entered into with the Company and TLM.

In relation to Section 2.5(e) above, the assignment agreement dated 15 August 2019 was entered into between TLM, the Company, and PSJ. TLM is a shareholder of PSJ, and PSJ has declared and is liable to pay dividends of US$480,000 to TLM for the financial year ended 31 December 2018. TLM is a fully owned subsidiary of the Company. Pursuant to the assignment agreement, TLM irrevocably agrees and PSJ undertakes that it shall pay the dividend of US$480,000 to the Company. The net dividends for the financial year ended 31 December 2018, less 10% withholding tax has been paid to the Company on 21 October 2019.

In relation to Section 2.5(f) above, the second assignment agreement dated 3 July 2020 was entered into between TLM, the Company, and PSJ. TLM is a shareholder of PSJ, and the Purchaser is to procure PSJ to declare total dividends of US$1,000,000 of which a sum of US$480,000 shall be payable to TLM as dividends for the financial year ended 31 December 2019. TLM is a fully owned subsidiary of the Company. Pursuant to the second assignment agreement, TLM irrevocably agrees and PSJ undertakes that it shall pay a dividend of US$480,000 to the Company. The net dividends for the financial year ended 31 December 2019, less 10% withholding tax has been paid to the Company on 24 July 2020.

If the Conditions are not satisfied or waived on or before Completion or such other date as may be agreed in writing between the Company and the Purchaser (the "**Long Stop Date**"), the SPA (other than certain specified provisions) shall lapse. Pursuant to the first supplemental letter dated 14 February 2020 ("**First Supplemental Letter**"), the second supplemental letter dated 13 May 2020 ("**Second Supplemental Letter**"), the third supplemental letter dated 26 May 2020 ("**Third Supplemental Letter**") and the Supplemental Deed, the Long Stop Date has been extended to 31 October 2020.

2.6. Completion

Completion will take place within seven (7) Business Days from the date that the last of the Conditions Precedent is fulfilled, or at such other date as may be mutually agree in writing between the Company and the Purchaser.

2.7. Rationale for and Benefits of the Proposed Disposal and Use of Proceeds

The tables below set out (a) the review of operation results of TLM for the last three financial years ended 31 December ("**FY**") 2017, 2018 and 2019 and financial periods ended 31 May 2019 ("**FY2019M5**") and 31 May 2020 ("**FY2020M5**") provided by the Company and (b) the review of financial position of TLM as at 31 May 2020.

(a) Review of operation results of TLM

US$'000	FY2017 Audited	FY2018 Audited	FY2019 Audited	FY2019M5 Unaudited	FY2020M5 Unaudited
Revenue	35,747	37,189	38,052	14,945	12,176
Cost of services	(28,087)	(30,312)	(30,385)	(13,429)	(11,412)
Gross profit	**7,660**	**6,877**	**7,667**	**1,516**	**764**
Other (losses) / gains	(80)	(20)	672	131	(625)
Expenses					
- Administrative	(2,595)	(2,565)	(2,650)	(1,064)	(1,004)
- Finance	(1,062)	(694)	6	(119)	(28)
Profit / (loss) before income tax	3,923	3,598	5,695	464	(893)
Income tax expense	(389)	(406)	(462)	(162)	(129)
Net profit / (loss)	**3,534**	**3,192**	**5,233**	**302**	**(1,022)**
Net profit / (loss) attributable to:					
Equity holders of Company	1,698	1,533	2,736	145	(490)
Non-controlling interests	1,836	1,659	2,497	157	(532)
	3,534	3,192	5,233	302	(1,022)

Source: Company

The Company has confirmed that PSJ's operation results have been consolidated and reflected in TLM's operation results above.

(b) Review of financial position of TLM

US$'000	31 May 2020 Unaudited
Current assets	20,413
Non-current assets	48,094
Total assets	**68,507**
Current liabilities	2,627
Non-current liabilities	770
Total liabilities	**3,397**
Share capital	1,013
Translation reserves	(594)
Other reserves	4,701
Retained earnings	26,237
	31,357
Non-controlling interest	33,753
Total equity	**65,110**

Source: Company

Revenue for the TLM Group increased from US$35.7 million in FY2017 to US$37.2 million in FY2018 and US$38.1 million in FY2019. Despite the increase in revenue of 6.4% over 2 years from FY2017 to FY2019, this is unlikely to be sustainable as the freight rate that was renewed for contract on transshipment with a major customer in September 2019 was about 19% lower than the previous contracted freight rate. Freight rate from other customers are also not expected to improve under the current competitive environment in which the TLM Group operates. Furthermore, the global slowdown in economic activities arising from the Covid-19 pandemic and the uncertainty on how long the pandemic will last is expected to impact negatively on the revenue of TLM Group. Such factors have resulted in the decrease in revenue for the TLM Group from US$14.9 million in FY2019M5 to US$12.2 million in FY2020M5.

Net profits for the TLM Group decreased from US$3.5 million in FY2017 to US$3.2 million in FY2018 but increased to US$5.2 million in FY2019. The increase in net profits in FY2019 was attributed to higher gross profit, higher foreign currency exchange gain, higher interest income and nil interest expense. Higher gross profit was mainly due to higher revenue which is not sustainable as abovementioned. Higher currency exchange gain was due to appreciation of Indonesian Rupiah against US dollar in FY2019 but Indonesian Rupiah has weakened considerably against US dollar since early March 2020 and if the trend continues, TLM Group will incur exchange loss with a weaker currency against US dollar. Higher interest income was due to higher interest rate in FY2019 from cash balances placed under fixed deposits with banks in Indonesia and is not expected to increase significantly with prevailing low interest rate. Interest expense was nil in FY2019 and is

expected to increase if TLM Group obtains new loan to finance vessel acquisitions or other capital expenditures. Due to lower gross profit and higher foreign currency exchange loss, TLM Group has reversed from a net profit of US$0.3 million in FY2019M5 to a net loss of US$1.0 million in FY2020M5. Based on the above, there will be a negative impact on the operating results of TLM Group going forward.

As at 31 May 2020, TLM Group has total current assets of US$20.4 million and total current liabilities of US$2.6 million, resulting in net current asset position of US$17.8 million. Total non-current assets and non-current liabilities of TLM Group is US$48.1 million and US$0.8 million respectively. Non-current assets consisted mainly of vessels and drydocking. The vessels are tugboats and barges owned by TLM's subsidiary corporations in Indonesia.

The fleet of tugboats has an average age of 16 years and the fleet of barges has an average age of 13 years. Such vessels have either reached or are approaching their estimated useful lives of 16 years under normal wear and tear conditions. As such, there will be a need to renew the fleet or incur high maintenance costs to keep the fleet in good working conditions. Either of the options will result in higher finance or operating expenses for the TLM Group.

The Company is of the view that the Consideration of US$30,000,000 is attractive. This translates to S$0.1066 per share which is a 253% premium over the volume weighted average price of the shares of the Company of S$0.0302 on 8 August 2019, being the last market day when the shares were traded preceding the date of the SPA, as there was no other trade for the Company's shares after 8 August 2019 to the signing of the SPA. The Valuation Report estimated that the market value of the entire equity interest in the capital of TLM as at 31 May 2020 was in the range of US$24.3 million to US$25.6 million. The Consideration of US$30,000,000 is higher than the upper limit of this range by 17.2%.

Based on the above, the Directors are of the view that the Proposed Disposal presents a good opportunity to unlock value for the Shareholders and is in the best interests of the Company and Shareholders after taking into consideration the financial position and business prospect of the TLM Group.

The Proposed Disposal will result in a loss of approximately US$2,174,000 for the current financial year ending 31 December 2020 and the Company will receive net proceeds of approximately US$29,800,000 after deducting all costs and expenses. With a strong balance sheet, the Company will be able to source for investment opportunities that will provide sustainable long term growth for the Company and generate value for the Shareholders.

Upon completion of the Proposed Disposal, the Company will cease to have any operating business and will be deemed to be a cash company under Rule 1018 of the Listing Manual. The Company will comply with the requirements of Rule 1018 of the Listing Manual, and further details relating to the compliance with Rule 1018 of the Listing Manual are set out in Section 6 of this Circular.

2.8. Asset Value, Net Profit, and Estimated Profit of the Proposed Disposal

(a) Asset Value

The shares of TLM are not publicly traded and there is therefore no open market value for these Shares. Based on the FY2019 Results, the book value or the net tangible asset value of the Business and the Assets was approximately US$31,974,000.

The excess of the book value of the Business and the Assets over the proceeds from the Proposed Disposal would amount to approximately US$1,974,000.

(b) Net Profit

The net profit after tax attributable to TLM for FY2019, based on the FY2019 Results is approximately US$2,736,000.

(c) Loss on the Proposed Disposal

The estimated loss on the Proposed Disposal is approximately US$2,174,000 based on

the net proceeds of US$29,800,000 and the book value of the Business and the Assets as of 31 December 2019.

3. THE PROPOSED DISPOSAL AS A MAJOR TRANSACTION

For the purposes of Chapter 10 of the Listing Manual, the relative figures of the Proposed Disposal computed on the bases set out in Rules 1006 (a) to (e) of the Listing Manual are as follows:

Rule 1006	Bases	Relative Figure (%)
(a)	The net asset value of the assets to be disposed of, compared with the group's net asset value. This basis is not applicable to an acquisition of assets.	107(1)
(b)	The net profits attributable to the assets acquired or disposed of, compared with the group's net profits.	49(2)
(c)	The aggregate value of the consideration given or received, compared with the issuer's market capitalisation based on the total number of issued shares excluding treasury shares.	353(3)
(d)	The number of equity securities issued by the issuer as consideration for an acquisition, compared with the number of equity securities previously in issue.	Not applicable(4)
(e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the group's proved and probable reserves. This basis is applicable to a disposal of mineral, oil or gas assets by a mineral, oil and gas company, but not to an acquisition of such assets. If the reserves are not directly comparable, the Exchange may permit valuations to be used instead of volume or amount.	Not applicable(5)

Notes:

(1) "Net asset" means total assets less total liabilities. Based on the net asset value of the Business and Assets of US$31,709,000 and the unaudited net asset value of the Group of US$29,747,000 as at 30 June 2020.

(2) "Net profits" means profit or loss including discontinued operations that have not been disposed and before income tax and non-controlling interests. Based on the net loss attributable to the Business and the Assets of US$351,000 and the unaudited net loss of the Group of US$720,000 for the financial period ended 30 June 2020.

(3) Based on the Consideration of US$30,000,000 and the market capitalisation of the Company of approximately US$8,501,000 as at 8 August 2019, being the market day on which the Shares were traded preceding the date of the SPA. The Company's market capitalisation is determined by multiplying the number of shares in issue (excluding treasury shares) of 390,388,110 Shares by the weighted average price of S$0.0302 per Share on 8 August 2019.

(4) Rule 1006(d) of the Listing Manual is not applicable as no equity securities will be issued.

(5) Rule 1006(e) of the Listing Manual is not applicable as the Company is not a mineral, oil and gas company.

Rule 1014 of the Listing Manual states, *inter alia*, that where any of the relative figures as computed on the bases set out in Rule 1006 of the Listing Manual exceeds 20%, the transaction is classified as a "major transaction" and must be made conditional upon approval by the Shareholders in general meeting.

As the relative figures for the Proposed Disposal as computed on the bases set out in Rules 1006 (a), (b) and (c) of the Listing Manual exceed 20%, the Proposed Disposal constitutes a "major transaction" for the purpose of Chapter 10 of the Listing Manual which requires Shareholders' approval.

4. THE PROPOSED DISPOSAL AS AN INTERESTED PERSON TRANSACTION

The Company is an "entity at risk" while, as stated in Section 2.2 of this Circular, the Purchaser is regarded as an "interested person" for the purpose of Chapter 9 of the Listing Manual. Accordingly, the Proposed Disposal constitutes an "interested person transaction".

The latest audited consolidated NTA of the Group as at 31 December 2019 is US$30,382,000. The Consideration represents 99% of the latest audited consolidated NTA of the Group. As the value exceeds 5% of the Group's latest audited NTA, the Proposed Disposal is subject to the approval of Shareholders (the Purchaser and his Associates are to abstain from voting on the Proposed Disposal in respect of their respective shareholdings in the Company) at the EGM pursuant to Rule 906 of the Listing Manual.

Save for the Proposed Disposal, there are no other interested person transactions entered into by the Group, or between the Group and the Purchaser and/or his Associates for the current financial year of the Company up to the Latest Practicable Date, which are required to be disclosed under Chapter 9 of the Listing Manual.

5. FINANCIAL EFFECTS OF THE PROPOSED DISPOSAL

The *pro forma* financial effects of the Proposed Disposal on the NTA per Share and the earnings per Share ("**EPS**") as set out below are prepared purely for illustration only and do not necessarily reflect the actual results and financial position of the Group and of the Company following completion of the Proposed Disposal.

The *pro forma* financial effects of the Proposed Disposal presented below on the NTA per Share and the EPS of the Group have been prepared based on the FY2019 Results, and are subject to the following assumptions:

(a) the financial effect on the consolidated NTA per share is computed based on the assumption that the Proposed Disposal was completed on 31 December 2019;

(b) the financial effect on the consolidated EPS is computed based on the assumption that the Proposed Disposal was completed on 1 January 2019; and

(c) after taking into account the estimated transaction expenses.

5.1 NTA per share

	Before the Proposed Disposal	**After the Proposed Disposal**
NTA (US$'000)	30,382	28,208
Number of Shares[(1)]	390,388,110	390,388,110
NTA per Share (US cents)	7.78	7.23

Note:

(1) Based upon a total number of 390,388,110 Shares (excluding treasury shares) in issue as at 31 December 2019.

5.2 EPS/LPS

	Before the Proposed Disposal	**After the Proposed Disposal**
Profit/(Loss) after tax attributable to Shareholders (US$'000)	1,866	(308)

Number of Shares[(1)]	390,388,110	390,388,110
EPS/(LPS) (US cents)	0.48	(0.08)

Notes:

(1) Based upon a total number of 390,388,110 Shares (excluding treasury shares) in issue as at 31 December 2019.

6. CASH COMPANY – COMPLIANCE WITH RULE 1018 OF THE LISTING MANUAL

6.1. Cash Company

Upon completion of the Proposed Disposal, the Company will cease to have any operating business and will be deemed to be a cash company under Rule 1018 of the Listing Manual. The Company's remaining assets will comprise non-current assets and current assets. The Company's current assets will consist of the following:-

(a) existing cash balance of US$2,235,000 as at 31 August 2020 and net proceeds from the Proposed Disposal of approximately US$29,800,000 upon completion of the Proposed Disposal;

(b) investment in marketable security with market value of less than US$23,000 as at 31 August 2020; and

(c) prepayments and deposits of US$58,000 as at 31 August 2020.

The Company's non-current assets will include investments in subsidiary corporations which have no business and are currently dormant.

6.2. Rule 1018 of the Listing Manual

Shareholders are to note that under Rule 1018 of the Listing Manual, if the assets of an issuer consist wholly or substantially of cash or short-dated securities, its securities will normally be suspended. The suspension will remain in force until the issuer has a business which is able to satisfy the SGX-ST's requirements for a new listing, and all relevant information has been announced. Upon completion of the disposal of its operations and/or assets, the issuer must:

(a) place 90% of its cash and short-dated securities (including existing cash balance and the consideration arising from the disposal(s) undertaken by the issuer) in an account opened with and operated by an escrow agent which is part of any financial institution licensed and approved by the Monetary Authority of Singapore. The amount that is to be placed in the escrow account cannot be drawn down until the completion of the acquisition of a business which is able to satisfy the SGX-ST's requirements for a new listing, except for payment of expenses incurred in a reverse takeover approved by shareholders and pro rata distributions to shareholders; and

(b) provide monthly valuation of its assets and utilisation of cash, and quarterly updates of milestones in obtaining a new business to the market via SGXNET.

Taking the above compliance into account, the SGX-ST may allow continued trading in a cash company's securities on a case-by-case basis, subject to:

(c) contractual undertakings from the issuer's directors, Controlling Shareholders, chief executive officer and their Associates to observe a moratorium on the transfer or disposal of all their interests, direct and indirect, in the securities of the issuer; and

(d) the period of the moratorium must commence from the date shareholders approve the disposal of business, up to and including the completion date of the acquisition of a business which is able to satisfy the SGX-ST's requirements for a new listing.

Conditions (c) and (d) described above are not applicable in this case, as the Company will not be making an application for the continued trading of its securities. As such, the Company's Directors, Controlling Shareholders, chief executive officer and their Associates will not be providing the contractual undertakings described in Rule 1018(1)(c) of the Listing Manual. Trading will be suspended on the date of EGM once there is approval from the shareholders.

Upon approval by shareholders at the EGM, the Company will enter into an escrow agreement with United Overseas Bank Limited (the "**Escrow Agent**"). Under the escrow agreement, any one person from Group A, comprising Mr Yap Kian Peng, Mr Ng Yuen and Mr Low Chee Chiew, who are all independent directors of the Company (Mr Yap Kian Peng and Mr Ng Yuen are members of the Audit Committee), and any one person from Group B, comprising Mr Andreas Tjahjadi (Executive Director of the Company), Mr Ng Soon Kai (Non-executive Director of the Company) and Mr Lim Poh Chen (Group Financial Controller of the Company), shall be authorised to jointly give any notices or take any action on behalf of the Company in connection with the amounts placed in the escrow account, provided that no withdrawal of monies from the escrow account shall be made by the Company without receiving a no-objection confirmation from the SGX-ST.

The Independent Directors are to exercise oversight on the cash to be deposited into the escrow account.

The SGX-ST will proceed to remove an issuer from the Official List if it is unable to meet the requirements for a new listing within 12 months from the time it becomes a cash company. The issuer may apply to the SGX-ST for a maximum 6-month extension to the 12-month period if it has already signed a definitive agreement for the acquisition of a new business, of which the acquisition must be completed in the 6-month extension period. The extension is subject to the issuer providing information to investors on its progress in meeting key milestones in the transaction. In the event the issuer is unable to meet its milestones or complete the relevant acquisition despite the time extension granted, no further extension will be granted and the issuer will be removed from the Official List and a cash exit offer in accordance with Rule 1309 of the Listing Manual should be made to the issuers' shareholders within six months. Under Rule 1306 of the Listing Manual which states that the issuer or its controlling shareholder(s) must comply with Rule 1309 of the Listing Manual, if the SGX-ST exercises its power to remove the Company from the Official List, the Company or its controlling shareholder(s) must, subject to Rule 1308, comply with the requirements of Rule 1309 of the Listing Manual, which requires the Company or its controlling shareholder(s) to provide an exit offer that is fair and reasonable, and include a cash alternative as the default alternative, and the Company must appoint an independent financial adviser to advise on the exit offer and the independent financial adviser must opine that the exit offer is fair and reasonable.

6.3. The Company's Compliance with Rule 1018 of the Listing Manual

As at the Latest Practicable Date:

(a) the Company has cash of US$2,234,000 and securities of US$20,000;

(b) the amount that is to be placed in the escrow account will amount to approximately US$27,000,000, based on the Consideration of US$30,000,000; and

(c) the Company will have approximately US$3,000,000 to be utilised for the purposes of transaction expenses and working capital.

The Company will be required to comply with the restrictions under Rule 1018 of the Listing Manual, and will continue to provide updates on the matter at the appropriate time.

6.4. Prospects of the Company

The Company is considering its options in relation to acquiring potential businesses and assets which can satisfy the SGX-ST's listing requirements as well as provide sustainable long term growth for the Company and generate value for the Shareholders. Shareholders of the Company will be informed at the appropriate time after a definitive decision has been reached. If the Company is unable to find a suitable acquisition target within the 12 months from the time the Company becomes

a cash company, it will apply to delist from the SGX-ST and return the assets in the form of cash to its shareholders pursuant to Rule 1309 of the Listing Manual.

7. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

7.1. Interests in the Company

As at the Latest Practicable Date, the interests of the Directors in the issued and paid-up share capital in the Company as recorded in the Register of Directors' Shareholdings maintained pursuant to Section 164 of the Companies Act and the interests of the Substantial Shareholders in the issued and paid-up capital of the Company as recorded in the Register of Substantial Shareholder(s) maintained pursuant to Section 88 of the Companies Act are as follows:

	Direct Interest		Deemed Interest		Total Interest	
	Number of Shares	%(1)	Number of Shares	%(1)	Number of Shares	%(1)
Directors						
Mr Edwin Soeryadjaya	24,270,349	6.22	90,812,988	23.26	115,083,337	29.48
Mr Masdjan	–	–	36,325,195	9.30	36,325,195	9.30
Mr Andreas Tjahjadi	17,491,703	4.48	–	–	17,491,703	4.48
Mr Ng Soon Kai	–	–	4,225,446	1.08	4,225,446	1.08
Mr Ng Yuen	–	–	–	–	–	–
Mr Yap Kian Peng	–	–	–	–	–	–
Mr Low Chee Chiew	–	–	–	–	–	–
Substantial Shareholders						
PT Saratoga Investama Sedaya Tbk	90,812,988	23.26	–	–	90,812,988	23.26
Reavis Global Ltd	36,325,195	9.30	–	–	36,325,195	9.30
Mr Edwin Soeryadjaya(2)	24,270,349	6.22	90,812,988	23.26	115,083,337	29.48
Mr Sandiaga Salahuddin Uno(3)	–	–	97,573,702	24.99	97,573,702	24.99
Mr Masdjan(4)	–	–	36,325,195	9.30	36,325,195	9.30

Note:

(1) The percentage is calculated based on a total number of 390,388,110 Shares (excluding treasury shares) in issue as at the Latest Practicable Date.

(2) Mr Edwin Soeryadjaya has a direct interest of 31.85% and indirect interest of 16.36% in PT Saratoga Investama Sedaya Tbk through PT Unitras Pertama. He is also the President Commissioner of PT Saratoga Investama Sedaya Tbk. As such, Mr Edwin Soeryadjaya is deemed interested in the shares held by PT Saratoga Investama Sedaya Tbk by virtue of Section 7 of the Companies Act, Chapter 50.

(3) Mr Sandiaga Salahuddin Uno has a direct interest of 21.51% in PT Saratoga Investama Sedaya Tbk, and owns 100% equity interest in Attica Finance Ltd. As such, Mr Sandiaga Salahuddin Uno is deemed interested in the shares held by Attica Finance Ltd and PT Saratoga Investama Sedaya Tbk by virtue of Section 7 of the Companies Act, Chapter 50.

(4) Mr Masdjan owns 100% equity interest in Reavis Global Ltd. As such, Mr Masdjan is deemed interested in the shares held by Reavis Global Ltd by virtue of Section 7 of the Companies Act, Chapter 50.

7.2. Interests in the Proposed Disposal

The Purchaser is an Executive Director and Chief Operating Officer of the Group, and is regarded

as "interested persons" for the purpose of Chapter 9 of the Listing Manual.

Save as disclosed above, none of the Directors or Controlling Shareholders of the Company, has any interest, direct or indirect (other than through their shareholdings in the Company, if any), in the Proposed Disposal.

8. OPINION OF THE INDEPENDENT FINANCIAL ADVISER

Pursuant to Listing Rule 921(4)(a), the Company has appointed W Capital Markets Pte. Ltd. as the independent financial adviser, to express an opinion on whether the Proposed Disposal, as an interested person transaction, is on normal commercial terms and is not prejudicial to the interests of the Company and its minority Shareholders.

Taking into consideration the factors set out in the IFA Letter, and subject to the assumptions and qualifications contained therein, the IFA arrived at its opinion, an extract of which is as reproduced below:

"*In arriving at our opinion, we have taken into account, inter alia, the following key considerations which we consider to be pertinent to our assessment of the Proposed Disposal:*

(a) The rationale for the Proposed Disposal, details of which are set out in Section 6.1 of this IFA Letter;

(b) The analysis of selected financial performance of TLM, details of which are set out in Section 6.2 of this IFA Letter.

(c) Fairness of the Consideration for the Proposed Disposal, details of which are set out in Section 6.3 of this IFA Letter.

(d) Financial effects of the Proposed Disposal, details of which are set out in Section 6.4 of this IFA Letter. The Proposed Disposal would decrease the Group's NTA, NTA per share and earnings per Share; and

(e) Other relevant considerations, details of which are set out in Section 6.5 of this IFA Letter.

Having regard to the foregoing considerations set out in this IFA Letter and information available to us as at the Latest Practicable Date, we are of the opinion that the Proposed Disposal is on normal commercial terms and is not prejudicial to the interests of the Company and its Independent Shareholders."

A copy of the IFA Letter, containing in full the advice and opinion of the IFA, is reproduced and appended as Appendix B to this Circular. Shareholders are advised to read the IFA Letter carefully before proceeding to vote on the resolution for the Proposed Disposal at the EGM.

9. STATEMENT OF THE AUDIT COMMITTEE

The members of the Audit Committee of the Company are:

1. Yap Kian Peng
2. Edwin Soeryadjaya; and
3. Ng Yuen.

Having reviewed and considered, *inter alia*, the terms, rationale and financial effects of the Proposed Disposal, as well as the advice and opinion of the IFA, the Audit Committee concurs with the opinion of the IFA and is of the view that given the unique circumstances of the Group and the rationale for the Proposed Disposal, the Proposed Disposal, as an interested person transaction, is on normal commercial terms and is not prejudicial to the interests of the Company and the independent Shareholders.

The Audit Committee further recommends any individual Shareholder who may require specific advice to consult his stockbroker, bank manager, solicitor, accountant or other professional adviser and strongly advises Shareholders to read this Circular in its entirety carefully.

Save as disclosed above, none of the members of the Audit Committee have any interest, direct or indirect (other than through their shareholdings in the Company, if any), in the Proposed Disposal.

10. DIRECTORS' RECOMMENDATION

The Independent Directors, having reviewed and considered, among other things, the terms and conditions of the SPA, the rationale for and benefits of the Proposed Disposal, and all other relevant information set out in this Circular, are unanimously of the opinion that the Proposed Disposal is in the best interests of the Company and accordingly, recommend that Shareholders vote in favour of the ordinary resolution set out in the Notice of EGM.

11. SERVICE CONTRACTS

No person is proposed to be appointed as a director of the Company in connection with the Proposed Disposal. Accordingly, no service contract is proposed to be entered into between the Company and any such person.

12. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on pages N-1 and N-2 of this Circular, will be held by way of electronic means on 9 October 2020 at 2.00 p.m. for the purpose of considering and, if thought fit, passing, with or without any modification, the ordinary resolution set out in the Notice of EGM.

13. ACTION TO BE TAKEN BY SHAREHOLDERS

13.1 No Physical Attendance at EGM

Due to the current COVID-19 restriction orders in Singapore, Shareholders will not be allowed to attend the EGM in person.

13.2 Alternative Arrangements

Instead, alternative arrangements have been put in place to allow Shareholders to participate in the EGM by (a) observing or listening to the EGM proceedings via a "live" audio-visual webcast or "live" audio-only stream, (b) submitting questions in advance of the EGM; and/or (c) voting by proxy at the EGM.

Shareholders should refer to the Company's announcement dated 24 September 2020 entitled "Extraordinary General Meeting in relation to the Proposed Disposal of the Entire Business and Business Assets of the Company" which has been uploaded together with this Circular on SGXNET for further information, including the steps to be taken by Shareholders to participate at the EGM. Such announcement may also be accessed at the Company's website at http://www.seroja.com.sg.

14. ABSTENTION FROM VOTING

Pursuant to Rule 919 of the Listing Manual, an interested person and any Associate of the interested person must abstain from voting on the resolutions approving the interested person transactions involving themselves and their Associates. Such interested persons and their associates shall not act as proxies nor accept appointments as proxies in relation to such resolutions unless specific voting instructions had been given by the Shareholders.

Mr Masdjan, who is the Purchaser and whose interests have been set out in Section 7.2, being an interested person of the Company in respect of the Proposed Disposal, has undertaken to abstain and ensure that his Associates will abstain, from voting in respect of their shareholdings in the Company and will not accept nominations as proxy or otherwise for voting at the EGM in relation to the Proposed Disposal.

15. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best

of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Disposal, the Company, and the Group, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in the Circular 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 is accurately and correctly extracted from those sources and/or reproduced in the Circular in its proper form and context.

16. CONSENTS

The IFA has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its name and the IFA Letter set out in Appendix B to this Circular and all references thereto, in the form and context in which they appear in this Circular.

The Valuer has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its name and the Summary Valuation Report set out in Appendix C to this Circular and all references thereto, in the form and context in which they are included in this Circular.

The Vessel Valuer has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its name, the Summary of Valuation by the Vessel Valuer set out in Appendix D to this Circular and the Vessel Valuation Report set out in Appendix E to this Circular and all references thereto, in the form and context in which they are included in this Circular.

17. DOCUMENTS FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the Company during normal business hours for a period of three months from the date of this Circular:

(a) the Constitution of the Company

(b) the SPA;

(c) the First Supplemental Letter;

(d) the Second Supplemental Letter;

(e) the Third Supplemental Letter;

(f) the Supplemental Deed;

(g) the Valuation Report;

(h) the IFA Letter; and

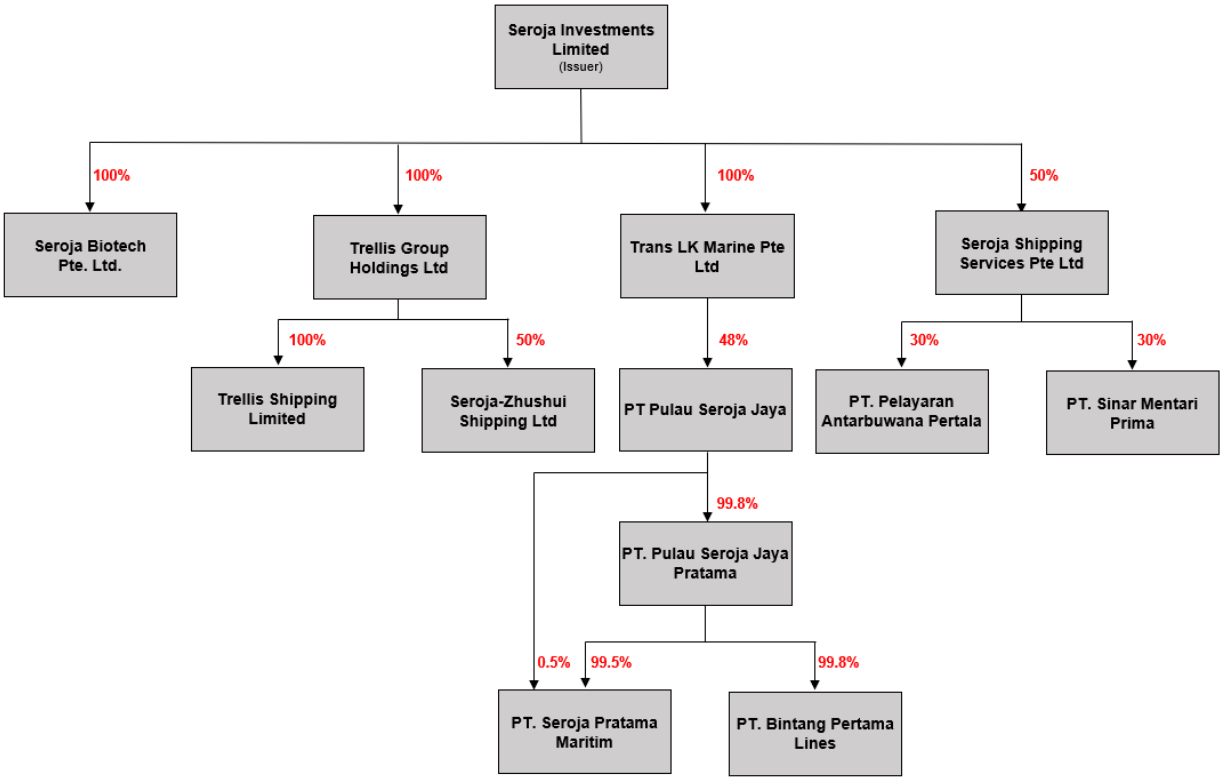
(i) the letters of consent referred to in Section 16 of this Letter to Shareholders.

Yours faithfully
for and on behalf of the Board of Directors of
SEROJA INVESTMENTS LIMITED

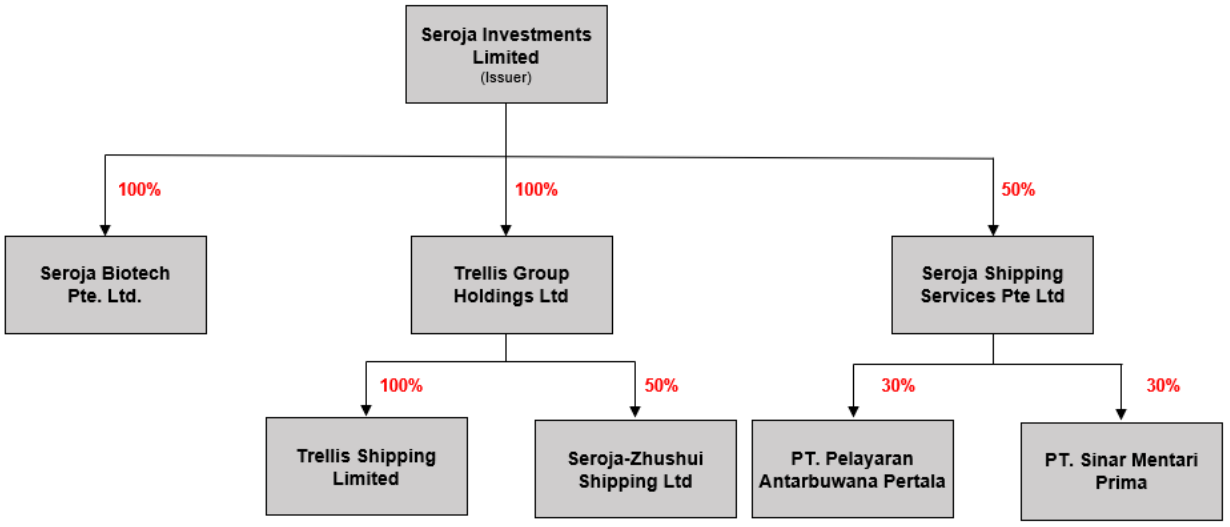
Edwin Soeryadjaya
Non-Executive Chairman

APPENDIX A – GROUP STRUCTURE

The Group structure as at the Latest Practicable Date is as follows:



The Group structure upon completion of the Proposed Disposal is as follows:



Note: Trellis Group Holdings Ltd was incorporated under the laws of the British Virgin Islands, and it has no business operations. Seroja Shipping Services Pte Ltd and Seroja Biotech Pte. Ltd. were incorporated in the Republic of Singapore, and they have no business operations.

W CAPITAL MARKETS PTE. LTD.
Incorporated in the Republic of Singapore)
(Company Registration Number: 201813207E)
65 Chulia Street
#43-01 OCBC Centre
Singapore 049513

24 September 2020

The Directors of Seroja Investments Limited who are considered independent in relation to the Proposed Disposal (The "**Independent Directors**")

Mr Edwin Soeryadjaya	(Non-Executive Chairman)
Mr Andreas Tjahjadi	(Executive Director)
Mr Ng Soon Kai	(Non-Executive Director)
Mr Ng Yuen	(Independent Director)
Mr Yap Kian Peng	(Independent Director)
Mr Low Chee Chiew	(Independent Director)

Dear Sirs,

LETTER TO THE INDEPENDENT DIRECTORS IN RESPECT OF THE PROPOSED DISPOSAL

*Unless otherwise defined or the context otherwise requires, all terms defined in the circular dated 24 September 2020 ("**Circular**") issued by Seroja Investments Limited (the "**Company**", and together with its subsidiaries (the "**Group**") shall have the same meanings herein.*

1. INTRODUCTION

On 15 August 2019, the Company announced that it had entered into a conditional sale and purchase agreement with Mr. Masdjan as the Purchaser, in relation to the proposed disposal of the entire issued and paid up share capital of Trans LK Marine Pte. Ltd. ("**TLM**") to the Purchaser for an aggregate consideration of US$32,160,000 ("**Previous Consideration**"). On 3 July 2020, the Company announced that it had entered into a supplemental deed with the Purchaser to amend, modify and supplement the SPA (the "**Supplemental Deed**") in relation to the Proposed Disposal for an aggregate consideration of US$30,000,000 ("**Consideration**"). The rationale for the revision in aggregate consideration for the Proposed Disposal is as set out in Section 2.3 of the Circular. The Proposed Disposal will result in TLM ceasing to be a Subsidiary of the Company. TLM holds a 48% shareholding interests in PT Pulau Seroja Jaya ("**PSJ**"). PSJ owns a fleet of tugboats and barges and provides marine transportation of dry bulk freight in Indonesia. Following the completion of the Proposed Disposal, the Company will also cease to have any interests in PSJ.

As at the date of the Circular, the Company owns 100% of the entire issued and paid-up share capital of TLM. As at the Latest Practicable Date, TLM has an issued and paid-up capital of US$1,013,064 comprising 100,000 ordinary shares. Under the SPA, the Company will sell, and the Purchaser will acquire, the entire issued and paid up share capital of TLM, comprising the business undertaking of the Company (the "**Business**") and all the property, assets, rights, undertakings and liabilities of the Company pertaining to the Business and existing on the Company's balance sheet as at completion of the Proposed Disposal ("**Assets**").

TLM owns 90,009 Series A shares representing 48% of the entire issued share capital of PSJ, which is an Indonesian company. The 90,009 Series A shares owned by TLM carry 50.53% of the total votes in PSJ because there are 9,376 Series B shares in the issued share capital of PSJ owned by another shareholder of PSJ called PT Laju Kencana Murni ("**LKM**") which do not carry any votes.

The Company will cease to hold any interest in TLM, and will cease to have any operating businesses and assets following completion of the Proposed Disposal.

The Purchaser is an Executive Director and Chief Operating Officer of the Group. Accordingly, the Proposed Disposal between the Company as the Entity at Risk and the Purchaser as an "interested person" would constitute an "interested person transaction" for the purpose of Chapter 9 of the Listing Manual.

As at the Latest Practicable Date, the Purchaser is the controlling shareholder of LKM which in turn owns 48.97% of the entire issued share capital of PSJ. The Purchaser also owns 3.03% of the entire issued share capital of PSJ directly. However, LKM's 48.97% stake in the share capital of PSJ includes 9,376 Series B shares in the issued share capital of PSJ which do not carry any votes. Consequently, as at the Latest Practicable Date, LKM and the Purchaser holds 46.28% and 3.19% respectively of the total votes in PSJ.

The Consideration represents approximately 99% of the latest audited consolidated net tangible assets ("**NTA**") of the Group as at 31 December 2019. As the value exceeds 5% of the Group's latest audited NTA, the Proposed Disposal is subject to the approval of the Shareholders (the Purchasers and his associates to abstain from voting on the Proposed Disposal in respect of their respective shareholdings in the Company) at the EGM pursuant to Rule 906 of the Listing Manual.

Pursuant to Listing Rule 921(4)(a), the Company has appointed W Capital Markets Pte Ltd ("**W Capital**") as the independent financial adviser ("**IFA**") to express an opinion on whether the Proposed Disposal, as an interested person transaction, is on normal commercial terms and is not prejudicial to the interests of the Company and its minority shareholders (the "**Independent Shareholders**"), as well as to advise the directors of the Company who are considered independent for the purposes of making recommendations to the Independent Shareholders in respect of the Proposed Disposal ("**Independent Directors**"). This letter ("**IFA Letter**") sets out, *inter alia*, our opinion as to whether the Proposed Disposal is on normal commercial terms and whether the Proposed Disposal is prejudicial to the interests of the Company and its Independent Shareholders. This IFA Letter forms part of the Circular issued by the Company to its Shareholders in connection with the Proposed Disposal.

2. TERMS OF REFERENCE

The purpose of this IFA Letter is to provide an independent opinion on whether the terms of the Proposed Disposal are on normal commercial terms and whether the Proposed Disposal is prejudicial to the interests of the Company and its Independent Shareholders. We have prepared this IFA Letter pursuant to Listing Rule 921(4)(a) as well as for the use of the Independent Directors in connection with their consideration of the Proposed Disposal and their advice to the Independent Shareholders arising thereof. The recommendations made by the Independent Directors to the Shareholders shall remain the responsibility of the Independent Directors.

We were neither a party to the negotiations entered into by the Company in relation to the Proposed Disposal, nor were involved in the deliberations leading up to the decision on the part of the Directors to undertake the Proposed Disposal. Accordingly, we do not, by this IFA Letter, warrant the merits of the Proposed Disposal and our terms of reference do not require us to evaluate or comment on the legal, strategic, commercial and financial merits and/or risks (if any) of the Proposed Disposal.

In the course of our evaluation, we have held discussions with the Directors, the management of the Company (the "**Management**") and/or their professional advisers and have examined and

relied to a considerable extent on publicly available information collated by us as well as information provided and representations made to us, both written and verbal, by the Directors, the Management and/or their professional advisers, including information contained in the Circular. We have not independently verified such information or representations, whether written or verbal, and accordingly cannot and do not make any representation or warranty, express or implied, in respect of, and do not accept any responsibility for the accuracy, completeness or adequacy of such information or representations. Whilst care has been exercised in reviewing the information on which we have relied on, we have not independently verified the information but nevertheless have made such reasonable enquiries and exercised our judgment on the reasonable use of such information, and have found no reason to doubt the accuracy or reliability of the information. In this regard, we note that the Directors have collectively and individually accepted full responsibility for the accuracy of the information given in the Circular as set out in the "Directors' Responsibility Statement" in Section 15 of the Circular.

The scope of our appointment does not require us to perform an independent evaluation or appraisal of the assets, liabilities and/or profitability of the Company and its subsidiaries (the "**Group**") and/or TLM and we do not express a view on the financial position, future growth prospects and earnings potential of the Company after the completion of the Proposed Disposal in accordance with the terms of the Agreement ("**Completion**"). As such, we have relied on the disclosures and representations made by the Company on the value of the assets and liabilities and profitability of the Group and/or TLM. In this respect, we have been furnished with, *inter alia*, a valuation report dated 24 September 2020 ("**Valuation Report**") prepared by Cushman & Wakefield VHS Pte Ltd (the "**Valuer**") on the entire equity interest of TLM as at 31 May 2020 (the "**Valuation Date**"). As we are not experts in the evaluation or appraisal of the assets as set out in the Valuation Report, we have placed sole reliance on the appraisal in relation to TLM as assessed by the Valuer and as set out in the Valuation Report.

The information on which we relied was based upon market, economic, industry, monetary and other conditions prevailing as at the Latest Practicable Date which may change significantly over a relatively short period of time. We assume no responsibility to update, revise or affirm our opinion in light of any subsequent development after the Latest Practicable Date that may affect our opinion contained herein.

In rendering our opinion in relation to the Proposed Disposal, we have not had regard to the specific investment objectives, financial situation, tax position, tax status, risk profiles or particular needs and constraints or circumstances of any individual Shareholder or specific group of Shareholders. As each Shareholder would have different investment objectives and profiles, we recommend that any individual Shareholder or specific group of Shareholders who may require specific advice in the context of his specific or their investments objectives or portfolio(s) consult his or their legal, financial, tax or other professional adviser.

The Company has been separately advised by its own professional advisers in the preparation of the Circular (other than this IFA Letter). We have had no role or involvement, and do not provide any advice (financial or otherwise), in the preparation, review and verification of the Circular (other than this IFA Letter). Accordingly, we take no responsibility or and express no views, whether express or implied, on the contents of the Circular (other than this IFA Letter).

Our opinion in relation to the Proposed Disposal should be considered in the context of the entirety of this IFA Letter and the Circular.

3. INFORMATION ON TLM AND THE PURCHASER

3.1 Information relating to TLM

As at the date of the Circular, the Company owns 100% of the entire issued and paid-up share capital of TLM. As at the Latest Practicable Date, TLM has an issued and paid-up capital of US$1,013,064 comprising 100,000 ordinary shares. Under the SPA, the Company will sell, and the Purchaser will acquire, the entire issued and paid up share capital of TLM, comprising the business and undertakings of the Company (the "**Business**") and all the property, assets, rights, undertakings and liabilities of the Company pertaining to the Business and existing on the Company's balance sheet as at completion of the Proposed Disposal ("**Assets**").

TLM owns 90,009 Series A shares representing 48% of the entire issued share capital of PSJ, which is an Indonesian company. The 90,009 Series A shares owned by TLM carry 50.53% of the total votes in PSJ because there are 9,376 Series B shares in the issued share capital of PSJ owned by another shareholder of PSJ called PT Laju Kencana Murni ("**LKM**") which do not carry any votes.

PSJ owns and operates a fleet of 72 vessels consisting of tugboats and barges which navigate the waters around the Indonesian archipelago and are used to transport mainly thermal coal, sand and other quarry materials. The fleet of tugboats has an average age of 16 years and the fleet of barges has an average age of 13 years as compared to the estimated useful lives of 16 years for such vessels under normal wear and tear conditions.

3.2 Information on the Purchaser

The Purchaser is an Executive Director and Chief Operating Officer of the Group. Accordingly, the Proposed Disposal between the Company as the Entity at Risk and the Purchaser as an "interested person" would constitute an "interested person transaction" for the purpose of Chapter 9 of the Listing Manual. Please refer to Section 2.2 of the Circular for further details.

As at the Latest Practicable Date, the Purchaser is the controlling shareholder of LKM which in turn owns 48.97% of the entire issued share capital of PSJ. The Purchaser also owns 3.03% of the entire issued share capital of PSJ directly. However, LKM's 48.97% stake in the share capital of PSJ includes 9,376 Series B shares in the issued share capital of PSJ which do not carry any votes. Consequently, as at the Latest Practicable Date, LKM and the Purchaser holds 46.28% and 3.19% respectively of the total votes in PSJ.

4. SALIENT TERMS OF THE PROPOSED DISPOSAL

The detailed terms of the Proposed Disposal have been set out in Section 2 of the Circular. A summary of the salient terms is set out below for your reference:

4.1 Consideration for the Proposed Disposal

The Consideration of US$30,000,000 is payable by the Purchaser to the Company in cash on completion of the Proposed Disposal.

The Consideration was arrived at after arm's length negotiations between the Seller and the Purchaser, on a "willing buyer willing seller" basis and after taking into account the following:

(a) The book value or the net tangible asset value of the Business and the Assets based on FY2019 Results was approximately US$31,974,000;

(b) The net profit after tax attributable to TLM for FY2019, based on the FY2019 Results is approximately US$2,736,000; and

(c) The rationale for and benefits of the Proposed Disposal as set out in Section 2.7 of the Circular.

In view of the ongoing global Covid-19 pandemic which has affected Indonesia considerably, the business of TLM Group has been adversely affected and the Purchaser refused to extend the long stop date of the Proposed Disposal unless the Previous Consideration was reduced to the Consideration of US$30,000,000. The pandemic has resulted in a slowdown in the business of TLM Group and this is borne out by the following:

(i) Revenue for the TLM Group has decreased by 22.2% from US$18.4 million for the six months ended 30 June 2019 to US$14.3 million for the six months ended 30 June 2020 and there is a reversal from net profit of US$0.9 million for the six months ended 30 June 2019 to a net loss of US$0.4 million for the six months ended 30 June 2020; and

(ii) The Valuation Report shows that the market value of the entire equity interest in the capital of TLM as at 31 May 2020, which has been impacted by the uncertainty that the Covid-19 outbreak has caused, is in the range of between US$24.3 million to US$25.6 million which is still a significant discount of between 14.7% to 19.0% to the reduced consideration of US$30,000,000.

4.2 Conditions Precedent

Completion is subject to and conditional upon, *inter* alia, the following conditions precedent being fulfilled or waived (as the case may be) in accordance with the SPA:

(a) The Company having obtained the approval of its shareholders at an EGM for the Proposed Disposal and other acts as may be required to give effect to the transactions contemplated in the SPA ("**Contemplated Transactions**");

(b) the approval of the Board of the Company for the Proposed Disposal and other acts as may be required to give effect to the Contemplated Transactions;

(c) approval, if required, from the SGX-ST for the Contemplated Transactions, including clearance from the SGX-ST for the circular from the Company to its shareholders that is required under the SGX-ST listing rules for the Contemplated Transactions;

(d) all relevant licences, authorisations, orders, grants, confirmations, permissions, registrations and other approvals as may be required by the Company for or in respect of the sale and purchase of the entire issued and paid up share capital of TLM; and

(e) the Purchaser having procured the execution of an assignment agreement by PSJ in favour of the Company, to be entered into with the Company and TLM; and

(f) the Purchaser having procured the execution of a second assignment agreement by PSJ in favour of the Company, to be entered into with the Company and TLM.

In relation to Paragraph 4.2(e) above, the assignment agreement dated 15 August 2019 was entered into between TLM, the Company, and PSJ. TLM is a shareholder of PSJ, and PSJ has declared and is liable to pay dividends of US$480,000 to TLM for the financial year ended 31 December 2018. TLM is a fully owned subsidiary of the Company. Pursuant to the assignment agreement, TLM irrevocably agrees and PSJ undertakes that it shall pay the dividend of US$480,000 to the Company. The net dividends for the financial year ended 31 December 2018, less 10% withholding tax has been paid to the Company on 21 October 2019.

In relation to Paragraph 4.2(f) above, the second assignment agreement dated 3 July 2020 was entered into between TLM, the Company, and PSJ. TLM is a shareholder of PSJ, and the Purchaser is to procure PSJ to declare total dividends of US$1,000,000 of which a sum of US$480,000 shall be payable to TLM as dividends for the financial year ended 31 December 2019. TLM is a fully owned subsidiary of the Company. Pursuant to the second assignment agreement, TLM irrevocably agrees and PSJ undertakes that it shall pay a dividend of US$480,000 to the Company. The net dividends for the financial year ended 31 December 2019, less 10% withholding tax has been paid to the Company on 24 July 2020.

If the Conditions are not satisfied or waived on or before Completion or such other date as may be agreed in writing between the Company and the Purchaser, the SPA (other than certain specified provisions) shall lapse. Pursuant to the first supplemental letter dated 14 February 2020, the second supplemental letter dated 13 May 2020, the third supplemental letter dated 26 May 2020, and the Supplemental Deed, the Long Stop Date has been extended to 31 October 2020.

6. EVALUATION OF THE PROPOSED DISPOSAL

In arriving at our opinion on whether the Proposed Disposal is on normal commercial terms and not prejudicial to the interests of the Company and its Independent Shareholders, we have given due consideration to, *inter alia*, the following:

6.1 Rationale for and Benefits of the Proposed Disposal;

6.2 Analysis of selected financial performance of TLM;

6.3 Fairness of the Consideration vis-à-vis a comparison with

(i) the net asset value ("**NAV**") of TLM as at 31 May 2020;

(ii) the market value of 100% equity interest in TLM;

(iii) the valuation statistics of companies broadly comparable to TLM;

6.4 Financial effects of the Proposed Disposal; and

6.5 Other relevant considerations.

6.1 Rationale for and Benefits of the Proposed Disposal

We have considered the rationale by the Company for the Proposed Disposal as set out in Section 2.7 of the Circular and we have set them out in italics below for your easy reference:

*"The tables below set out (a) the review of operation results of TLM for the last three financial years ended 31 December ("**FY**") 2017, 2018 and 2019 and financial periods ended 31 May 2019 ("**FY2019M5**") and 31 May 2020 ("**FY2020M5**") provided by the Company and (b) the review of financial position of TLM as at 31 May 2020.*

(a) Review of operation results of TLM

US$'000	**FY2017 Audited**	**FY2018 Audited**	**FY2019 Audited**	**FY2019M5 Unaudited**	**FY2020M5 Unaudited**
Revenue	35,747	37,189	38,052	14,945	12,176
Cost of services	(28,087)	(30,312)	(30,385)	(13,429)	(11,412)
Gross profit	**7,660**	**6,877**	**7,667**	**1,516**	**764**
Other (losses) / gains	(80)	(20)	672	131	(625)
Expenses					
- Administrative	(2,595)	(2,565)	(2,650)	(1,064)	(1,004)
- Finance	(1,062)	(694)	6	(119)	(28)
Profit / (loss) before income tax	3,923	3,598	5,695	464	(893)
Income tax expense	(389)	(406)	(462)	(162)	(129)
Net profit / (loss)	**3,534**	**3,192**	**5,233**	**302**	**(1,022)**
Net profit / (loss) attributable to:					
Equity holders of Company	1,698	1,533	2,736	145	(490)
Non-controlling interests	1,836	1,659	2,497	157	(532)
	3,534	3,192	5,233	302	(1,022)

Source: Company

The Company has confirmed that PSJ's operation results have been consolidated and reflected in TLM's operation results above.

(b) Review of financial position of TLM

US$'000	31 May 2020 Unaudited
Current assets	20,413
Non-current assets	48,094
Total assets	**68,507**
Current liabilities	2,627
Non-current liabilities	770
Total liabilities	**3,397**
Share capital	1,013
Translation reserves	(594)
Other reserves	4,701
Retained earnings	26,237
	31,357
Non-controlling interest	33,753
Total equity	**65,110**

Source: Company

Revenue for the TLM Group increased from US$35.7 million in FY2017 to US$37.2 million in FY2018 and US$38.1 million in FY2019. Despite the increase in revenue of 6.4% over 2 years from FY2017 to FY2019, this is unlikely to be sustainable as the freight rate that was renewed for contract on transshipment with a major customer in September 2019 was about 19% lower than the previous contracted freight rate. Freight rate from other customers are also not expected to improve under the current competitive environment in which the TLM Group operates. Furthermore, the global slowdown in economic activities arising from the Covid-19 pandemic and the uncertainty on how long the pandemic will last is expected to impact negatively on the revenue of TLM Group. Such factors have resulted in the decrease in revenue for the TLM Group from US$14.9 million in FY2019M5 to US$12.2 million in FY2020M5.

Net profits for the TLM Group decreased from US$3.5 million in FY2017 to US$3.2 million in FY2018 but increased to US$5.2 million in FY2019. The increase in net profits in FY2019 was attributed to higher gross profit, higher foreign currency exchange gain, higher interest income and nil interest expense. Higher gross profit was mainly due to higher revenue which is not sustainable as abovementioned. Higher currency exchange gain was due to appreciation of Indonesian Rupiah against US dollar in FY2019 but Indonesian Rupiah has weakened considerably against US dollar since early March 2020 and if the trend continues, TLM Group will incur exchange loss with a weaker currency against US dollar. Higher interest income was due to higher interest rate in FY2019 from cash balances placed under fixed deposits with banks in Indonesia and is not expected to increase significantly with prevailing low interest rate. Interest expense was nil in FY2019 and is expected to increase if TLM Group obtains new loan to finance vessel acquisitions or other capital expenditures. Due to lower gross profit and higher foreign currency exchange loss, TLM Group has reversed from a net profit of US$0.3 million in FY2019M5 to a net loss US$1.0 million in FY2020M5. Based on the above, there will be a negative impact on the operating results of TLM Group going forward.

As at 31 May 2020, TLM Group has total current assets of US$20.4 million and total current liabilities of US$2.6 million, resulting in net current asset position of US$17.8 million. Total non-current assets and non-current liabilities of TLM Group are US$48.1 million and US$0.8 million respectively. Non-current assets consisted mainly of vessels and drydocking. The vessels are tugboats and barges owned by TLM's subsidiary corporations in Indonesia.

The fleet of tugboats has an average age of 16 years and the fleet of barges has an average age of 13 years. Such vessels have either reached or are approaching their estimated useful lives of 16 years under normal wear and tear conditions. As such, there will be a need to renew the fleet or incur high maintenance costs to keep the fleet in good working conditions. Either of the options will result in higher finance or operating expenses for the TLM Group.

The Company is of the view that the Consideration of US$30,000,000 is attractive. This translates to S$0.1066 per share which is a 253% premium over the volume weighted average price of the shares of the Company of S$0.0302 on 8 August 2019, being the last market day when the shares were traded preceding the date of the SPA, as there was no other trade for the Company's shares after 8 August 2019 to the signing of the SPA. The Valuation Report estimated that the market value of the entire equity interest in the capital of TLM as at 31 May 2020 was in the range of US$24.3 million to US$25.6 million. The Consideration of US$30,000,000 is higher than the upper limit of this range by 17.2%.

Based on the above, the Directors are of the view that the Proposed Disposal presents a good opportunity to unlock value for the Shareholders and is in the best interests of the Company and Shareholders after taking into consideration the financial position and business prospect of the TLM Group.

The Proposed Disposal will result in a loss of approximately US$2,174,000 for the current financial year ending 31 December 2020 and the Company will receive net proceeds of approximately US$29,800,000 after deducting all costs and expenses. With a strong balance sheet, the Company will be able to source for investment opportunities that will provide sustainable long term growth for the Company and generate value for the Shareholders.

Upon completion of the Proposed Disposal, the Company will cease to have any operating business and will be deemed to be a cash company under Rule 1018 of the Listing Manual The Company will comply with the requirements of Rule 1018 of the Listing Manual, and further details relating to the compliance with Rule 1018 of the Listing Manual are set out in section 6 of this Circular."

6.2 Historical financial performance of TLM

Set out below is the summary of the financial information of TLM for the last three financial years ended 31 December ("**FY**") 2017, 2018 and 2019 and financial period ended 31 May 2020 ("**FY2020M5**") and 31 May 2019 ("**FY2019M5**") provided by the Company.

Review of operation results of TLM

US$'000	**FY2017 Audited**	**FY2018 Audited**	**FY2019 Audited**	**FY2019M5 Unaudited**	**FY2020M5 Unaudited**
Revenue	35,747	37,189	38,052	14,945	12,176
Cost of services	(28,087)	(30,312)	(30,385)	(13,429)	(11,412)
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Net profit / (loss)	**3,534**	**3,192**	**5,233**	**302**	**(1,022)**
Net profit / (loss) attributable to:					
Equity holders of Company	1,698	1,533	2,736	145	(490)
Non-controlling interests	1,836	1,659	2,497	157	(532)
	3,534	3,192	5,233	302	(1,022)

Source: Company

FY2018 vs FY2017

TLM's revenue increased by 4.2% or US$1.5 million from US$35.7 million in FY2017 to US$37.2 million in FY2018 due to higher freight charter revenue. Freight charter revenue increased by US$1.6 million from US$35.2 million in FY2017 to US$36.8 million in FY2018 due to higher shipment volume delivered for some major customers which is partly offset by lower average freight rate for FY2018. Time charter revenue decreased by US$0.1 million from US$0.5 million in FY2017 to US$0.4 million in FY2018 as the service provided was for a shorter period in FY2018 as compared to FY2017.

Gross profit decreased by 10.4% or US$0.8 million from US$7.7 million in FY2017 to US$6.9 million in FY2018 mainly due to higher operating expenses incurred which was partly offset by higher revenue generated for FY2018. Gross profit margin decreased from 21.4% in FY2017 to 18.5% in FY2018. This was mainly attributed to the lower average freight rate, higher depreciation charges and higher fuel costs for FY2018.

Administrative expenses remained relatively unchanged due to cost control measures to ensure no cost overrun from budgeted expenses. Finance expenses decreased by 36.4% or US$0.4 million from US$1.1 million in FY2017 to US$0.7 million in FY2018 due to lower bank borrowings as a result of repayments made.

Arising from the above, net profit decreased by US$0.3 million or 8.6% from US$3.5 million in FY2017 to US$3.2 million in FY2018.

FY2019 vs FY2018

TLM's revenue increased by 2.4% or US$0.9 million from US$37.2 million in FY2018 to US$38.1 million in FY2019 due to higher freight charter revenue and time charter revenue. Freight charter revenue increased by US$0.4 million from US$36.8 million in FY2018 to US$37.2 million in FY2019 due mainly to higher cargo volume delivered for major customers. Time charter revenue increased by US$0.5 million from US$0.4 million in FY2018 to US$0.9 million in FY2019 due mainly to a customer commencing the time charter only in the third quarter of FY2018 as compared to full year charter for FY2019.

Gross profit increased by 11.6% or US$0.8 million from US$6.9 million in FY2018 to US$7.7 million in FY2019 mainly due to higher revenue generated for FY2019. Gross profit margin increased from 18.5% in FY2018 to 20.1% in FY2019. This was mainly attributed to higher average freight rate which was partially offset by higher depreciation charges for FY2019.

For FY2019, TLM recorded other gains of US$0.7 million mainly due to foreign currency exchange gain of US$0.4 million and interest income of US$0.3 million.

There was no significant variance for administrative expenses. There was no interest expense in FY2019 as additional interest amortised for financing loan was net off against interest expense of about US$0.2 million in FY2019 resulting in net interest income of US$6,000.

Arising from the above, net profit increased by US$2.0 million or 62.5% from US$3.2 million in FY2018 to US$5.2 million in FY2019.

FY2020M5 vs FY2019M5

TLM's revenue decreased by 18.1% or US$2.7 million from US$14.9 million in FY2019M5 to US$12.2 million in FY2020M5 due to lower freight charter revenue which was partly offset by higher time charter revenue. Freight charter revenue decreased by US$2.9 million from US$14.7 million in FY2019M5 to US$11.8 million in FY2020M5 due mainly to lower cargo volume delivered for major customers as well as lower average freight rate. Time charter revenue increased by US$0.1 million from US$0.3 million in FY2019M5 to US$0.4 million in FY2020M5 due to charter of one more vessel by the same customer for a shorter time period.

Gross profit decreased by 46.7% or US$0.7 million from US$1.5 million in FY2019M5 to US$0.8 million in FY2020M5 mainly due to lower revenue generated for FY2020M5 which was partly

offset by lower operating expenses from lower business volume. Gross profit margin decreased from 10.1% in FY2019M5 to 6.3% in FY2020M5. This was mainly attributed to lower average freight rate for the period under review.

For FY2020M5, TLM recorded other losses of US$0.6 million mainly due to foreign currency exchange loss of US$0.7 million which was partly offset by interest income of US$0.1 million.

There was no significant variance for administrative expenses. Finance expenses decreased by 76.5% from US$0.1 million in FY2019M5 to US$28,000 in FY2020M5 due to lower bank borrowings as a result of repayments made.

Arising from the above, TLM recorded a net loss after tax of US$1.0 million for FY2020M5 as compared to a net profit after tax of S$0.3 million for FY2019M5.

Review of financial position of TLM

US$'000	**31 May 2020 Unaudited**
Current assets	20,413
Non-current assets	48,094
Total assets	**68,507**
Current liabilities	2,627
Non-current liabilities	770
Total liabilities	**3,397**
Share capital	1,013
Translation reserves	(594)
Other reserves	4,701
Retained earnings	26,237
	31,357
Non-controlling interest	33,753
Total equity	**65,110**

Source: Company

Major assets and liabilities

As at 31 May 2020, the assets of TLM totalling approximately US$68.5 million comprised mainly: (i) property, plant and equipment of US$48.1 million; (ii) cash and bank balances of US$8.8 million; (iii) trade and other receivables of US$7.6 million; (iv) inventories of US$2.2 million, representing 70.2%, 12.8%, 11.1% and 3.2% of TLM's total assets respectively. The property, plant and equipment consist mainly of vessels and drydocking.

As at 31 May 2020, the liabilities of the Group totalling approximately US$3.4 million comprised mainly: (i) trade and other payables of US$1.6 million; (ii) borrowings of US$1.0 million and (iii) post-employment benefits of US$0.7 million, representing 47.1%, 29.4% and 20.6% of the Group's total liabilities respectively.

We note the following:

- Based on the audited net profit attributable to equity holders of approximately of US$2.7 million achieved for FY2019, the P/E ratio of TLM as implied by the Consideration is approximately 10.96 times.

- As at 31 May 2020, the unaudited NAV of TLM attributable to equity holders is approximately US$31.4 million. We note that the Consideration is at a slight discount of 4.3% to the unaudited NAV of TLM as at 31 May 2020 and the P/NAV ratio of TLM as implied by the Consideration is approximately 0.96 times.

6.3 Fairness of the Consideration

6.3.1 Comparison with the NTA of TLM

Based on the latest unaudited consolidated financial statements of TLM for the 5 months period ended 31 May 2020, the book value or the net tangible asset of the TLM attributable to equity holders was approximately US$31.4 million.

We note that the Consideration is at a slight discount of approximately 4.3% to the unaudited NAV of TLM attributable to equity holders as at 31 May 2020 and the P/NTA ratio of TLM as implied by the Consideration is approximately 0.96 times. Further, we note from the Valuation Report that the Group had commissioned an independent valuation of the vessels owned by TLM as at 31 May 2020 ("**Vessels Valuation**") and taking into consideration, the Vessels Valuation, the revalued NTA of TLM attributable to equity holders as at 31 May 2020 is approximately US$33.0 million ("**Revalued NTA**") and the Consideration is at a discount of approximately 9.1% to the Revalued NTA of TLM as at 31 May 2020.

The Directors have confirmed that to the best of their knowledge and belief, save for the market value adjustment in respect of the Vessels Valuation, (a) they are not aware of any circumstances which may cause the NTA of TLM (including non-controlling interest) as at the Latest Practicable Date to be materially different from the US$65.1 million recorded in the unaudited balance sheet of TLM as at 31 May 2020; (b) there have been no material disposals or acquisitions of assets by TLM since 31 May 2020 and up to the Latest Practicable Date; and (c) there are no contingent liabilities or bad or doubtful debts which are likely to have a material impact on the unaudited NTA of TLM as at 31 May 2020.

6.3.2 Comparison with the market value of 100% equity interest in TLM

In connection with the Proposed Disposal, the Valuer was commissioned by the Company to conduct an independent valuation on the market value of the 100% equity interest in the capital of TLM as at 31 May 2020. We note that as TLM is an investment holding company which only holds 48% equity interest in PSJ Group (constituting majority control as the stakes carry 50.53% of the voting rights of PSJ, for the purpose of the valuation exercise, the Valuer has performed analysis at PSJ Group level, to derive the market value of the 100% equity interest in TLM.

As set out in the Independent Valuation Report, the Valuer has conducted its valuation on the basis of "Market Value" which is defined as:

"The estimated amount for which an asset should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion".

There are basically 3 types of valuation approach, namely, Income Approach, Cost Approach and Market Approach. We note that the Valuer has adopted both Income Approach and Cost Approach as the primary approach and Market Approach as cross check.

Under the Market Approach, the Valuer has considered enterprise value to EBITDA ("**EV/EBITDA**") and price to book ("**P/B**") multiples in the valuation. Based on their analysis, the volatilities from the multiples of the comparable companies make it difficult to conclude a reliable amount for the valuation by adopting the result from a single market multiple approach and no single company was comparable in size, capital nature of business and operations. Accordingly, they have relied on Income Approach and Cost Approach in assessing the equity value of TLM, with Market Approach as reference.

Under the Income Approach, the Valuer has used the discounted free cash flow to firm method to assess the overall enterprise value of PSJ Group. Based on the discounted cash flow method, the market value of 100% equity interest of TLM is valued at a range of US$15.6 million to US$18.2 million. Under the Cost Approach, the market value of 100% equity interest of TLM is valued at US$33.0 million. After assigning a weight of 50% to each Income and Cost Approach, the market value of 100% equity interest in the capital of TLM is determined to be within the

range of US$24.3 million to US$25.6 million based on both the Income Approach and Cost Approach, with Market Approach being used purely as a reference.

Based on the above, we note that the Consideration of US$30,000,000 represents a premium of between 23.5% to 17.2% above the market value of the Group's 100% equity interest in the capital of TLM as at the Valuation Date as assessed by the Valuer.

The independent valuation of TLM also involves other assumptions and limitations, and Shareholders are advised to read the above in conjunction with the Summary Valuation Report in its entirety as set out in Appendix C to the Circular.

6.3.3 Comparison with the Valuation Statistics of Companies Broadly Comparable to TLM

In considering what may be regarded as a reasonable range of valuation for the purposes of assessing the Consideration of the Proposed Disposal, we have referred to selected companies listed and traded on the regional stock exchanges which business operations are broadly comparable with those of TLM to give an indication of the current market expectations with regard to the perceived valuation of these businesses. We have, in consultation with the Management, used the following companies which are principally engaged in the business of providing marine transportation services (collectively, the "**Comparable Companies**").

We wish to highlight that the Comparable Companies are not exhaustive and there is no listed company or group which may be considered identical to TLM in terms of, *inter alia*, business activities, size and scale of operations, risk profile, geographical spread, operating and financial leverage, accounting policies, adherence to accounting standards, tax factors, track record and future prospects. In addition, each of the Comparable Companies may engage in other separate business activities which are not related to the principal business of TLM. Shareholders should also note that private companies, such as TLM, are generally valued at a discount to listed companies due to marketability. As such, any comparison merely serves as an illustrative guide to Shareholders.

Details on the Comparable Companies, including their business descriptions and selected key financial and valuation statistics, are set out below:

Company	**Stock Exchange**	**Business description (as extracted from Bloomberg)**	**Market Capitalisation as at the LPD (S$ million)**
Courage Investment Group Ltd	Singapore	Courage Investment Group Limited provides marine transportation services with its fully-owned and operated dry bulk carriers. The Company's fleet is deployed primarily in waters around the Greater China region, as well as Japan, Vietnam, Bangladesh, and elsewhere in Asia.	9.3
First Ship Lease Trust	Singapore	First Ship Lease Trust is a shipowner and a provider of leasing services on a long-term bareboat charter basis to the international shipping industry. The Trust has a diversified portfolio of modern and high-quality vessels, comprising of containerships, product tankers, chemical tankers and crude oil tankers.	125.5
Manhattan Resources Limited	Singapore	Manhattan Resources Limited provides marine services, land reclamation, charter of vessels, and dredging services. The Company also trades sea-sand, provides logistics, production, and other support services	47.8

Company	Stock Exchange	Business description (as extracted from Bloomberg)	Market Capitalisation as at the LPD (S$ million)
		to the coal mining, oil, and gas industries.	
Pan Ocean Co. Ltd.	Singapore	Pan Ocean Co., Ltd. is a shipping company that provides bulk carrier services. The Company operates a fleet consisting of bulkers, tankers, container ships, Liquefied Natural Gas (LNG) Container and transports cargos including iron ore, coal, grain, and lumber.	2,175.7
Samudera Shipping Line Ltd	Singapore	Samudera Shipping Line Limited owns and operates ocean-going ships and provides containerized feeder shipping services. Through its subsidiaries, the Company also owns and charters vessels, provides sea and air freight forwarding, and operates shipping agency and container freight station services.	81.8
PT Temas Tbk (previously known as PT. Pelayaran Tempuran Emas Tbk)	Indonesia	PT Temas Tbk. provides sea transportation services. The Company offers shipping, ship management, stevedoring, depot management, and logistic services. Temas serves customers in Indonesia.	53.3
PT Trans Power Marine Tbk	Indonesia	PT. Trans Power Marine Tbk is a marine shipping transportation company. The Company offers tug and barge services for the transportation of bulk cargo. PT Trans Power Marine operates out of Indonesia and South East Asia.	86.9
PT Mitrabahtera Segara Sejati Tbk	Indonesia	PT Mitrabahtera Segara Sejati Tbk is an integrated coal transport and logistics services company. The Company provides river and sea-based coal transport solutions to Indonesia's coal mining industry as well as operates on-shore and off-shore coal loading terminals and provides a broad range of services, including loading, shipping, trans-shipping and ocean trade stevedoring	59.7
PT Pelita Samudera Shipping Tbk	Indonesia	PT Pelita Samudera Shipping Tbk provides integrated logistic and shipping services. The Company offers tug and barge, floating loading facilities, and inter-island coal transportation services. Pelita Samudera Shipping serves the coal mining companies in Indonesia.	80.9

Source: Bloomberg L.P.

The valuation measures of the Comparable Companies are set out below:

Comparable Companies	Last Financial Year End	Historical P/E[1] [2] (times)	Historical P/NTA[1] [3] (times)	Historical EV/EBITDA[1] [2] (times)
Courage Investment Group Ltd	December	38.12	0.16	13.61
First Ship Lease Trust	December	9.11	0.58	2.37
Manhattan Resources Limited	December	n.a.[4]	0.53	n.a.[4]
Pan Ocean Co. Ltd.	December	12.28	0.63	7.34
Samudera Shipping Line Ltd	December	15.38	0.31	1.27
PT Temas Tbk	December	5.78	0.48	6.80
PT Trans Power Marine Tbk	December	7.76	0.79	3.95
PT Mitrabahtera Segara Sejati Tbk	December	24.27	0.28	1.96
PT Pelita Samudera Shipping Tbk	December	4.48	0.70	3.24
High		**38.12**	**0.79**	**13.61**
Low		**4.48**	**0.16**	**1.27**
Mean		**14.65**	**0.50**	**5.07**
Median		**10.70**	**0.53**	**3.60**
TLM (implied by the Consideration)[5] [6]		**10.96**	**0.96 / 0.91**	**3.12**

Source: Bloomberg L.P., annual reports and/or announcements of the respective Comparable Companies and W Capital's computations

Notes:-

(1) Market capitalization, historical P/E, P/NTA and EV/EBITDA of the Comparable Companies were based on their respective closing prices as at the Latest Practicable Date.
(2) Based on the historical full year consolidated earnings of the respective Comparable Companies.
(3) The P/NTA ratios of the Comparable Companies were based on their respective NTA values as set out in their latest available published financial statements as at the Latest Practicable Date.
(4) Not applicable as the respective Comparable Companies are loss-making.
(5) The historical P/E multiple and the historical EV/EBITDA multiple of TLM as implied by the Consideration were computed based on its earnings and EBITDA for TLM for FY2019.
(6) The historical P/NTA multiple of TLM of 0.96 and 0.91 as implied by the Consideration was computed based on its NTA and Revalued NTA respectively as at 31 May 2020.

Based on the above, we note that:

(a) The P/E ratio of TLM as implied by the Consideration of 10.96 times is within the range of the P/E ratios of the Comparable Companies of between 4.48 times and 38.12 times and above the median P/E ratio of the Comparable Companies of 10.70 times, albeit lower than the mean P/E ratio of the Comparable Companies of 14.65 times;

(b) The P/NTA and P/Revalued NTA ratio of TLM as implied by the Consideration of 0.96 times and 0.91 times respectively is above the range of the P/NTA ratio of the Comparable Companies of between 0.16 times and 0.79 times; and

(c) The EV/EBITDA ratio of TLM as implied by the Consideration of 3.12 times is within the range of the EV/EBITDA ratio of the Comparable Companies of between 1.27 times and 13.61 times but below both the median and mean EV/EBITDA ratios of the Comparable Companies.

6.4 Financial effects of the Proposed Disposal

The *pro forma* financial effects of the Proposed Disposal on the NTA per Share and the earnings per Share of the Group are set out in Section 5 of the Circular and are based on the audited consolidated financial statements of the Group for FY2019 and with various assumptions. The

financial effects are for illustrative purposes only and do not purport to be an indication or a projection of the results and financial position of the Company and the Group after the completion of the Proposed Disposal.

In summary, we note that the Proposed Disposal is expected to lower the Company's NTA, NTA per Share and EPS due to the divestment loss arising from the Proposed Disposal.

6.5 Other Relevant Considerations

6.5.1 Becoming a cash company

Shareholders should note that upon completion of the Proposed Disposal, the Company will receive net proceeds of approximately US$29,800,000 and cease to have any operating business, and will be deemed as a cash company under Rule 1018 of the Listing Manual. As a result, the Company will be required to comply with the requirements under Rule 1018 of the Listing Manual, which are set out in Section 6.2 of the Circular. In particular, Shareholders should note that under Rule 1018 of the Listing Manual, if the assets of an issue consist wholly or substantially of cash or short-dated securities, its securities will normally be suspended.

Shareholders are to note that under Rule 1018, the SGX-ST will proceed to remove an issuer from the Official List if it is unable to meet the requirements for a new listing within 12 months from the time it becomes a cash company, subject to any extension as may be approved by the SGX-ST.

We understand that the Company is currently considering its options in relation to the acquisition of new businesses, but no definitive decision has been reached as at the Latest Practicable Date.

7. OPINION

In arriving at our opinion, we have taken into account, *inter* alia, the following key considerations which we consider to be pertinent to our assessment of the Proposed Disposal:

(a) The rationale for the Proposed Disposal, details of which are set out in Section 6.1 of this IFA Letter;

(b) The analysis of selected financial performance of TLM, details of which are set out in Section 6.2 of this IFA Letter.

(c) Fairness of the Consideration for the Proposed Disposal, details of which are set out in Section 6.3 of this IFA Letter.

(d) Financial effects of the Proposed Disposal, details of which are set out in Section 6.4 of this IFA Letter. The Proposed Disposal would decrease the Group's NTA, NTA per share and earnings per Share; and

(e) Other relevant considerations, details of which are set out in Section 6.5 of this IFA Letter.

Having regard to the foregoing considerations set out in this IFA Letter and information available to us as at the Latest Practicable Date, we are of the opinion that the Proposed Disposal is on normal commercial terms and is not prejudicial to the interests of the Company and its Independent Shareholders.

Our opinion is addressed to the Independent Directors in connection with their consideration of the Proposed Disposal and their advice to the Independent Shareholders arising thereof. The recommendations made by the Independent Directors to the Shareholders shall remain the responsibility of the Independent Directors.

Whilst a copy of this IFA Letter may be reproduced in the Circular, neither the Company, the Directors, nor any other persons may reproduce, disseminate or quote this IFA Letter (or any part thereof) for any other purpose at any time and in any manner without our prior written consent in

each specific case, except for the purposes of the forthcoming EGM and for the purpose of the Proposed Disposal.

This IFA Letter is governed by, and construed in accordance with, the laws of Singapore, and is strictly limited to the matters stated herein and does not apply by implication to any other matter.

Yours faithfully,

For and on behalf of
W Capital Markets Pte. Ltd.

Foo Say Nam
Partner
Head of Advisory

Sheila Ong
Vice President
Corporate Finance

Strictly Confidential – For Addressee Only

CUSHMAN & WAKEFIELD

Valuation of 100% equity interest in the capital of Target Group (as defined herein)

Prepared for

Seroja Investments Limited

Report Date

24 September 2020

Ref: 19/RY-IC-AN/BV0073-2



Executive Summary

Valuation of 100% equity interest in the capital of the Target Group (as defined herein)

Date of Valuation:	31 May 2020
Purpose:	Public disclosure purpose
Situation/Background:	Seroja Investments Limited ("Seroja" or the "Company") is an established investment holding company incorporated in 1983 and based in Singapore. The business is mainly through an indirectly owned subsidiary company based in Indonesia, namely PT Pulau Seroja Jaya ("PSJ"). PSJ and its subsidiaries ("PSJ Group") are 48% owned by Seroja's wholly owned subsidiary, i.e. Trans LK Marine Pte Ltd ("TLM" or the "Target Group"). The principal activities of TLM and its subsidiaries ("TLM Group" or the "Target Group") are the provision of marine transportation of drybulk freight through chartering services of tugboats and barges primarily to transport dry bulk freight comprising thermal coal, sand and other quarry materials. On 15 August 2019, the Company entered into a conditional sale and purchase agreement with Mr Masdjan ("SPA"), who is an Executive Director and Chief Operating Officer of Seroja. Pursuant to the aforementioned agreement, the Company has agreed to sell and Mr Masdjan has agreed to acquire the entire issued and paid up share capital of TLM, upon the terms and subject to the conditions of the agreement (the "Proposed Disposal"). The Target Group's 48% equity interest in PSJ constitutes majority control of PSJ as the stakes carry 50.53% of the total voting rights of PSJ. As a result of the Proposed Disposal, the Company would like an independent valuation of 100% equity interest of the Target Group to be performed to ascertain its market value and Cushman & Wakefield VHS Pte Ltd ("C&W") had been requested to perform the valuation of the 100% equity interest in the capital of the Target Group.
Subject Matter:	100% equity interest in the capital of Target Group
Basis of Valuation:	Market Value
Valuation Approach	Income Approach and Cost Approach

Valuation of 100% equity interest in the capital of the Target Group (as defined herein)

Other Details:

Any discrepancies in tables included herein between the amounts and the totals thereof are due to rounding; accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

The outbreak of the Novel Coronavirus ("COVID-19"), declared by the World Health Organisation as a "Global Pandemic" on 11 March 2020, has impacted global financial markets. Travel restrictions have been implemented by many countries.

The market that the Target Group is valued in is being impacted by the uncertainty that the COVID-19 outbreak has caused. Market conditions are changing daily at present. This valuation is current as at the Valuation Date only. The value assessed herein may change significantly and unexpectedly over a relatively short period of time (including as a result of factors that the valuer could not reasonably have been aware of as at the Valuation Date). We do not accept responsibility or liability for any losses arising from such subsequent changes in value. As such, we recommend that the user(s) of this report review this valuation periodically.

Having regard to the foregoing and the market conditions as at the Valuation Date, we are of the opinion that the Market Value of the 100% equity interest in the capital of the Target Group as at Valuation Date, subject to the assumption stated herein, is in the region of: -

USD24.3 million to USD25.6 million

This summary is strictly confidential to the addressee. It must not be copied, distributed or considered in isolation from the full report.

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A Valuation Report

To:	**Seroja Investments Limited**
Subject Matter:	**100% equity interest in the capital of Target Group**
Report Date:	**24 September 2020**
Valuation Date:	**31 May 2020**

1. Introduction and Instructions

Appointment

In accordance with your instructions, we have assessed and determined the Market Value of 100% equity interest in the capital of the Target Group. We are pleased to submit our summarised valuation report ("Report"), which has been prepared for public disclosure purpose to seek shareholders' approval pursuant to the Proposed Disposal and should be read in conjunction with the full valuation report dated 24 September 2020 ("Full Report").

Unless otherwise defined, all capitalised terms used herein shall bear the same meanings as ascribed to them in the Full Report.

2. Terms of reference

C&W has been appointed to undertake an independent valuation of 100% equity interest in the capital of Target Group. We were neither a party to the negotiations entered into by the Company and its subsidiaries (the "Group") in relation to the Proposed Disposal nor were we involved in the deliberation leading up to the decision on the part of the management of the Group, Company, Target and/or Target Group (the "Management") to enter into the Proposed Disposal and we do not, by the Report or Full Report or otherwise, advise or form any judgement on the merits of the Proposed Disposal. We do not warrant the merits of the Proposed Disposal or the acceptability of the risk for the Proposed Disposal.

We have confined our evaluation strictly and solely on the financial of the Target Group and have not taken into account the commercial/financial risks and/or merits (if any) of the Proposed Disposal or the strategic merits or the comparison with other deals involving shares of the Group, Company and/or Target Group. We were not required to comment on or evaluate the methods or procedures used by the Target Group to manage the change in any risk profile of the Group, Company, Target and/or Target Group in the context of possible changes in the nature of operations. Such evaluation or comment remains the responsibility of the Management although we may draw upon their views or make such comments in respect thereof (to the extent deemed necessary or appropriate by us) in arriving at our view as set out in the Report or the Full Report.

We were not requested or authorised to solicit, and we have not solicited, any indications of interest from any third party with respect to the Proposed Disposal. In addition, we do not express any views or opinion on the merits of the Proposed Disposal, the legality or all other

matters pertaining to the Proposed Disposal, documents for the Proposed Disposal (the notice of meeting and the accompanying explanatory notes), *inter alia*, the independence of any party or mechanism or process of voting, acceptance, its eligibility or validity or the other alternatives (if any) or the sufficiency of information.

In the course of our evaluation, we have held discussions with, *inter alia*, the Management, regarding their assessment of the Proposed Disposal and have examined publicly available information collated by us as well as the financial information, both written and verbal, provided to us by the Management, including its consultants or advisers (where applicable). We have not independently verified such information but have made enquiries and used our judgement as we deemed necessary on such information and have found no reason to doubt the reliability of the information. Accordingly, we cannot and do not expressly or impliedly represent or warrant, and do not accept any responsibility for, the accuracy, completeness or adequacy of such information or the manner in which it has been classified or presented.

We do not warrant and have not commented on the acceptability of the risk that the Group, Company, Target and/or Target Group may be subject to for the Proposed Disposal.

We were not required to and have not made any independent evaluation or appraisal of the individual assets and liabilities (including without limitation, real property or tugs and barges) of the Target Group. As such, we have relied on the disclosures and representations made by the Company on the value of the tugs and barges as at the Valuation Date. In this respect, we have been furnished with, *inter alia*, the Vessels Valuation prepared by Kantor Jasa Penilai Public Amin Nirwan Alfiantori and Rekan ("Vessels Valuer") on the Market Value of the tugs and barges as at the Valuation Date. As we are not experts in the evaluation or appraisal of the assets as set out in the Vessels Valuation, we have placed sole reliance on the appraisal in relation to tugs and barges as assessed by the Vessels Valuer. Our opinion in this Report is based on economic conditions, market, industry, monetary and other conditions (if applicable) in effect on, and the information provided to us, as at the Valuation Date. Accordingly, the bases or assumptions and likewise our views or opinion may change in light of developments which *inter alia,* includes general as well as company specific or industry specific conditions or sentiments or factors.

Shareholders should note that the evaluation is based solely on publicly available information and other information provided by the Management as well as the economic and market conditions prevailing as at the Valuation Date, and therefore does not reflect unexpected financial performance after the Valuation Date or developments both macro and company specific and that these factors do and will necessarily affect the valuation of the interests in the capital of the Target Group. Likewise, this Report outlines some of the matters or bases or factors or assumptions which we have used in our valuation and is a summary. They are by no means exhaustive or a reproduction of all the matters or bases or factors or assumptions etc. which we have used in the valuation.

In rendering the opinion, we have made no regard for the general or specific investment objectives, financial situation, tax position, risk profiles or unique needs and constraints of any individual shareholder of the Group, Company, Target and/or Target Group (the "Shareholder"). As such, any individual Shareholder who may require advice in the context of

his or her specific investment portfolio, including his or her investment in the Group, Company and/or Target Group, should consult his or her stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

Accordingly, any factor or assumption or basis as well as the relative emphasis on any matter set out in this Report and provided by the Group, Company, Target and/or Target Group which we used or may have used may differ from the relative emphasis accorded by any individual Shareholder and that any reliance on our opinion or view or assessment, is subject to the contents of the Report and the Full Report in its entirety.

Accordingly, our Report, Full Report or opinion or views or recommendation should not be used or relied by anyone for any other purposes and should only be used by the Company, subject to the terms of reference and the contents of the Report and Full Report as one of the basis for their opinion or views or recommendation. In addition, any references to our Full Report or Report or opinion or views, should not be made except with our prior consent in writing and even if made with our prior consent in writing, shall be subject to the contents of the Report or the Full Report in its entirety *inter alia* the matters, conditions, assumptions, factors and bases as well as our terms of reference for the Full Report or the Report.

3. Bases of Valuation

The valuation has been prepared in accordance with International Valuation Standards.

Bases

The subject matter has been valued on the basis of Market Value as at the Valuation Date which is defined as follows:

"The estimated amount for which an asset or liability should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion."

4. Assumptions and Reservations

Assumptions

In preparing our assessment, we have made the following key assumptions in our valuation and these apply throughout unless otherwise stated:

- The financial information provided accurately reflects the Target Group and/or PSJ Group's financial and operating position and performance.
- The financial statements were prepared in accordance with accounting principles generally accepted internationally on a true and fair basis.
- The Management has provided us the financial projections from financial period from 1 June 2020 to 31 December 2020 ("FPDec2020") to financial year ended ("FY") 2024. The Management also concurred with the financial projections of PSJ Group from FY2025 to FY2029. To its best knowledge, the Management is solely responsible for the contents, estimation and the assumptions used in the projections.

- The Target Group and/or PSJ Group shall continue to operate as a going concern and it has sufficient liquidity to achieve the financial forecasts and projections.
- The Vessels Valuation appropriately reflects its Market Value as at the Valuation Date.
- There will not be any material changes in the political and/or economic conditions under which the Target Group and/or PSJ Group operate that may adversely affect the future prospects of the Target Group and/or PSJ Group.
- There are no other liabilities, including any contingent liabilities, unusual contractual obligations or substantial commitments which would have a material effect on the value of the Target Group and/or PSJ Group.
- The current owners of the Target Group and PSJ Group have clear and unencumbered title of ownership over all assets included in this assessment.
- There are no material changes in existing political, legal or regulatory (including changes in legislation, laws, regulations, government policies or rules), fiscal, market or economic conditions in the Target Group and/or PSJ Group's countries of operations.
- There will be no material change in inflation, interest rates or exchange rates from those prevailing as at the Valuation Date.
- There will be no material changes in the bases or rates of taxation or duties.
- The Target Group and/or PSJ Group's operations and business will not be severely interrupted by any force majeure event or unforeseeable factors or any unforeseeable reasons that are beyond the control of the Management, including but not limited to the occurrence of natural disasters or catastrophes, epidemics or serious accidents.

Other assumptions specific to a particular valuation approach or certain observations and conclusions are outlined in the ensuing sections of the Report.

It should be noted that the valuation of the Target Group and PSJ Group is critical upon the following key value drivers, where applicable:-

- The Target Group and/or PSJ Group continue to operate as a going concern and are able to meet all its financial obligations.
- The Target Group and/or PSJ Group's sales, costs, and net profit continue to grow according to the forecast. Their capital expenditure and working capital requirements are estimated accurately in the projections.
- The Target Group and/or PSJ Group have sufficient operational resources to support the projected turnover and profitability.
- The Target Group and/or PSJ Group continue to maintain costs in accordance with the forecast.

Any deviation from the above key drivers and forecasts may significantly vary the valuation of the Target Group.

The valuation is largely based on information provided to us by the Management who are solely responsible for their contents/accuracy. We have not performed any work in the nature of an audit, due diligence or investigation of the information provided to us and accordingly

have not expressed any such opinion in this Report. Further, we have not carried out any work in the nature of a feasibility study, nor have we expressed a viability opinion on the Proposed Disposal. We have also not verified or confirmed information provided to us and have assumed that all such information is accurate and is not subject to material error or omission.

For this exercise, we have considered published market data and other public information relating to the comparable companies on international stock exchanges. We are not responsible as to their content and accuracy in deriving parameters such as country risk rate for purposes of valuation. Such information was obtained from Bloomberg and other sources, where applicable.

Reservations

The value conclusions reflect all information known by the valuers of C&W who worked on the valuation in respect to the assets and liabilities of the Target Group, market conditions and available data.

5. General Comment

A valuation is a prediction of price, not a guarantee. By necessity it requires the valuer to make subjective judgements that, even if logical and appropriate, may differ from those made by a lessee, or another valuer. Historically, it has been considered that valuers may properly conclude within a range of possible values.

Market Value of the subject matter can change substantially, even over short periods of time, and so our opinion of value could differ significantly if the date of valuation was to change.

The outbreak of COVID-19, declared by the World Health Organisation as a “Global Pandemic” on 11 March 2020, has impacted global financial markets. Travel restrictions have been implemented by many countries.

The market that the Target Group is valued in is being impacted by the uncertainty that the COVID-19 outbreak has caused. Market conditions are changing daily at present. This valuation is current as at the Valuation Date only. The value assessed herein may change significantly and unexpectedly over a relatively short period of time (including as a result of factors that the valuer could not reasonably have been aware of as at the Valuation Date). We do not accept responsibility or liability for any losses arising from such subsequent changes in value. As such, we recommend that the user(s) of this report review this valuation periodically.

We have no present or prospective interest in the Target Group and are not a related corporation of nor do we have a relationship with the owner(s) or other party/parties whom the client is contracting with.

The valuers’ compensation is not contingent upon the reporting of a predetermined value or direction in value that favours the cause of the Group, Company, Target Group, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.

We hereby certify that the valuers undertaking the valuation are authorized to practice as valuers and have the necessary experience in valuing similar types of assets. Any

discrepancies in tables included herein between the amounts and the totals thereof are due to rounding; accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

6. Valuation Methodology

We have considered the 3 generally accepted valuation approaches namely Cost Approach, Income Approach and Market Approach and have adopted both Income Approach and Cost Approach as the primary approach and Market Approach as reference.

The rationale for adopting Income Approach lies in the present value rule, i.e. the value of any asset or enterprise value is the present value of expected future cash flows, discounted at a rate appropriate to the risk of the cash flows not being realised. Given that the business of Target Group's operations had been established for several years, the use of Income Approach as the primary approach is considered to be appropriate.

Cost Approach is also adopted as it directly incorporates information about the future economic benefits contributed by the subject asset, business or business interest.

Under Market Approach, we have considered enterprise value to EBITDA ("EV/EBITDA") and price to book ("P/B") multiples in the valuation. Based on our analysis, the volatilities from the multiples of Comparable Companies make it difficult to conclude a reliable amount for the valuation by adopting the result from a single market multiple approach and no single company was comparable in size, capital nature of business and operations.

Accordingly, we have relied on Income Approach and Cost Approach in assessing the equity value of Target Group, with Market Approach as reference.

Income Approach - Discounted Cash Flow Analysis

Discounted Cash Flow ("DCF") Method is one application of income approach. We have used free cash flow to firm ("FCFF") to assess the overall enterprise value of the companies. FCFF represents the cash flows left over after covering capital expenditure and working capital needs. The present value of FCFF is a measure of enterprise value and the equity value is subsequently derived after taking into consideration debt, excess cash and cash equivalents as well as non operating assets/liabilities. FCFF is defined as follows:

FCFF = EBIT (1 – Tax rate) + Depreciation and Amortization – Capital Spending – Change in Working Capital

In applying the DCF method there are three (3) critical inputs:

- A supportable cash flow forecasts;
- An estimate of the terminal value at the end of the forecast period; and
- An appropriate discount rate by which to revert the cash flows to present value.

The assumptions used in the DCF analysis are set out in the following sections.

Financial projections

We were provided with financial projections from FPDec2020 to FY2024, which form the basis of our DCF analysis. As the expected earnings in FY2024 is unlikely to represent the normalized earnings of PSJ Group, the financial projections were extended to FY2029. Based on discussion with the Management, the key assumptions used for the financial projections from FY2025 to FY2029 are as follows:-

- Projected annual revenue growth rate of 2%: Referenced to the long term global GDP growth rate;
- Projected EBIT margin at 6.0%: Referenced to EBIT margin in FY2024;
- Projected annual depreciation: Expected to decline on a straight line basis from FY2024 to FY2029;
- Projected yearly capital expenditure growth at 2%: Referenced to projected annual rate of increase in revenue from FY2021 to FY2024; and
- Other assumptions were held similar to FY2024.

Based on the abovementioned assumptions, the expected FCFF of PSJ Group from FPDec2020 to FY2029 is as follows:-

USD000, unless otherwise specified	FPDec 2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	Normalised
Revenue	18,245	31,942	33,539	35,216	36,977	37,717	38,471	39,240	40,025	40,826	40,826
EBIT	632	967	1,359	1,783	2,236	2,281	2,327	2,373	2,421	2,469	2,469
Less: Tax payment	(219)	(383)	(402)	(423)	(444)	(453)	(462)	(471)	(480)	(490)	(490)
Add: Depreciation and amortisation	7,837	13,014	12,330	12,112	10,422	9,441	8,461	7,481	6,501	5,520	5,520
Less: Capital expenditure	(7,081)	(5,000)	(5,000)	(5,000)	(5,000)	(5,100)	(5,202)	(5,306)	(5,412)	(5,520)	(5,520)
Less: Net working capital changes	(857)	172	(3)	27	(474)	(204)	(192)	(196)	(200)	(204)	(204)
FCFF	313	8,770	8,283	8,500	6,740	5,966	4,932	3,881	2,829	1,775	1,775

Capital expenditure: Based on discussion with Management, the capital expenditure is expected to range from USD5.0 million to USD7.1 million from FPDec2020 to FY2024, which includes the cost required for dry docking of vessels.

Net working capital changes: Based on discussion with Management, it is expected that the inventories, trade receivables and trade payables will increase in line with the projected increase in revenue and cost of service. The underlying net working capital assumptions are set out as follows:-

- Inventories turnover days: 50 days
- Trade receivables turnover days: 90 to 105 days; and
- Trade payables turnover days: 45 days.

Terminal value

To estimate the terminal value of PSJ Group at the end of the projection period in FY2029, we have used the Gordon Growth Model. This model is used to assess terminal value of firms that are growing at a stable growth rate and relates the value to its expected cash flow in the next time period, the required rate of return and the expected long term growth rate.

Terminal value = $CF_{n+1} / (r - g)$

where	CF_{n+1}	=	expected cash flow one year from *n*-th year
	r	=	required rate of return, i.e. discount rate
	g	=	growth rate in perpetuity

We have assumed that the earnings of PSJ Group would reach a stable perpetual growth rate ranging from 1% to 3% after FY2029 based on the expected long term global GDP growth rate.

Discount rate

Income approach requires the application of an appropriate discount rate that reflects the inherent risks relating to the cash flows. The present value of the cash flows from PSJ Group is the expected future net cash flows discounted by an appropriate discount rate. We have adopted weighted average cost of capital ("WACC") ranging from 11.5% to 14.5%.

Debt, excess cash & cash equivalent and surplus assets

In order to arrive at the equity value of PSJ Group, debt is subtracted and excess cash and cash equivalent are added to the enterprise value.

As at the Valuation Date, PSJ Group had debt of USD1.0 million and excess cash & cash equivalents of USD8.8 million. Debt consists of lease payables of USD0.04 million and bank loan of USD1.0 million.

Adjustment for private company discount (marketability discount)

According to the International Glossary of Business Valuation Terms, marketability is defined as the relative ease and promptness with which a security or commodity may be sold when desired, at a representative current price, without material concession in price merely because of the necessity of the sale. Investors will price in a discount for the additional costs and risks of liquidation when valuing interest in privately held companies with reference to the historical empirical studies. We applied a marketability discount of approximately 25% for the purpose of this valuation.

Market Value of 100% equity interest in the capital of the Target Group

Based on DCF Method, the Market Value of 100% and 48% equity interest in the capital of PSJ Group as at the Valuation Date ranges from USD32.5 million to USD37.9 million and USD15.6 million to USD18.2 million respectively.

TLM does not have any other assets apart from its investment in PSJ Group. Accordingly, the Market Value of 100% equity interest in the capital of Target Group ranges from USD15.6 million to USD18.2 million.

Cost Approach

The balance sheet of the PSJ Group as at the Valuation Date is set out as follows:

USD000, unless otherwise specified	Book value	Market Value adjustment	Market Value
Non-current assets			
Property and equipment	49,291	3,216	52,507
	49,291	**3,216**	**52,507**
Current assets			
Cash and cash equivalents	8,845		8,845
Account receivables	7,533		7,533
Other receivables	22		22
Inventories	2,209		2,209
Prepaid taxes	89		89
Prepaid expenses	160		160
Advances	779		779
	19,639	**-**	**19,639**
Total assets	**68,930**	**3,216**	**72,146**
Non-current liabilities			
Provision for post employment benefits	701		701
Lease payables	20		20
	721	**-**	**721**
Current liabilities			
Account payables	1,465		1,465
Other payables	57		57
Taxes payables	79		79
Lease payables	21		21
Bank loans	1,000		1,000
	2,622	**-**	**2,622**
Total liabilities	**3,343**	**-**	**3,343**
Net assets	**65,586**	**3,216**	**68,803**

Notes:

1. Property and equipment as at the Valuation Date mainly consist of vessels with book value of USD40.8 million.

Based on the review of financial statements, the balance sheet of PSJ Group as at the Valuation Date mainly comprises non current asset, i.e. property and equipment. As at the Valuation Date, property and equipment mainly consist of tugs and barges. Based on the Vessels Valuation, the Market Value of the tugs and barges amounts to USD44.0 million as at the Valuation Date. This represents a Market Value adjustment of USD3.2 million from the net book value of USD40.8 million. We do not assume any liability or make any representation in respect of the Vessels Valuation.

Current assets and current liabilities are short term in nature and are expected to be collected or paid off within the next 12 months (as the case may be) based on discussion with Management.

Based on Cost Approach, the Market Value of 100% and 48% equity interest in the capital of PSJ Group is USD68.8 million and USD33.0 million respectively. TLM does not have any other assets apart from its investment in PSJ Group. Accordingly, the Market Value of 100% equity interest in Target Group is USD33.0 million based on Cost Approach.

7. Valuation Result

Having regard to the foregoing and the market conditions as at the Valuation Date, we are of the opinion that the Market Value of the 100% equity interest in the capital of the Target Group as at Valuation Date, subject to the assumption stated herein, is as follows: -

USD'million, unless otherwise stated	Weight assigned	Market Value
Income Approach	50%	15.6 – 18.2
Cost Approach	50%	33.0
		24.3 – 25.6

8. Confidentiality

Our valuation is confidential to you, for your sole use and for the specific purpose stated. We will not accept responsibility to any third party in respect of its contents.

9. Disclosure and Publication

You must not disclose the contents of the Report and/or Full Report to a third party in any way without first obtaining our written approval to the form and context of the proposed disclosure. You must obtain our consent, even if we are not referred to by name or the Report and/or Full Report is to be combined with others. We will not approve any disclosure that does not refer sufficiently to any special assumptions or departures that we have made.

10. Limiting Conditions

This Report is prepared subject to the Limiting Conditions in Appendix 1 of the Report.

11. Valuer's Credential

The valuation is performed by Richard Yap who is a senior corporate advisory executive with more than 10 years of experience in M&A, valuation of business, financial instruments and intangible assets and has worked extensively throughout Asia Pacific. He has demonstrable success across Valuations, Advisory and Capital Markets. Currently based in Singapore, Richard leads the Business Valuation team for C&W throughout Singapore and South East Asia. Richard is a Chartered Financial Analyst (CFA), Chartered Accountant (CA Singapore) as well as Chartered Valuer and Appraiser (CVA).

Signed for and on behalf of C&W.

Richard Yap

CFA, CA (Singapore), CVA

Director

Appendix 1 Limiting Conditions

The Report and/or Full Report is prepared subject to the following terms and conditions: -

1) The Report and/or Full Report is:

   a. restricted to the use by the client to whom the Report and/or Full Report is addressed;
   b. for the specific purpose stated therein; and
   c. for the sole purpose for which it was commissioned.

   Any reliance on its contents shall be made within a reasonable time from Valuation Date. We disclaim any liability arising from any reliance on the Report and/or Full Report by any other person or for any other purpose or beyond a reasonable time.

2) Neither the whole nor any part of the Report and/or Full Report or any reference to it may be included in any document, circular, statement, correspondence nor publication in any way without our prior written approval of the form and context in which it may appear. We bear no responsibility for any unauthorised inclusion or publication.

3) Where it is stated in the Report and/or Full Report that information has been supplied to us by another party, this information is believed to be reliable and accurate and we disclaim all responsibility if this information should later prove not to be so. Where information is given without being attributed directly to another party, it shall be taken that this information has been obtained by our own search of records and examination of documents, or by our enquiry from Government or quasi-Government departments.

4) The values assessed in the Report and/or Full Report for the subject property and any allocation of values between parts of the property apply strictly on the terms of and for the purpose of this valuation (where applicable). The values assessed should not be used in conjunction with any other assessment, as they may prove incorrect if so used.

5) While due care is taken in the course of inspection to note serious building defects, no structural survey has been made and no guarantee is given that the building is free from rot, termite, pest infestation or other hidden defects (where applicable). We have also not made any test on the building services such as air-conditioning, fire-fighting systems, lifts, escalators, plumbing and lighting etc. and the services are presumed to be in good working order (where applicable).

6) Our valuation assumes that the title(s) is (are) in good order and are marketable, free from any liens, mortgages, encumbrances, restrictions and other legal impediments (where applicable). We accept no responsibility for investigations into title(s), searches, legal requisitions, legal validity of title or any charges, claims, liabilities registered against the title(s). The client is advised to consult his solicitors on any matter concerning the title(s) (where applicable).

7) Any plans that are included in the Report and/or Full Report are meant for identification purposes and to assist the client in visualising the subject property (where applicable). The plans should not be treated as certified true copies of areas or other particulars contained therein. We have not made any survey of the property and assume no responsibility in connection with such matters (where applicable).

8) We have not taken into account of any plant and machinery in our valuation.

9) We have not made any requisition for the Road Line Plan or for drainage proposal (where applicable). We have also not made any application for information/document in respect of

Building Control Records. Such requisitions/applications will not be made unless specifically instructed by our client (where applicable).

10) As matters concerning compulsory acquisitions by the Government are confidential, we are unable to provide information relating to Government acquisitions unless the subject property has already been gazette for acquisition (where applicable).

11) Our valuation assumes that the subject property, as currently used, is in compliance with the existing land use zoning and is not in contravention of any planning rules or regulations (where applicable).

12) Our valuation assumes that all development charges and maintenance/ service/ conservancy charges, if any, whether outstanding or payable as at the date of valuation, have already been fully paid (where applicable).

13) Our valuation further assumes that, as at the date of valuation, there are no outstanding liabilities or charges attached to the property (ies) (where applicable).

14) Subject at all times to the provisions in these terms and conditions and in the letter of engagement, we shall not be liable to you in contract, tort (including negligence or breach of statutory duty), misrepresentation, restitution or otherwise, arising in connection with the performance or contemplated performance of our services in respect of:

a) any direct loss of profit;

b) any indirect, special or consequential loss whatsoever howsoever caused including without limitation (i) indirect loss of profit; (ii) loss of business; (iii) loss of goodwill; (iv) loss of use of money; (v) loss of opportunity, and the parties agree that the sub-clauses of this clause shall be severable.

15) Subject at all times to the provisions in these terms and conditions and in the letter of engagement, we shall not be liable to you in negligence for pure economic loss arising in connection with the performance or contemplated performance of our services.

16) Where a third party has contributed to the losses, damages, costs, claims or expenses, we shall not be liable to make any contribution in respect of the liability of such third party.

17) Save in respect of third parties directly instructed by us and not on your behalf, we shall not be liable for the services or products provided by other third parties, nor shall we be required to inspect or supervise such third parties, irrespective of the third party services or products being incidental to or necessary for the provision of our services to you (where applicable).

18) Subject to the provisions in these terms and conditions and in the letter of engagement, our total aggregate liability (including that of our partners and employees) to you in contract, tort (including negligence or breach of statutory duty), misrepresentation, restitution or otherwise, arising in connection with the performance or contemplated performance of our services shall be limited to (i) an aggregate sum not exceeding the fee paid for each instruction accepted; or (ii) SGD500,000.00, whichever is lower.

19) We shall be released from our obligations to the extent that performance thereof is delayed, hindered or prevented by any circumstances beyond our reasonable control (examples being a strike, act of God or act of terrorism). On becoming aware of any circumstance which gives rise, or which is likely to give rise, to any failure or delay in the performance of our obligations, we will notify you by the most expeditious method then available.

20) Our pricing structure has been established by reference to these limitations on our liability and our level of professional indemnity insurance in respect of the services we provide. If you feel that it is necessary to discuss with us a variation in these levels, then please raise the issue with your client partner who will be able to let you have proposals for a revised pricing structure to reflect the agreed level of our liability and/or professional indemnity cover.

21) Responsibility for our valuation extends only to the party(ies) to whom it is addressed. However, in the event of us being asked by you to re-address the Report and/or Full Report to another party or other parties or permit reliance upon it by another party or other parties, we will give consideration to doing so, to named parties, subject to payment of additional fees.

These fees are exclusive of GST & expenses (including the cost of re-addressing the Report and/or Full Report) and are subject to a minimum fee of SGD1,000. Should additional work be involved, over and above that undertaken to provide the initial report, we may make a further charge although we will agree this with you before commencing the work.

22) Where we consent to reliance on the Report and/or Full Report by another party or other parties, we do so on the basis that these terms and conditions will apply to the new addressee(s) as if it/they had been a party to the original letter of engagement between us. Where we consent to such reliance, you agree to furnish the addressee with a copy of any reliance letter issued by us and/or a copy of these terms and conditions.

23) Where you provide a copy of and/or permit another party or parties to rely upon the Report and/or Full Report without obtaining our express written consent (in accordance with clauses 21 and 22 above), you agree to indemnify and us, our affiliates and their respective shareholders, directors, officers and employees, harmless from and against all damages, expenses, claims and costs, including reasonable attorneys' fees, incurred in investigating and defending any claim arising from or in any way connected to the use of, or reliance upon, the Report and/or Full Report by any such unauthorised person or entity.

24) Save where we have consented to another party or other parties relying on the Report and/or Full Report in accordance with clauses 21 and 22, where the Report and/or Full Report is prepared or where we consent to the Report and/or Full Report being used for the purpose of a public offering in accordance with any stock exchange listing rules, you agree to indemnify us for any liability whatsoever that we have to any party or parties which exceeds our aggregate cap on liability (referred to in clause 18) which arises from their use and/or reliance on the Report and/or Full Report.

25) Where reference is made to "Reinstatement Cost for Insurance Values", such insurance value is the value of property on the appropriate basis as defined in the insurance contract or policy (where applicable).

26) Where reference is made to "Forced Sale Value", such value is the amount that may reasonably be received from the sale of a property under (forced sale) conditions that do not meet all the criteria of a normal market transaction. Such Forced Sale Value is not a representation of the Market Value (where applicable).

27) The Report and/or Full Report is prepared on the basis that we are not required to give testimony or appear in court or any other tribunal or to any government agency by reason of the Report and/or Full Report or with reference to the property in question unless prior arrangements have been made and we are properly reimbursed.

28)

a) The U.S. Foreign Corrupt Practices Act (the "FCPA") and other laws make it unlawful for us or anyone acting on our behalf to offer, pay, promise or authorize to pay any money, gift or anything of value directly or indirectly to any Public Official with the intent of causing the Public Official to misuse such official's position to obtain or retain business for us or our subsidiaries or affiliates. The term Public Official is broadly defined to include not only traditional government officials and those employed by government agencies, departments, or ministries but also employees of companies which are owned or controlled by the state. The U.K. Bribery Act and other laws also prohibit commercial bribery of any kind.

b) We comply with all applicable anti-bribery and corruption laws, rules, and regulations of the United States, European Union or any member state and any other similar laws in all applicable jurisdictions, including but not limited to the FCPA and U.K. Bribery Act ("Applicable Anti-Bribery Laws and Rules").

c) You acknowledge and confirm your understanding of and agree to comply with all applicable Anti-Bribery Laws and Rules and agree not to take or fail to take any action that might in any way cause us to be in violation of such laws.

d) We must at all times comply with all U.S. sanctions administered by the Office of Foreign Asset Control ("OFAC") of the Department of the Treasury or under any statute, executive order (including, but not limited to, the September 24, 2001, Executive Order 13224 Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism) or other governmental action and any applicable international laws and regulations pertaining to the detection, prevention and reporting of potential money laundering and terrorist financing activities (collectively "Applicable Sanctions/AML Rules").

e) You represent and warrant to us that you, and all persons and entities owning (directly or indirectly) an ownership interest in you: (i) are not, and will not become, a person or entity with whom a party is restricted from doing business under Applicable Sanctions/AML Rules; and (ii) are not knowingly engaged in, and will not knowingly engage in, any dealings or transactions or be otherwise associated with such persons or entities described in Clause 28 (e) (i) above.

f) In the event that we believe in good faith, and whether or not we have conducted an investigation, that you have acted in a way that may subject us to liability under Applicable Anti-Bribery Laws and Rules or you (including all persons and entities owning (directly or indirectly) an ownership interest in you) become a Target Group of Applicable Sanctions/AML Rules, we shall have the unilateral right, exercisable immediately upon written notice, to terminate this agreement and shall be entitled to receive payment of the service fees for services rendered pursuant to this agreement together with any and all reasonable additional costs incurred due to such early termination.

APPENDIX D – SUMMARY OF VALUATION BY VESSEL VALUER

Object of Valuation	:	Tugboat & Barge
Location	:	South Kalimantan and other Indonesian Waters.
Assignor	:	PT Pulau Seroja Jaya
Ownership	:	PT Pulau Seroja Jaya
Objective of Valuation	:	Revaluation Report
Date of Valuation	:	May 31, 2020
Date of Inspection	:	July 15th until July 20th, 2020
Basis of Value	:	Market Value and Indication of the Liquidation Value.

DETAIL VALUE :

No.	Description	Year	Country of Origin	Capacity	Market Value (IDR)	Indication of the Liquidation Value (IDR)
I	**TUGBOAT**					
1	Bomas Cahaya	2008	Indonesia	Cummins, 2 x 1200 Hp	9.183.000.000.	5.969.000.000
2	Bomas Cemerlang	2007	Malaysia	Mitsubishi, 2 x 1000 Hp	7.544.000.000	4.904.000.000
3	Bomas Ceria	2000	Japan	Niigata, 2 x 1000 Hp	7.138.000.000	4.640.000.000
4	Bomas Gemilang	1988	Taiwan	Niigata, 1 x 1200 Hp	3.320.000.000	2.158.000.000
5	Bomas Genius	2007	Indonesia	Mitsubishi, 2 x 1030 Hp	7.939.000.000	5.160.000.000
6	Bomas Glory	2007	Indonesia	Cummins, 2 x 1200 Hp	8.722.000.000	5.669.000.000
7	Bomas Gold	1990	Taiwan	Allen, 1 x 1500 Hp	4.981.000.000	3.238.000.000
8	Bomas Gracia	2008	Malaysia	Cummins, 2 x 1200 Hp	9.253.000.000	6.014.000.000
9	Bomas Jaya	1990	Japan	Fuji Diesel, 2 x 1200 Hp	4.900.000.000	3.185.000.000
10	Bomas Karya	2002	Japan	Daihatsu, 2 x 1000 Hp	7.307.000.000	4.750.000.000
11	Bomas Lestari	2007	Indonesia	Mitsubishi, 2 x 1030 Hp	6.560.000.000	4.264.000.000
12	Bomas Makmur	2008	Indonesia	Yanmar, 2 x 1001 Hp	6.768.000.000	4.399.000.000
13	Bomas Mulia	1990	Taiwan	Niigata, 2 x 1000 Hp	4.819.000.000	3.132.000.000
14	Bomas Profit	2006	Indonesia	Mitsubishi, 2 x 1413 Hp	10.768.000.000	6.999.000.000
15	Bomas Regulus	2009	Malaysia	Mitsubishi, 2 x 1400 Hp	13.087.000.000	8.507.000.000
16	Bomas Satria	2007	Indonesia	Mitsubishi, 2 x 1030 Hp	8.067.000.000	5.244.000.000
17	Bomas Sedayu	2008	Indonesia	Cummins, 2 x 1200 Hp	8.654.000.000	5.625.000.000
18	Bomas Segara	2006	Malaysia	Mitsubishi, 2 x 1012 Hp	7.110.000.000	4.622.000.000
19	Bomas Sejati	1988	Japan	Yanmar, 2 x 1000 Hp	3.849.000.000	2.502.000.000
20	Bomas Sentosa	2007	Malaysia	Mitsubishi, 2 x 1414 Hp	10.748.000.000	6.986.000.000
21	Bomas Setia	1998	Taiwan	Hanshin, 2 x 1600 Hp	6.964.000.000	4.527.000.000
22	Bomas Star	2005	Malaysia	Mitsubishi, 2 x 1032 Hp	7.049.000.000	4.582.000.000

APPENDIX D – SUMMARY OF VALUATION BY VESSEL VALUER

No.	Description	Year	Country of Origin	Capacity	Market Value (IDR)	Indication of the Liquidation Value (IDR)
I	**TUGBOAT**					
23	Bomas Surya	2000	Japan	Niigata, 2 x 1800 Hp	11.660.000.000	7.579.000.000
24	Bomas Tiara	2008	Malaysia	Caterpillar, 2 x 885 Hp	7.356.000.000	4.781.000.000
25	Bomas Victory	2007	Indonesia	Cummins, 2 x 1200 Hp	7.886.000.000	5.126.000.000
26	Delta Cahaya 8	2006	Indonesia	Yanmar, 2 x 900 Hp	5.041.000.000	3.277.000.000
27	Profit Genius	1997	Malaysia	Mitsubishi, 2 x 720 Hp	3.494.000.000	2.271.000.000
28	Profit Legend Three	2004	Malaysia	Mitsubishi, 2 x 1030 Hp	5.906.000.000	3.839.000.000
29	SM Jaya	1998	Japan	Daihatsu, 2 x 1400 Hp	7.225.000.000	4.696.000.000
30	SM Karya	2008	Indonesia	Yanmar, 2 x 736 Hp	5.189.000.000	3.373.000.000
31	Bomas Progress	2010	Indonesia	Mitsubishi, 2 x 1400 Hp	12.796.000.000	8.317.000.000
32	Bomas Impresa	2014	Malaysia	Mitsubishi, 2 x 1413 Hp	14.780.000.000	9.607.000.000
33	Bomas Explorer	2015	Malaysia	Caterpillar, 2 x 1200 Hp	12.053.000.000	7.834.000.000
34	TW Maple	2008	Singapore	Cummins, 2 x 1600 Ps	14.315.000.000	9.305.000.000
35	SM Liberty	2006	Japan	Daihatsu, 2 x 2000 Hp	18.712.000.000	12.163.000.000
36	SM Sedayu	2003	Japan	Niigata, 2 x 1400 Hp	6.708.000.000	4.360.000.000
37	Bomas Potenza	2012	Malaysia	Mitsubishi, 1414 HP	13.525.000.000	8.791.000.000
38	Bomas Expander	2008	China	Cummins KTA, 2 x 1600 HP	13.274.000.000	8.628.000.000
	Total I				**324,650,000,000**	**211,023,000,000**
II	**BARGE**					
1	Pulau Jaya 336-1	2007	Indonesia	11.500 - 12.000 Ton	7.809.000.000	5.076.000.000
2	Pulau Tiga 330	2008	Indonesia	9.500 - 10.000 Ton	8.075.000.000	5.249.000.000
3	Pulau Tiga 330-22	2007	Indonesia	11.500 - 12.000 Ton	7.758.000.000	5.043.000.000
4	Pulau Tiga 330-23	2007	Indonesia	11.500 - 12.000 Ton	7.803.000.000	5.072.000.000
5	Pulau Tiga 338	2005	Indonesia	11.500 - 12.000 Ton	6.195.000.000	4.027.000.000
6	Pulau Tiga 345	2008	Indonesia	10.000 - 10.500 Ton	8.022.000.000	5.214.000.000
7	Pulau Tiga 365	2008	China	12.000 - 12.500 Ton	12.369.000.000	8.040.000.000
8	Pulau Tiga 3005	2004	China	7.500 - 8.000 Ton	6.047.000.000	3.931.000.000
9	Pulau Tiga 3006	2003	China	7.500 - 8.000 Ton	5.861.000.000	3.810.000.000
10	Pulau Tiga 3007	2004	Singapore	7.500 - 8.000 Ton	5.979.000.000	3.886.000.000
11	Pulau Tiga 3009	2009	China	7.500 - 8.000 Ton	8.055.000.000	5.236.000.000
12	Pulau Tiga 3016	2007	Indonesia	7.500 - 8.000 Ton	7.385.000.000	4.800.000.000
13	Pulau Tiga 3017	2007	Indonesia	7.500 - 8.000 Ton	7.385.000.000	4.800.000.000
14	Pulau Tiga 3021	2007	China	8.000 - 8.500 Ton	7.456.000.000	4.846.000.000
15	Pulau Tiga 3308	2006	China	9.500 - 10.000 Ton	9.406.000.000	6.114.000.000
16	Pulau Tiga 3405	2007	China	11.500 - 12.000 Ton	9.926.000.000	6.452.000.000
17	Pulau Tiga 3456	2007	China	11.500 - 12.000 Ton	9.926.000.000	6.452.000.000

APPENDIX D – SUMMARY OF VALUATION BY VESSEL VALUER

KANTOR JASA PENILAI PUBLIK
Amin • Nirwan • Alfiantori & Rekan

No.	Description	Year	Country of Origin	Capacity	Market Value (IDR)	Indication of the Liquidation Value (IDR)
II	**BARGE**					
18	Pulau Tiga 3457	2007	China	11.500 - 12.000 Ton	10.010.000.000	6.507.000.000
19	Pulau Tiga 3459	2007	Indonesia	10.500 - 11.000 Ton	8.264.000.000	5.372.000.000
20	Pulau Tiga 3509	2006	Indonesia	12.000 - 12.500 Ton	11.067.000.000	7.194.000.000
21	Pulau Tiga 3708	2006	China	12.500 - 13.000 Ton	11.315.000.000	7.355.000.000
22	SM 350	2007	Indonesia	12.500 - 13.000 Ton	11.447.000.000	7.441.000.000
23	Winbuild 310	2001	Singapore	7.500 - 8.000 Ton	5.547.000.000	3.606.000.000
24	Winbuild 318	2004	Singapore	9.500 - 10.000 Ton	7.156.000.000	4.651.000.000
25	Winbuild 345	2007	China	11.500 - 12.000 Ton	8.389.000.000	5.453.000.000
26	Winbuild 358	2006	Indonesia	12.500 - 13.000 Ton	11.080.000.000	7.202.000.000
27	Winbuild 368	2006	Indonesia	12.000 - 12.500 Ton	11.131.000.000	7.235.000.000
28	Winbuild 369	2007	China	12.000 - 12.500 Ton	11.709.000.000	7.611.000.000
29	Pulau Tiga 366	2008	China	12.000 - 12.500 Ton	11.857.000.000	7.707.000.000
30	Pulau Tiga 3801	2013	Indonesia	12.500 - 13.000 Ton	14.822.000.000	9.634.000.000
31	Winbuild 1432	2009	China	12.000 - 12.500 Ton	13.121.000.000	8.529.000.000
32	Pulau Jaya 330 - 1	2009	Indonesia	12.000 - 12.500 Ton	8.819.000.000	5.732.000.000
33	Pulau Jaya 350-3	2008	Indonesia	13.000 Ton	17.542.000.000	11.402.000.000
34	Winbuild 1573	2013	China	12.000 Ton	14.787.000.000	9.612.000.000
	Total II				**323.520.000.000**	**210.291.000.000**
	Total (I + II)				**648.170.000.000**	**421.314.000.000**

Here we would like to confirm that we as the assessor do not take any advantage, both now and in the future, on fixed assets that are valued or of the value obtained.

All supporting data is stored in our file retention system for future reference purposes if there is additional authorization that requires detailed reports, including documentation. This data shall be available on request for future inspection.

Please note that:

- Part 1 of Appendix E can be accessed at http://seroja.com.sg/wp-content/uploads/2020/12/Appendix-E-–-Vessel-Valuation-Report-part-1.pdf;

- Part 2 of Appendix E can be accessed at http://seroja.com.sg/wp-content/uploads/2020/12/Appendix-E-–-Vessel-Valuation-Report-part-2.pdf; and

- Part 3 of Appendix E can be accessed at http://seroja.com.sg/wp-content/uploads/2020/12/Appendix-E-–-Vessel-Valuation-Report-part-3.pdf.

SEROJA INVESTMENTS LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 198300847M)

NOTICE OF EXTRAORDINARY GENERAL MEETING

All capitalised terms in this Notice which are not defined herein shall have the same meaning ascribed to them in the Circular to Shareholders dated 24 September 2020.

NOTICE IS HEREBY GIVEN THAT an extraordinary general meeting of Seroja Investments Limited (the "**Company**") will be held by way of electronic means on Friday, 9 October 2020 at 2:00 p.m., for the purpose of considering and, if thought fit, passing with or without any modifications the following resolution.

ORDINARY RESOLUTION

THE PROPOSED DISPOSAL OF THE ENTIRE ISSUED AND PAID-UP SHARE CAPITAL OF TRANS LK MARINE PTE. LTD. AS A MAJOR TRANSACTION AND AN INTERESTED PERSON TRANSACTION

That contingent upon the satisfaction of any applicable regulatory approvals and/or statutory requirements:

(a) the Proposed Disposal, on the terms and subject to the conditions set out in the SPA, being a major transaction and an interested person transaction for the purposes of Chapter 10 and Chapter 9 of the Listing Manual respectively, be and is hereby confirmed and approved; and

(b) any of the Directors be and is hereby authorised to complete and do all such acts and things (including but not limited to approving, amending, modifying, supplementing and executing all such documents as may be required), as he may consider necessary, desirable, expedient or in the interests of the Company to give effect to the Proposed Disposal, this Ordinary Resolution and/or the matters contemplated therein.

By Order of the Board
SEROJA INVESTMENTS LIMITED

Adrian Chan Pengee
Company Secretary

24 September 2020

Notes:

1. The extraordinary general meeting of the Company (the "**EGM**") is being convened, and will be held, by way of electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. This Notice of EGM and the accompanying proxy form for the EGM will also be published electronically on (i) the SGX-ST's website at https://www.sgx.com/securities/company-announcements; and (ii) the Company's corporate website at http://www.seroja.com.sg.

2. The alternative arrangements for the EGM relating to, amongst others, attendance at the EGM via electronic means (including arrangements by which the EGM can be electronically accessed via "live" audio-visual webcast ("**LIVE WEBCAST**") or "live" audio-only stream ("**LIVE AUDIO STREAM**")), submission of questions in advance of the EGM, addressing of substantial and relevant questions on or before the EGM and voting by appointing the Chairman of the EGM as proxy at the EGM, are set out in the accompanying Company's announcement dated 24 September 2020 (the "**Announcement**"), which has been published together with this Notice of EGM on the SGX-ST's website at https://www.sgx.com/securities/company-announcements on the same day. The Announcement may also be accessed on the Company's corporate website at http://www.seroja.com.sg. For the avoidance of doubt, the Announcement is circulated together with and forms part of this Notice of EGM in respect of the EGM.

3. Due to the current COVID-19 restriction orders in Singapore, a member of the Company will not be able to attend the EGM in person. If a member of the Company (whether individual or corporate) wishes to exercise his/her/its voting rights at the EGM, he/she/it must appoint the Chairman of the EGM as his/her/its proxy to attend, speak and vote on his/her/its behalf at the EGM.

   In appointing the Chairman of the EGM as proxy, a member of the Company (whether individual or corporate) must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the form of proxy, failing which the appointment of the Chairman of the EGM as proxy for that resolution will be treated as invalid.

   CPF or SRS investors who wish to vote should approach their respective CPF Agent Banks or SRS Operators to submit their votes at least seven (7) working days before the EGM (i.e. by 2:00 p.m. on 30 September 2020) in order to allow sufficient time for their respective CPF Agent Banks or SRS Operators to in turn submit a proxy form to appoint the Chairman of the EGM to vote on their behalf by the cut-off date.

4. The Chairman of the EGM, as proxy, need not be a member of the Company.

5. The instrument or form appointing the Chairman of the EGM as proxy, together with the power of attorney or other authority under which it is signed (if applicable) or a notarial certified copy thereof, must: (a) if sent personally or by post, be lodged at the office of the Company at 15 Scotts Road, #08-05 Thong Teck Building, Singapore 228218; or (b) if submitted by email, be received by the Company's Share Registrar at sg.is.proxy@sg.tricorglobal.com, in either case, by 2:00 p.m. on 6 October 2020 (being not less than seventy-two (72) hours before the time appointed for holding the EGM) (or at any adjournment thereof) and in default the instrument of proxy shall not be treated as valid.

   In view of the current COVID-19 situation and the related safe distancing measures, which may make it difficult for members of the Company to submit completed proxy forms by post, members of the Company are strongly encouraged to submit completed proxy forms electronically via email to the Company so as to reach the Company not less than seventy-two (72) hours before the time appointed for holding the EGM.

6. The instrument appointing the Chairman of the EGM as proxy must be under the hand of the appointor or of his/her attorney duly authorised in writing. Where the instrument appointing the Chairman of the EGM as proxy is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or duly authorised officer, failing which the instrument of proxy may be treated as invalid. Where an instrument appointing the Chairman of the EGM as proxy is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company), if the instrument appointing the Chairman of the EGM as proxy is submitted by post, be lodged with the instrument of proxy or, if the instrument appointing the Chairman of the EGM as proxy is submitted electronically via email, be emailed with the instrument of proxy, failing which the instrument may be treated as invalid.

7. A corporation which is a member of the Company may authorise by resolution of its director or other governing body, such person as it thinks fit to act as its representative at the EGM, in accordance with its constitution and Section 179 of the Companies Act, Chapter 50 of Singapore.

8. The Company shall be entitled to reject the instrument appointing the Chairman of the EGM as proxy if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing the Chairman of the EGM as proxy.

In the case of members whose shares are entered against their names in the Depository Register, the Company may reject any instrument appointing the Chairman of the EGM as proxy lodged or submitted if such members are not shown to have shares entered against their names in the Depository Register seventy-two (72) hours before the time appointed for holding the EGM, as certified by The Central Depository (Pte) Limited to the Company.

Personal Data Privacy:

By (a) submitting an instrument appointing the Chairman of the Meeting as proxy to attend, speak and vote at the EGM and/or any adjournment thereof, or (b) submitting details for the registration to observe the proceedings of the EGM via LIVE WEBCAST or LIVE AUDIO STREAM, or (c) submitting any question prior to the EGM in accordance with this Notice, a member of the Company consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the following purposes:

(i) processing, administration and analysis by the Company (or its agents or service providers) of the instruments appointing the Chairman of the Meeting as proxy for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the EGM (including any adjournment thereof);

(ii) processing of the registration for purpose of granting access to members (or their corporate representatives in the case of members which are legal entities) to the LIVE WEBCAST or LIVE AUDIO STREAM to observe the proceedings of the EGM and providing them with any technical assistance where necessary;

(iii) addressing substantial and relevant questions from members received before the EGM and if necessary, following up with the relevant members in relation to such questions; and

(iv) enabling the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines by the relevant authorities.

Photographic, sound and/or video recordings of the EGM may be made by the Company for record keeping and to ensure the accuracy of the minutes prepared of the EGM. Accordingly, the personal data of a member (such as his name, his presence at the EGM and any questions he may raise or motions he propose/second) may be recorded by the Company for such purpose.

SEROJA INVESTMENTS LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 198300847M)

PROXY FORM

(Please see notes overleaf before completing this Form)

IMPORTANT:

1. The extraordinary general meeting of the Company (the "**EGM**") is being convened, and will be held, by way of electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020.
2. Due to the current COVID-19 restriction orders in Singapore, a member will not be able to attend the AGM in person. A member (whether individual or corporate and including a Relevant Intermediary*) must appoint the Chairman of the EGM as his/her/its proxy to vote on his/her/its behalf at the EGM if such member wishes to exercise his/her/its voting rights at the EGM.
3. CPF or SRS investors who wish to vote should approach their respective CPF Agent Banks or SRS Operators to submit their votes at least seven (7) working days before the EGM (i.e. by 2:00 p.m. on 30 September 2020) in order to allow sufficient time for their respective CPF Agent Banks or SRS Operators to in turn submit a proxy form to appoint the Chairman of the EGM to vote on their behalf by the cut-off date.
4. This Proxy Form is not valid for use by CPF and SRS Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

I/We, _____ (Name)
_____ (NRIC/Passport No.)
of _____
_____
_____ (Address) being *a member/members of SEROJA INVESTMENTS LIMITED (the "Company"), hereby appoints the Chairman of the extraordinary general meeting of the Company (the "**EGM**"), as *my/our proxy to attend and to vote for *me/us on *my/our behalf at the EGM to be held by way of electronic means on **Friday, 9 October 2020** at **2:00 p.m.** and at any adjournment thereof. *I/We direct *my/our proxy to vote for or against, or to abstain from voting on the Resolutions to be proposed at the EGM as indicated hereunder. If no specific direction as to voting is given or in the event of any other matter arising at the EGM and at any adjournment thereof, the appointment of the Chairman of the EGM as *my/our proxy will be treated as invalid.

All Resolutions put to the vote at the EGM shall be decided by way of poll.

(Please indicate your vote "For" or "Against" or "Abstain" from voting a resolution with a tick [√] within the box provided in respect of that resolution. Alternatively, please indicate the number of votes as appropriate in the relevant box provided in respect of that resolution. If you mark the abstain box for a particular resolution, you are directing the Chairman of the EGM as your proxy not to vote on that resolution on a poll and your votes will not be counted in computing the required majority on a poll.)

No.	Ordinary Resolution	For	Against
1.	The proposed disposal of the entire issued and paid-up share capital of Trans LK Marine Pte. Ltd. as a major transaction and an interested person transaction		

Dated this _____ day of _____ 2020.

Total number of Shares in:	No. of Shares
(a) CDP Register	
(b) Register of Members	

_____
Signature(s) of Shareholder(s) or,
Common Seal of Corporate Shareholder

** Delete where inapplicable*

Notes:

1. A member should insert the total number of shares held. If the member has shares entered against his/her name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act, Chapter 289 of Singapore), he/she should insert that number of shares. If the member has shares registered in his/her name in the Register of Members of the Company, he/she should insert that number of shares. If the member has shares entered against his/her name in the Depository Register and shares registered in his/her name in the Register of Members of the Company, he/she should insert the aggregate number of shares entered against his/her name in the Depository Register and registered in his/her name in the Register of Members. If no number is inserted, this form of proxy will be deemed to relate to all the shares held by the member of the Company.

2. Due to the current COVID-19 restriction orders in Singapore, a member of the Company will not be able to attend the EGM in person. A member of the Company (whether individual or corporate and including a Relevant Intermediary*) must appoint the Chairman of the EGM as his/her/its proxy to vote on his/her/its behalf at the EGM if such member wishes to exercise his/her/its voting rights at the EGM.

   In appointing the Chairman of the EGM as proxy, a member of the Company (whether individual or corporate and including a Relevant Intermediary*) must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the form of proxy, failing which the appointment of the Chairman of the EGM as proxy for that resolution will be treated as invalid.

   CPF or SRS investors who wish to vote should approach their respective CPF Agent Banks or SRS Operators to submit their votes at least seven (7) working days before the EGM (i.e. by 2:00 p.m. on 30 September 2020) in order to allow sufficient time for their respective CPF Agent Banks or SRS Operators to in turn submit a proxy form to appoint the Chairman of the EGM to vote on their behalf by the cut-off date.

3. The Chairman of the EGM, as proxy, need not be a member of the Company.

4. The instrument or form appointing the Chairman of the EGM as proxy, together with the power of attorney or other authority under which it is signed (if applicable) or a notarial certified copy thereof, must: (a) if sent personally or by post, be lodged at the office of the Company at 15 Scotts Road, #08-05 Thong Teck Building, Singapore 228218; or (b) if submitted by email, be received by the Company's Share Registrar at sg.is.proxy@sg.tricorglobal.com, in either case, by 2:00 p.m. on 6 October 2020 (being not less than seventy-two (72) hours before the time appointed for holding the EGM) (or at any adjournment thereof) and in default the instrument of proxy shall not be treated as valid.

   In view of the current COVID-19 situation and the related safe distancing measures, which may make it difficult for members of the Company to submit completed proxy forms by post, members of the Company are strongly encouraged to submit completed proxy forms electronically via email to the Company so as to reach the Company not less than seventy-two (72) hours before the time appointed for holding the EGM.

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6. A corporation which is a member of the Company may authorise by resolution of its director or other governing body, such a person as it thinks fit to act as its representative at the EGM, in accordance with its constitution and Section 179 of the Companies Act, Chapter 50 of Singapore.

7. The Company shall be entitled to reject the instrument appointing the Chairman of the EGM as proxy if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing the Chairman of the EGM as proxy.

8. In the case of members of the Company whose shares are entered against their names in the Depository Register, the Company may reject any instrument appointing the Chairman of the EGM as proxy lodged or submitted if such members are not shown to have shares entered against their names in the Depository Register seventy-two (72) hours before the time appointed for holding the EGM, as certified by The Central Depository (Pte) Limited to the Company.

* A Relevant Intermediary is:

(a) a banking corporation licensed under the Banking Act (Chapter 19) of Singapore or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity; or

(b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act (Chapter 289) of Singapore and who holds shares in that capacity; or

(c) the Central Provident Fund Board ("**CPF Board**") established by the Central Provident Fund Act (Chapter 36) of Singapore, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the CPF Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

Personal Data Privacy:

By submitting an instrument appointing the Chairman of the EGM as proxy, the member accepts and agrees to the personal data privacy terms set out in the accompanying Notice of Extraordinary General Meeting.