



RICKMERS MARITIME
Registration Number: 2007003
(Constituted under the laws of Singapore)
Managed by Rickmers Trust Management Pte. Ltd.

**EMPHASIS OF MATTER BY INDEPENDENT AUDITOR ON THE FINANCIAL STATEMENTS OF
RICKMERS MARITIME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015**

Pursuant to Rule 704(5) of the Listing Manual of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”), the Board of Directors of Rickmers Trust Management Pte. Ltd., in its capacity as the Trustee-Manager of Rickmers Maritime (the “**Trust**”), wishes to announce that the independent auditor of the Trust, PricewaterhouseCoopers LLP, had included an emphasis of matter in respect of material uncertainties related to going concern (the “**Emphasis of Matter**”) in the Independent Auditor’s Report on the consolidated financial statements of the Trust and its subsidiaries (the “**Group**”) for the financial year ended 31 December 2015 (the “**FY2015 Financial Statements**”). The Independent Auditor’s Report remains unqualified.

A copy of the Independent Auditor’s Report, together with the extracts of the relevant notes to the FY2015 Financial Statements, is attached as Appendix I to this announcement.

The Independent Auditor’s Report and the FY2015 Financial Statements will form part of the Annual Report for FY2015 (the “**FY2015 Annual Report**”) which will be dispatched to the unitholders of the Trust (the “**Unitholders**”) on or around 7 April 2016.

Unitholders are advised to read the Independent Auditor’s Report and the FY2015 Annual Report in their entirety and to read this announcement in conjunction with the Independent Auditor’s Report and the FY2015 Annual Report.

The Trustee-Manager is presently in discussion with its lending banks to extend the loan maturity of the US\$179.7 million bank loan due in March 2017, and is exploring alternative re-financing for the MTN due in May 2017. The Trustee-Manager has a period of more than 12 months to take necessary actions before these obligations are due.

The Trustee-Manager has been successful in resolving covenant issues in the past and will take all necessary actions to resolve the matter in the event of a breach of covenants. The Group is in compliance with all of its covenants as at 31 December 2015.

By Order of the Board of
Rickmers Trust Management Pte. Ltd.
as Trustee-Manager of
Rickmers Maritime

Bertram R.C. Rickmers
Chairman
19 February 2016
Singapore

Appendix I

INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF RICKMERS MARITIME

Report on the Financial Statements

We have audited the accompanying financial statements of Rickmers Maritime (the "Trust") and its subsidiaries (the "Group") set out on pages 7 to 51 which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Trust as at 31 December 2015, the consolidated statement of comprehensive income, the consolidated statement of changes in unitholders' funds and the consolidated statement of cash flows of the Group for the financial year then ended, and a summary of significant accounting policies and other explanatory information.

Trustee-Manager's Responsibility for the Financial Statements

The Trustee-Manager is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Business Trusts Act (the "Act") and International Financial Reporting Standards, and for such internal control as the Trustee-Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Trustee-Manager, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the accompanying financial statements of the Group and the statement of the financial position of the Trust give a true and fair view of the financial position of the Group and the Trust as of 31 December 2015, and of their financial performance and cash flows for the financial year then ended in accordance with the provisions of the Act and International Financial Reporting Standards.

Emphasis of matter – Material Uncertainty Related to Going Concern

We draw attention to Note 2.2 to these financial statements, which states that the Group and the Trust have secured bank loans of US\$179.7 million and medium-term notes ("MTN") of US\$70.6 million, which are due for repayment on 31 March 2017 and 15 May 2017 respectively. Should the negotiations with the lending banks be unfavourable or alternative re-financing of the MTN be unsuccessful, the Group and the Trust may have insufficient cash to fulfil these obligations at the relevant repayment dates. Additionally, a situation of prolonged excess capacity in the charter market may also result in a breach of debt covenants. In the event of a breach, the respective lenders may exercise their remedies, which could include the enforcement of immediate debt repayments. These conditions indicate the existence of material uncertainties which may cast significant doubt about the ability of the Group and the Trust to continue as going concerns. Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Trustee-Manager have been properly kept in accordance with the provisions of the Act.

EXTRACTED FROM FY2015 FINANCIAL STATEMENTS

RICKMERS MARITIME AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2015

2. Summary of significant accounting policies

2.2 Going concern

The Group and the Trust have secured bank loans of US\$179.7 million with a syndicate of lending banks consisting HSH Nordbank AG and DBS Bank Ltd (the "HSH Lenders") (Note 20), and medium-term notes ("MTN") of US\$70.6 million (Note 22) which are due for repayment on 31 March 2017 and 15 May 2017 respectively. As disclosed in Note 20, the Trustee-Manager has been in negotiations with the HSH Lenders to restructure the bank loans, which include the extension of repayment beyond 31 March 2017. In addition, the Trustee-Manager has commenced discussions with a dealer of the MTN to review plans for alternative re-financing of the MTN. As at the date of these financial statements, negotiations with the HSH Lenders and discussions with the dealer are still in progress. Should the negotiations with the HSH Lenders be unfavourable or alternative re-financing of the MTN be unsuccessful, the Group and the Trust may have insufficient cash to repay the bank loans and MTN on 31 March 2017 and 15 May 2017 respectively.

As disclosed in Note 20, the bank loans are subject to various covenants, including minimum cash balance and value-to-loan ratios. A situation of prolonged excess capacity in the charter market may result in a breach of these covenants. In the event of a breach, the respective lenders may exercise their remedies, which could include the enforcement of immediate debt repayments.

The conditions above indicate the existence of material uncertainties that may cast significant doubt on the ability of the Group and the Trust to continue as going concerns. Notwithstanding the above, these financial statements have been prepared on a going concern basis. The Trustee-Manager is of the view that it is appropriate to prepare these financial statements on a going concern basis as:

- (a) The Group is expected to generate positive net cash from its operations in 2016 and together with the brought forward cash balance, it is able to make scheduled principal repayments of bank loans and interest payments on bank loans and MTN in 2016;
- (b) The Trustee-Manager has commenced its discussions with the dealer of the MTN to review alternative re-financing plans, and has a period of more than 12 months to take necessary actions before the repayment date of the MTN on 15 May 2017;
- (c) The Trustee-Manager has commenced its negotiations with the HSH Lenders to extend the maturity profile of the bank loans, and has a period of more than 12 months to take necessary actions for a favourable outcome to the Group and the Trust; and
- (d) The Group and the Trust are in compliance with all of their covenants as at 31 December 2015. In the event of a breach of covenants, the Trustee-Manager will take necessary actions to resolve the matter, including negotiation with the lending banks. The Trustee-Manager was successful in resolving covenant issues in the past.

The appropriateness of the going concern assumption is dependent on the favourable outcome of the negotiations with the HSH Lenders, the continued support of the MTN holders, the Group's ability to generate sufficient cash from its operations to meet its obligations, including scheduled principal repayments of bank loans and interest payments on bank loans and MTN, and the Group's and the Trust's compliance with all of their covenants.

In the event that the Group and the Trust are unable to continue as going concerns, the Group and the Trust may not be able to realise their assets and discharge their liabilities in the normal course of business. The accompanying financial statements do not include the effect of any of these adjustments.