MERCATOR LINES (SINGAPORE) LIMITED

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

APPLICATION UNDER SECTION 210 OF THE COMPANIES ACT FOR STAY OF PROCEEDINGS AND LEAVE TO CONVENE MEETINGS OF CREDITORS AND RECEIPT OF APPLICATION FOR JUDICIAL MANAGEMENT

The Board of Directors of the Company (the "**Board**") wishes to announce that :

(a) the Company has on 14 September 2015 filed an application to the Court for leave to convene meetings of creditors no later than 4 months from the date of the application for the purposes of considering and, if thought fit, approving with or without modification a scheme of arrangement under section 210 of the Companies Act (Chapter 50)(the "**Scheme**") and for a stay of proceedings against the Company; and

(b) HSH Nordbank AG Singapore Branch ("**HSH**"), a creditor of the Company, has on 10 September 2015 filed an application to the High Court of the Republic of Singapore (the "**Court**") for an order that the Company be placed under the judicial management of a judicial manager (the "**JM Application**"). The JM Application has been fixed for hearing on 29 September 2015.

As previously announced on 3 June 2015, the Board and Management are working closely with the Company's creditors, Independent Financial Advisor and legal advisors to establish a restructuring plan and negotiations with creditors and potential investors in relation to the restructuring plan are reaching a conclusion. It is envisaged that the restructuring plan will be implemented by, *inter alia*, the Scheme.

A primary aim of the Scheme is to strengthen the Company's financial position and resolve all outstanding matters with all of its creditors, thus enabling a swift return to normalized operations and a strong focus on the Company's operations.

The Board and Management believe that the appointment of a judicial manager is not in the interests of the Company, its creditors and its shareholders and thus, the Company intends to oppose the JM Application.

Any material developments (including in relation to the JM Application, the Scheme and the Restructuring Plan) will be disclosed to SGX.

By Order of the Board

SHALABH MITTAL
Managing Director & Chief Executive Officer

14 September 2015