

SEROJA INVESTMENTS LIMITED

(Company Registration Number: 198300847M)

(Incorporated in the Republic of Singapore)

(1) Update on joint venture vessel under arrest**(2) Transfer of shares in joint ventures**

(1) Update on joint venture vessel under arrest

The Board of Directors (“**Board**”) of Seroja Investments Limited (the “**Company**”) refers to the announcements made by the Company on 23 October 2014 and 18 November 2014 and wishes to announce that its joint venture company, Seroja Zhushui 5 Shipping Limited (“**SZ5SL**”) has reached a settlement with the buyer, Conirma Marine S.A. (“**CMSA**”) in relation to the sale of m.v. Zhushui 5 under the memorandum of agreement (“**MOA**”) signed on 25 July 2014. The sale and delivery of m.v. Zhushui 5 to CMSA was successfully completed today.

(2) Transfer of shares in joint ventures

Trellis Group Holdings Ltd (“**TGHL**”), wholly owned by the Company, Mr Li Chen (“**LC**”) and Mrs Li Bingjie (“**LB**”), hold equity interest of 50%, 40% and 10% respectively in the 2 joint venture companies, namely Seroja Zhushui 3 Shipping Limited (“**SZ3SL**”) and SZ5SL. TGHL, LC and LB have entered into a share purchase agreement with Aventa Investments Limited (“**AIL**”) pursuant to which TGHL, LC and LB will transfer all their shareholding in SZ5SL to AIL and in return LC and LB will transfer all their shareholding in SZ3SL to TGHL. Subsequent to the above share transfers, SZ3SL will be 100% owned by TGHL whereas SZ5SL will be 100% owned by AIL. SZ3SL owns the other panamax m.v. Zhushui 3.

AIL is a company incorporated in British Virgin Islands and its principal activity is that of investment holding and it is not related to the Company’s controlling shareholders.

The Board is of the view that the share transfers is in the interests of the Company and its Shareholders based on following rationale:-

- a. TGHL will have full control of management, operating and financing decisions of SZ3SL as compared to owning 50% shareholding each in SZ3SL and SZ5SL prior to the share transfers and the effect of the transaction is that TGHL will now indirectly own a 100% interest in m.v. Zhushui 3 instead of owning only 50% in each of m.v. Zhushui 3 and m.v. Zhushui 5.
- b. The outstanding mortgage loan on both m.v. Zhushui 3 and m.v. Zhushui 5 is US\$17,274,987.80 and AIL has agreed to pay US\$10 million and provide a short term 3-month loan of US\$7,274,987.80 to TGHL to repay the mortgage loan,

Effectively, TGH is swapping its 50% interest in m.v. Zhushui 5 for a 50% interest in m.v. Zhushui 3. As both SZ3SL and SZ5SL having similar net tangible asset value as at date of share transfers, the share transfers will not have any material impact on the consolidated net tangible assets and earnings per share of the Company for the current financial year ending 31 December 2014.

None of the Company's directors or substantial shareholders has any interest, direct or indirect, in the above transactions save for their interests (if any) in the share capital of the Company.

By order of the Board

Husni Heron
Executive Director & CEO
5 December 2014