

MANHATTAN RESOURCES LIMITED

(Incorporated In the Republic of Singapore)

(Company Registration No. 199006289K)

THE PROPOSED DISPOSAL OF VESSELS BY PT ANEKA SAMUDERA LINTAS

1. INTRODUCTION

1.1 Update on proposed disposal of vessels to PT. Karunia Samudera Lines

The board of directors ("**Board**" or "**Directors**") of Manhattan Resources Limited ("**Company**"), together with its subsidiaries, the "**Group**") refers to its announcements dated 11 October 2016, 21 November 2016 and 12 April 2018 in relation to the proposed disposal of 22 tugs and 22 barges by PT Aneka Samudera Lintas ("**PT Aneka**"), a wholly-owned subsidiary of the Company, to PT. Karunia Samudera Lines ("**PT Karunia**"). As the conditions precedent to this proposed disposal have not all been fulfilled or waived, the Board wishes to inform Shareholders that PT Aneka has decided not to pursue the completion of the proposed disposal with respect to the Remaining Vessels (as defined in the announcement dated 12 April 2018). Accordingly, the conditional sale and purchase of vessels agreement between PT Aneka and PT Karunia has been terminated. The non-disposal of the Remaining Vessels did not have a material effect on the Group's financial performance for FY2017 because (a) the Company did not record the expected gain of the proposed disposal of the vessels as the proposed disposal was not completed; and (b) the net assets value of the Remaining Vessels is approximately 8.47% of the net assets value of the Group, and net loss attributable to the Remaining Vessels is approximately 18.34% of the net loss of the Group as at 31 December 2017.

1.2 New proposed disposal of vessels to PT. Pancaran Samudera Transport

Following the termination of the agreement with PT Karunia, the Board wishes to announce that PT Aneka ("**Seller**") and PT. Pancaran Samudera Transport ("**Purchaser**", together with the Seller, the "**Parties**", and each a "**Party**") had on 28 August 2018 entered into a conditional sale and purchase of vessels agreement ("**Agreement**"), for the sale by the Seller and the purchase by the Purchaser of twenty-seven (27) tugs and twenty-five (25) barges, totalling fifty-two (52) vessels (collectively, the "**Vessels**"), particulars of which are set out in **Appendix A** to this announcement, at a total purchase consideration of US\$12,175,720 ("**Purchase Consideration**"), subject to the terms and conditions of the Agreement ("**Proposed Disposal**"). The Vessels include the Remaining Vessels.

2. INFORMATION RELATING TO THE SELLER AND ITS VESSELS AND THE PURCHASER

The information on the Purchaser was provided by the Purchaser and/or based on publicly available information. In respect of such information, the Company and the Directors have not independently verified the accuracy and correctness of the same and the Company's responsibility is limited to the proper extraction and reproduction herein in the context that the information is being disclosed in this announcement.

(a) The Seller and its Vessels

The Seller is a limited liability company duly established under the laws of the Republic of Indonesia in 2006, and has an issued and paid up share capital of IDR 1,375,000,000 comprising 137,500 ordinary shares, which are held entirely by the Company. The principal business activities of the Seller relate to the barging business.

The Seller is the registered owner of the Vessels, certain other information of which is set out in **Appendix A** to this announcement.

The Seller is the main operating entity of the shipping business of the Group, and the Vessels comprise approximately 92.86% of the vessels owned by the Seller. Following completion of the Proposed Disposal, the Seller will continue to own two (2) tugs and two (2) barges.

(b) The Purchaser

The Purchaser is a limited liability company duly established under the laws of the Republic of Indonesia. The principal business activities of the Purchaser relate to shipping and barging in Indonesia.

The Purchaser is not an “interested person” as defined in Rule 904(4)(a) of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) Listing Manual (“**Listing Manual**”) in relation to the Group.

3. RATIONALE FOR THE PROPOSED DISPOSAL

In respect of the Group's barging and shipping segment, the Group reported net losses of approximately S\$5.6 million and S\$4.5 million in FY2016 and FY2017, respectively. While the Group reported revenue of approximately S\$6.1 million and S\$10.8 million in its barging and shipping segment for FY2016 and FY2017, respectively; the Group incurred higher expenses as the old age of its vessels required more repairs and maintenance. A one-off depreciation charge in FY2017 arising from the reclassification of vessels held for sale to fixed assets exacerbated the Group's net loss position in FY2017.

Notwithstanding that the coal and shipping industries may appear to be recovering from economic downturns, the Board is of the view that the old age of the majority of PT Aneka's existing fleet (being more than twelve years) makes it cost-ineffective for the Group to continue operating its business in an extremely competitive environment. It is, therefore, appropriate to rationalise the Group's vessels in the light of industry trends and conditions, so that the Group is able to operate its barging and shipping segment in a more cost-effective manner by (i) using its existing newer unsold vessels; and (ii) chartering newer vessels to operate and serve its customers.

The purchase consideration of the Vessels of US\$12,175,720 represents a premium of approximately 260% to the net book value of the Vessels to be disposed of pursuant to the Proposed Disposal, being approximately S\$6,350,000 as at 30 June 2018¹.

The sale of the Vessels will result in the disposal of a substantial portion of a loss-making business segment at a premium to their book value, improve the balance sheet financial performance of the Group and enable it to better optimize its resources. Thereafter, the Directors will be able to (i) devote more time and energy towards (A) the business of constructing, acquiring, operating and maintaining coal-fired steam power plants and the production and sale of electric power; (B) the business of property development, investment, management and other related property activities in the People's Republic of China (“**PRC**”); and (C) the business of exploring, mining, extraction and sale of mineral resources in the PRC; and (ii) to identify and explore any new business opportunities which may enhance shareholders' value.

¹ The Purchase Consideration is equivalent to approximately S\$16.6 million, based on the exchange rate of S\$1 : US\$1.364 as at 28 August 2018, being the last traded market day prior to this announcement.

4. PRINCIPAL TERMS OF THE AGREEMENT

The salient terms of the Agreement includes, amongst others, the following:

(a) Sale and Purchase of the Vessels

- (i) The sale of the Vessels is subject to the fulfilment (or waiver, either in whole or in part) of the conditions precedent as set out in Section 4(c) below ("**Conditions Precedent**").
- (ii) All Vessels are to be sold in an "as is, where is" condition.

(b) The Purchase Consideration and Method of Payment

- (i) The Parties agree that the total Purchase Consideration of the Vessels shall be US\$12,175,720.
- (ii) The Purchaser shall, within three (3) Business Days² from the date of the Agreement, make an advance payment of US\$2,085,000 ("**Advance Payment**") to the Seller's designated bank account.
- (iii) The remainder of the Purchase Consideration, amounting to US\$10,090,720 ("**Remainder of the Purchase Consideration**"), will be paid (1) when the Purchaser has received the pro forma invoice for the Remainder of the Purchase Consideration from the Seller; and (2) the Conditions Precedent set out in Section 4(c)(i)(A) to (C) below have been fulfilled (or waived in whole or in part) and the original certificates of ownership of Vessels as well as a copy of the Vessels documents have already been handed over to the Notary by the Seller, but in any event not later than 31 December 2018, unless otherwise agreed by the Parties in writing ("**Cut Off Date**").
- (iv) All payments from the Purchaser to the Seller based on this Agreement will be made in Indonesian Rupiah, and for that purpose, the Parties agree to use the Jakarta Interbank Spot Dollar Rate applicable on the date of each payment respectively as stated on the Central Bank of Indonesia's website, as the reference exchange rate.
- (v) The Purchase Consideration does not include any costs that may arise in connection with the sale and purchase of Vessels, including but not limited to: transfer fees charged by banks, notary fees, the cost of transfer of title of the ship, and any applicable tax, levy and administrative fee arises under any applicable laws and regulations.
- (vi) The Purchaser shall pay any transfer fees charged by the Parties' banks and the cost of change of ownership of the Vessels to the Purchaser with the Indonesian Ship Registry, including the cost of the making of Deed of Transfer of Title (*Akta Balik Nama Kapal*).
- (vii) Notary fees arising in connection with the making and the execution of the Deeds of Sale and Purchase of the Vessels (details of which are set out in Section 4(d)(iv)(A) below) shall be equally borne by the Parties.

² In the Agreement "**Business Day**" means any day (other than a Saturday or a Sunday or a public holiday in Indonesia) on which commercial banks are generally open in Indonesia for business.

- (viii) The Parties shall be responsible to pay their own respective taxes incurred under applicable laws and regulations at any time in connection with the sale and purchase of the Vessels.

(c) Conditions Precedent

- (i) The Parties' obligation to complete the sale and purchase of the Vessels is conditional upon the following Conditions Precedent being fulfilled or waived in accordance with Section 4(c)(ii) below:
 - (A) all corporate approvals so required by the Seller in the course of implementation of the sale and purchase of Vessels to the Purchaser, either under the provisions of the Seller's articles of association as well as the prevailing laws and regulations, including but not limited to the approval from the board of directors, board of commissioners and the shareholders of the Seller having been obtained by the Seller;
 - (B) the approval from the hirers under all existing bargaining contracts with regard to the Vessels ("**Hirers**") in respect of the sale of the Vessels pursuant to the Agreement having been obtained;
 - (C) the approval from the ultimate shareholders of the Seller (if required) in respect of the transactions contemplated in the Agreement having been obtained; and
 - (D) completion of full payment of the Purchase Consideration including (1) the Advance Payment by the Purchaser to the Seller; and (2) the remaining Purchase Consideration by the Purchaser, at once upon the fulfilment of foregoing Conditions Precedent (or waived either in part or in whole),

provided that, in any event, all Conditions Precedent above must have been completed no later than the Cut Off Date (unless otherwise agreed by the Parties in writing).

- (ii) To the extent permitted by laws, rules and regulations, the Seller may, in its sole discretion waive any of the Conditions Precedent (either in whole or in part), at any time by written notice served on the Purchaser.

(d) Undertaking and Completion

- (i) The Purchaser undertakes that, as at the Cut Off Date, it has obtained all necessary consents, approvals and waivers (if any) (whether governmental, corporate or otherwise) which are necessary or required to be obtained under any applicable laws, rules and regulations, as well as its article of association, in respect of the transactions contemplated in this Agreement, on terms reasonably satisfactory to the Seller, and such consent, approvals and waivers not having been amended or revoked before completion, and if such consent, approvals or waivers are granted subject to conditions, such conditions being reasonably acceptable to the Seller.
- (ii) The Purchaser agrees to hold the Seller harmless from and against any claims, charges, damages, legal liabilities either civil or criminal, or other actual, consequential, or estimated losses, which it may suffer in connection with the Purchaser's failure in obtaining the abovementioned approvals.

- (iii) The Seller undertakes that, other than approvals and/or consent that are listed as Conditions Precedent, there are no other necessary approval and/or consent necessary or required by the Seller to be obtained under any applicable laws, rules and regulations, as well as its articles of association, in respect of the transactions contemplated in the Agreement.
- (iv) Upon the fulfilment (or waiver, in whole or in part) of all the Conditions Precedent, the Parties shall:
 - (A) sign and execute the Deed of Sale and Purchase for each Vessel before a Notary ("**Completion**"); and
 - (B) procure and deliver the original Vessels documents and licenses to the Purchaser.
- (v) The consummation of the transactions contemplated in the Agreement shall take place in Samarinda or any other place agreed by both Parties in writing.
- (vi) Within five (5) Business Days after the execution of the Deed of Sale and Purchase for each Vessel, the Purchaser shall at its own cost and expense, execute and do (or procure to be executed and done by any other necessary party) all such deeds, documents, acts and things to process and complete the change of ownership of the Vessels to the Purchaser with the Indonesian ship registry, and provide the Seller with a copy of the Deed of Transfer of Title (*Akta Balik Nama Kapal*).

(e) Others

- (i) All the Vessels shall be delivered by the Seller to the Purchaser on an "as is, where is" condition at the Port of Samarinda, Indonesia or Indonesia or any other place agreed by both Parties in writing ("**Place of Delivery**").
- (ii) All Vessels' mobilisation up to the Place of Delivery shall be borne by the Seller, while the mobilisation of Vessels from the Place of Delivery to other places shall be borne by the Purchaser.
- (iii) The Seller makes no representation or warranty with respect to the condition or location of the Vessels at the Date of Delivery (as defined below); nor does the Seller make any express or implied representation or warranty of seaworthiness, merchantability, fitness or suitability of the Vessel for any purpose whatsoever.
- (iv) With effect from the Date of Delivery (as defined below), the Purchaser shall absolutely and unconditionally release and discharge the Seller or its authorised correspondents, agents or representatives from all obligations and liabilities with respect to the Vessels and shall accept the delivery of the Vessels in "as is, where is" condition and declare thereafter to have no claims or demands of any kind and form, including but not limited to any matter related to the Vessels, the conditions of the Vessels (whether its physical, equipment, tools, or machinery) and this Agreement.
- (v) The Purchaser shall be responsible for obtaining all necessary permits, licenses, certificates of approvals from the relevant government authorities, both local and national level, required by applicable laws, rules or regulations to take a clean delivery of each of the Vessels and to implement its obligations under the Agreement, and if such permits, licenses, certificates of approvals are granted subject to conditions, such conditions being reasonably acceptable to the Seller.

(f) Date of Delivery

- (i) Within 30 calendar days after the execution of the Deed of Sale and Purchase for each Vessel before a Notary, each Vessel shall be ready for delivery during the period as mutually agreed by the Parties in writing ("**Date of Delivery**").
- (ii) Should the Seller anticipate that the Vessels will not be ready for delivery by the Date of Delivery, the Seller may notify the Purchaser in writing stating the date when it anticipates that the Vessels will be ready for delivery and propose a new date for the revised Date of Delivery.
- (iii) No claim shall be lodged by the Purchaser against the Seller or their authorised correspondents, agents or representatives with regards to change of Date of Delivery.

(g) Purchaser's Watchmen

The Seller agrees to allow the Purchaser to place a number of watchmen on board the Vessels on their arrival at the place of delivery. Whilst on board the Vessels, such watchmen shall be at the sole risk, liability and expense of the Purchaser and the Purchaser shall indemnify the Seller against any and all liabilities, claims, loss, damages, costs and expenses arising out of or in connection with the placement by the Purchaser of such watchmen.

(h) Seller's Commitment

- (i) Upon execution of the Agreement, the Seller shall give the following best effort, non-binding, commitments to the Purchaser ("**Seller's Commitments**"):
 - (A) to assign to the Purchaser all existing barging contracts the Seller has with the Hirers with regard to the Vessels so delivered to the Purchaser; and
 - (B) in the context of the implementation of the assignment referred to above, to endeavour, with its best efforts, to procure that the Hirers provide a minimum tonnage guarantee in the barging contracts so assigned to the Purchaser, in the amount of 3,000,000 tons per year.
- (ii) As the Seller's Commitments are best effort commitments, the Purchaser shall not seek indemnification to and hold harmless the Seller and/or the Hirers from and against, any claims, charges, damages, legal liabilities either civil or criminal, or other actual, consequential, or estimated losses, which it may suffer in connection with the Seller's failure in fulfilling the Seller's Commitments.

(i) Termination of Agreement

- (i) The Parties agree that in the event the Conditions Precedent are not fulfilled (or waived, in whole or in part) up until the Cut Off Date (or any other date that will be agreed by the Parties in writing), the Agreement can be unilaterally terminated by the Seller, without any obligation to Seller to compensate and/or indemnify the Purchaser in any form whatsoever in respect of cancellation of the Agreement.
- (ii) In the event (1) the Purchaser has paid the Advance Payment but fails to pay in full the remaining Purchase Consideration in accordance with the agreed payment schedule, or (2) in the case of termination of the Agreement due to whatsoever reasons at any stage after the Advance Payment is paid by the Purchaser, the Seller

may, based on its discretion, choose to undertake a partial delivery of Vessels equivalent to the amount of paid Advance Payment or to return back the paid Advance Payment in full within 30 (thirty) calendar days as of the date of such termination to the Purchaser without any interest or compensation whatsoever. The determination and selection of Vessels to be delivered to the Purchaser as referred to above shall be the Seller's sole discretion.

- (iii) Upon the execution of Seller's right as set forth in the provisions above, Seller shall not be bound under any circumstances to continue with the transactions as contemplated in the Agreement.
- (iv) In the event of termination of the Agreement, the Parties agree to waive the provisions of Articles 1266 and 1267 of the Indonesian Civil Code.

(j) Governing Law and Dispute Resolution

- (i) The Agreement shall be governed by and construed in accordance with the laws of the Republic of Indonesia.
- (ii) Any dispute, controversy, claim, breach, default, or disagreement arising out of or in relation to the Agreement, or a breach hereof, including, without limitation, any questions relative to its interpretation, performance, validity, or effectiveness ("**Disputes**") shall to the extent possible be settled amicably by and between the Parties. If such Disputes cannot be amicably settled by the Parties within 30 (thirty) calendar days after the matter in dispute has been brought by one Party to the attention of the other Parties, such disputes shall be referred to and exclusively and finally settled and resolved through *Badan Arbitrase Negara Indonesia* (BANI) in accordance with the Arbitration Rules of BANI ("**BANI Rules**") for the time being in force, which rules are deemed to be incorporated by reference. The seat of the arbitration shall be in Jakarta. The Arbitration Process shall be headed by a Arbitral Panel of 3 (three) Arbitrators, in which each Party shall appoint 1 (one) Arbitrator, while the third Arbitrator shall be appointed in accordance with the BANI Rules. The language of the arbitration shall be in Bahasa Indonesia.
- (iii) The arbitration award shall be final and binding upon the Parties. The arbitration costs shall be borne by the losing Party.

5. VALUE OF THE VESSELS AND GAIN ON DISPOSAL

(a) Value of the Vessels

Based on the Group's unaudited financial statements for the half year ended 30 June 2018, the net book value of the Vessels is approximately S\$6,350,000.

(b) Valuation of Vessels

According to the independent valuation report dated 29 February 2016 prepared by a licensed valuer in Indonesia in respect of the 27 tugs and 25 barges held by PT Aneka then as commissioned by PT Karunia's associated company (which, to the best of the Company's knowledge and belief, after having made reasonable enquiries, is an independent third party vis-à-vis the Group) and based on the open market value approach ("**Valuation Report**"), the indicative value of the Vessels as at 11 September 2015 is approximately IDR 187,790,000,000 (approximately S\$17,500,000).

(c) Net loss attributable to the Vessels

Based on the Group's unaudited financial statements for the half year ended 30 June 2018, the net loss attributable to the Vessels is approximately S\$203,000, which is calculated based on the net loss of the Seller for the period ended 30 June 2018 proportionate to the 52 Vessels.

(d) Gain on Disposal

Based on the Group's unaudited financial statements for the half year ended 30 June 2018, the net book value of the Vessels is approximately S\$6,350,000 and the Proposed Disposal at the Purchase Consideration is expected to result in a gain on disposal of approximately S\$10,256,000³.

6. EXCESS OF THE PROCEEDS OVER THE BOOK VALUE AND INTENDED USE OF PROCEEDS

The net book value of the Vessels as at 30 June 2018 is approximately S\$6,350,000. The excess of the gross proceeds of the Proposed Disposal over the net book value of the Vessels as at 30 June 2018 is approximately S\$10,256,000. It is currently intended that the net proceeds of the Proposed Disposal will be used for the Group's general corporate purposes including funding the Group's working capital requirements.

7. NO 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.

8. FINANCIAL EFFECTS OF THE PROPOSED DISPOSAL

The financial effects of the Proposed Disposal on the Group as set out below are purely for illustrative purposes only. The illustrative financial effects should not be construed to mean that the Group's actual results, performance or achievements will be as expected, expressed or implied in such financial effects.

The financial effects of the Proposed Disposal on the Group as set out below are based on the Group's audited financial statements for the year ended 31 December 2017, and the following assumptions:

- (a) the Proposed Disposal had been effected at the end of the financial year ended 31 December 2017 for the computation of the effect on the net tangible assets ("**NTA**") per share; and
- (b) the Proposed Disposal had been effected at the beginning of the financial year ended 31 December 2017 for the computation of the effect on the earnings per share ("**EPS**").

³ The Purchase Consideration is equivalent to approximately S\$16.6 million, based on the exchange rate of S\$1 : US\$1.364 as at 28 August 2018, being the last traded market day prior to this announcement. The gross proceeds is calculated before payment of attributable taxes and direct costs associated with the Proposed Disposal.

NTA

	Before the Proposed Disposal	After the Proposed Disposal
NTA attributable to equity holders of the Company (S\$'000)	81,582	91,838 ⁽¹⁾
Number of ordinary shares in issue ('000)	568,491	568,491
NTA per share (Singapore cents)	14.35	16.15

EPS

	Before the Proposed Disposal	After the Proposed Disposal
Profit/(loss) attributable to equity holders of the Company (S\$'000)	(14,443)	282 ⁽¹⁾⁽²⁾
Weighted average number of ordinary shares in issue ('000)	568,491	568,491
EPS (Singapore cents)	(2.54)	0.05

Notes:

- (1) Calculated based on the gross proceeds before payment of attributable taxes and direct cost associated with the Proposed Disposal as at 30 June 2018.
- (2) Calculated to exclude the net loss of the Seller for the financial year ended 31 December 2017 proportionate to its 52 Vessels.

9. RELATIVE FIGURES UNDER RULE 1006 OF THE SGX-ST LISTING MANUAL

Based on the Group's unaudited financial statements for the half year ended 30 June 2018, the relative figures of the Proposed Disposal computed on the bases set out in Rule 1006(a) to (e) of the SGX-ST Listing Manual are as follows:

Rule 1006(a)	
Net asset value of the assets to be disposed of (S\$'000)	6,352
Net asset value of the Group (S\$'000)	77,116
Size of relative figure	8.24%

Rule 1006(b)	
Net loss ⁽¹⁾ attributable to the assets disposed of for the half year ended 30 June 2018 (S\$'000)	203 ⁽²⁾
Net loss ⁽¹⁾ of the Group for the half year ended 30 June 2018 (S\$'000)	4,268
Size of relative figure	4.76%

Rule 1006(c)	
Aggregate value of consideration to be received ⁽³⁾ (S\$'000)	16,608
Company's market capitalisation as at 28 August 2018 ⁽⁴⁾ (S\$'000)	45,480
Size of relative figure	36.52%

Rule 1006(d)	
Number of equity securities to be issued by the Company as consideration for an acquisition	Not applicable ⁽⁵⁾
Number of equity securities in issue	Not applicable ⁽⁵⁾
Size of relative figure	Not applicable ⁽⁵⁾

Rule 1006(e)	
Aggregate volume or amount of proved and probable reserves to be disposed of	Not applicable ⁽⁶⁾
Aggregate of the Group's proved and probable reserves	Not applicable ⁽⁶⁾
Size of relative figure	Not applicable ⁽⁶⁾

Notes:

- (1) Under Rule 1002(3)(b) of the Listing Manual, "net profits" is defined as profit or loss before income tax, minority interests and extraordinary items.
- (2) Calculated based on the net loss of the Seller for the period ended 30 June 2018 proportionate to its 52 Vessels.
- (3) The aggregate value of consideration is calculated based on gross proceeds before payment of attributable taxes and direct cost associated with the Proposed Disposal.
- (4) Calculated based on the Company's market capitalisation as at 28 August 2018, being the last traded market day immediately preceding the date of the Agreement.
- (5) This basis is not applicable as no equity securities will be allotted and issued by the Company in relation to the Proposed Disposal.
- (6) This basis is not applicable as the Proposed Disposal does not relate to the disposal of mineral, oil or gas assets and the Company is not a mineral, oil and gas company.

As the relative figures computed under Rule 1006(c) of the Listing Manual exceed 20%, the Proposed Disposal therefore constitutes a "major transaction" as defined under Chapter 10 of the Listing Manual. Accordingly, the Proposed Disposal must be made conditional upon the approval of shareholders of the Company ("**Shareholders**"), unless waived by the SGX-ST.

The Company intends to submit an application to the SGX-ST for the purposes of seeking a waiver from the requirement of obtaining shareholders' approval for the Proposed Disposal ("**Application**") as it is of the view that, amongst others, the Vessels to be disposed of pursuant to the Proposed Disposal are loss-making, and shareholders should generally not be concerned if the assets to be disposed of are loss-making as per paragraph 4.1 of Practice Note 10.1 of the SGX-ST Listing Manual. The Company will make further announcements on this Application as and when there are material developments.

10. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

Save for their shareholdings in the Company, none of the Directors or Controlling Shareholders of the Company, has any interest, direct or indirect, in the Proposed Disposal.

11. DOCUMENTS FOR INSPECTION

The following documents will be available for inspection at the registered office of the Company at 133 New Bridge Road, #18-09 Chinatown Point, Singapore 059413 during normal business hours for a period of three (3) months commencing from the date of this announcement:

- (a) the Agreement; and
- (b) the Valuation Report.

12. FURTHER ANNOUNCEMENTS

The Company will make further announcements, in compliance with the requirements of the Listing Manual, as and when there are material developments in respect of the Proposed Disposal and other matters contemplated by this announcement.

13. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors (including those who have been delegated supervision of this announcement) collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm, after making all reasonable enquiries that, to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Proposed Disposal, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading.

Where information in this announcement 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 has been accurately and correctly extracted from such sources and/or reproduced in this announcement in its proper form and context.

14. CAUTION IN TRADING

Shareholders are advised to exercise caution in trading their shares. The Proposed Disposal is subject to, amongst others, conditions. There is no certainty or assurance as at the date of this announcement the Proposed Disposal will be completed, or that no changes will be made to the terms thereof. The Company will make the necessary announcements when there are further developments on the Proposed Disposal and other matters contemplated by this announcement. Shareholders are advised to read this announcement and any further announcements by the Company carefully.

Shareholders should consult their stock-brokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take.

BY ORDER OF THE BOARD

Low Yi Ngo
Chief Executive Officer and Managing Director
29 August 2018

APPENDIX A

A. Certain information on the twenty-seven (27) tugs

Vessel No.	Principal dimensions (meters)	Flag	Port of registry	Gross tonnage/net tonnage
1.	Length: 23.60 Breadth: 7.60 Depth: 3.20	IND	Samarinda	164/50
2.	Length: 21.75 Breadth: 7.30 Depth: 3.00	IND	Samarinda	139/42
3.	Length: 21.82 Breadth: 7.32 Depth: 3.20	IND	Samarinda	142/43
4.	Length: 21.84 Breadth: 7.00 Depth: 2.90	IND	Samarinda	124/38
5.	Length: 21.84 Breadth: 7.00 Depth: 2.90	IND	Samarinda	124/38
6.	Length: 21.72 Breadth: 7.30 Depth: 3.00	IND	Samarinda	135/41

Vessel No.	Principal dimensions (meters)	Flag	Port of registry	Gross tonnage/net tonnage
7.	Length: 22.08 Breadth: 7.32 Depth: 3.10	IND	Samarinda	143/43
8.	Length: 22.08 Breadth: 7.32 Depth: 3.10	IND	Samarinda	143/43
9.	Length: 21.84 Breadth: 7.00 Depth: 2.90	IND	Samarinda	124/38
10.	Length: 21.84 Breadth: 7.00 Depth: 2.90	IND	Samarinda	124/38
11.	Length: 21.84 Breadth: 7.00 Depth: 2.90	IND	Samarinda	124/38
12.	Length: 21.84 Breadth: 7.00 Depth: 2.90	IND	Samarinda	124/38
13.	Length: 22.08 Breadth: 7.32 Depth: 3.10	IND	Samarinda	144/44

Vessel No.	Principal dimensions (meters)	Flag	Port of registry	Gross tonnage/net tonnage
14.	Length: 22.08 Breadth: 7.32 Depth:3.10	IND	Samarinda	144/44
15.	Length: 21.76 Breadth:7.32 Depth:3.20	IND	Samarinda	142-43
16.	Length: 23.44 Breadth: 8.10 Depth:3.60	IND	Samarinda	184/55
17.	Length: 23.44 Breadth: 8.10 Depth:3.60	IND	Samarinda	187/57
18.	Length: 23.37 Breadth: 8.10 Depth:3.60	IND	Samarinda	180/54
19.	Length: 23.37 Breadth: 8.10 Depth:3.60	IND	Samarinda	176/53
20.	Length: 23.37 Breadth: 8.10 Depth:3.60	IND	Samarinda	175/53

Vessel No.	Principal dimensions (meters)	Flag	Port of registry	Gross tonnage/net tonnage
21.	Length: 23.37 Breadth: 8.10 Depth:3.60	IND	Samarinda	175/53
22.	Length: 23.37 Breadth: 8.10 Depth:3.60	IND	Samarinda	180/54
23.	Length: 23.37 Breadth: 8.10 Depth:3.60	IND	Samarinda	179/54
24.	Length: 21.92 Breadth:7.00 Depth:2.90	IND	Samarinda	119/36
25.	Length: 21.12 Breadth:7.00 Depth:3.00	IND	Samarinda	123/37
26.	Length: - 21.39 Breadth:7.00 Depth:3.60	IND	Samarinda	118/36
27.	Length: 18.29 Breadth:6.60 Depth:2.80	IND	Samarinda	86/26

B. Certain information on the twenty-five (25) barges

Vessel No.	Principal dimensions (meters)	Flag	Port of registry	Gross tonnage/net tonnage
1.	Length: 66.72 Breadth:19.51 Depth:4.21	IND	Samarinda	1348/405
2.	Length: 66.72 Breadth:19.51 Depth:4.27	IND	Samarinda	1348/405
3.	Length: 66.72 Breadth:19.51 Depth:4.27	IND	Samarinda	1348/405
4.	Length: 66.72 Breadth:19.51 Depth:4.27	IND	Samarinda	1348/405
5.	Length: 66.72 Breadth:19.51 Depth:4.27	IND	Samarinda	1357/408
6.	Length: 66.72 Breadth:19.51 Depth:4.27	IND	Samarinda	1357/408

Vessel No.	Principal dimensions (meters)	Flag	Port of registry	Gross tonnage/net tonnage
7.	Length: 66.72 Breadth:19.51 Depth:4.27	IND	Samarinda	1357/408
8.	Length: 66.72 Breadth:19.51 Depth:4.27	IND	Samarinda	1356/407
9.	Length: 66.72 Breadth:19.51 Depth:4.27	IND	Samarinda	1357/408
10.	Length: 66.72 Breadth:19.51 Depth:4.27	IND	Samarinda	1357/408
11.	Length: 70.22 Breadth:21.34 Depth:4.88	IND	Samarinda	1838/552
12.	Length: 70.22 Breadth:21.34 Depth:4.88	IND	Samarinda	1838/552
13.	Length: 87.84 Breadth:24.40 Depth:5.50	IND	Samarinda	3150/948

Vessel No.	Principal dimensions (meters)	Flag	Port of registry	Gross tonnage/net tonnage
14.	Length: 87.78 Breadth:24.38 Depth:5.49	IND	Samarinda	3102/931
15.	Length: 87.78 Breadth:24.38 Depth:5.49	IND	Samarinda	3092/928
16.	Length: 87.78 Breadth:24.38 Depth:5.49	IND	Batam	3102/931
17.	Length: 87.78 Breadth:24.99 Depth:6.10	IND	Samarinda	3233/970
18.	Length: 87.84 Breadth:24.40 Depth:5.50	IND	Samarinda	3150/945
19.	Length: 87.84 Breadth:24.40 Depth:5.50	IND	Samarinda	3137/942
20.	Length: 67.30 Breadth:18.29 Depth:4.27	IND	Samarinda	1268/381

Vessel No.	Principal dimensions (meters)	Flag	Port of registry	Gross tonnage/net tonnage
21.	Length: 61.45 Breadth:18.29 Depth:4.27	IND	Samarinda	1272/382
22.	Length: 61.45 Breadth:18.29 Depth:4.27	IND	Samarinda	1272/382
23.	Length: 61.45 Breadth:18.29 Depth:4.27	IND	Samarinda	1272/382
24.	Length: 61.45 Breadth:18.29 Depth:4.27	IND	Samarinda	1272/382
25.	Length: 61.45 Breadth:18.29 Depth:4.27	IND	Samarinda	1272/382