

PT BERLIAN LAJU TANKER Tbk



(Domiciled in Jakarta, Indonesia)

PROPOSED ISSUANCE OF A US\$10,000,000 MANDATORY CONVERTIBLE SECURITY

Capitalised words which are not defined in this announcement shall carry the same meanings ascribed to them in the announcement dated 24 April 2015 (the “**Announcement**”).

1. INTRODUCTION

- 1.1 **Proposed Restructuring.** The Board of Directors (the “**Board**”) of PT Berlian Laju Tanker Tbk (the “**Company**”) refers to the Announcement in relation to, *inter alia*, the proposed Restructuring of the Company and certain of its subsidiaries.
- 1.2 **Proposed Security Issuance.** As mentioned in paragraph 3.6 of the Announcement, the Surya Parties have consented to supporting the proposed Restructuring. As part of their support for the proposed Restructuring, the Surya Parties have undertaken to procure cash injection of US\$10 million from a third party investor into the Company through the subscription of a US\$10,000,000 mandatory convertible security (the “**Mandatory Convertible Security**”). In consideration thereof, the Company has agreed to issue the Mandatory Convertible Security to PT Elang Megah Inti (the “**Subscriber**”) by way of a private placement (“**Proposed Security Issuance**”).

The Board wishes to announce that the Company has on 9 October 2015 entered into a mandatory convertible security subscription agreement (the “**MCS Subscription Agreement**”) with the Subscriber, Benny Lucman and Gideon Shem Chandra (each of Benny Lucman and Gideon Shem Chandra a “**Subscriber Shareholder**”, and collectively, the “**Subscriber Shareholders**”) in relation to the Proposed Security Issuance, pursuant to Section 272B of the Securities and Futures Act (Chapter 289) of Singapore (“**SFA**”), and in compliance with Chapter 8 of the listing manual (“**Listing Manual**”) of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”).

The Company did not appoint a placement agent for the Proposed Security Issuance.

2. DETAILS OF THE PROPOSED SECURITY ISSUANCE

2.1 **Mandatory Convertible Security.** Pursuant to the terms of the MCS Subscription Agreement, the Company has agreed to issue to the Subscriber, and the Subscriber has agreed to subscribe for, the Mandatory Convertible Security.

2.2 **Shareholders' Approval.** Pursuant to Rule 811(3) of the Listing Manual, the Company will seek specific shareholders' approval for the issuance of the Mandatory Convertible Security pursuant to the Proposed Security Issuance in compliance with Rule 811(4) of the Listing Manual (the "**Proposed Security Issuance Resolution**"), at the same extraordinary general meeting ("**EGM**") of the Company to be held to seek the Company's shareholders' approval for, *inter alia*, the proposed Restructuring. As the Proposed Security Issuance is intended as part of the Surya Parties' support for the proposed Restructuring, the Proposed Security Issuance is conditional upon shareholders' approval being obtained for the proposed Restructuring, and the change of the Company's shareholding structure including the increase of the authorised capital and the issuance of a new series of shares of the Company. If the shareholders of the Company do not approve the foregoing, the Proposed Security Issuance will not proceed.

The Company will announce the details of the EGM in due course.

2.3 **Conversion.** A certificate will be issued in respect of the Mandatory Convertible Security ("**Certificate**"). The Certificate shall be converted into shares in the capital of the Company with a nominal value of IDR50 per share ("**Conversion Shares**") which will be issued in the Subscriber's name after the Mandatory Conversion Date, in accordance with all applicable laws and regulations (including the listing rules of the Indonesia Stock Exchange ("**IDX**") and the SGX-ST). Upon the conversion of the Mandatory Convertible Security ("**Conversion**"), the Certificate is automatically cancelled and is of no further effect and may not be re-issued. For the purposes of this announcement, the "**Mandatory Conversion Date**" means any date falling after the expiry of one (1) month from the resumption of trading in the shares in the capital of the Company with a nominal value of IDR62.50 per share ("**Shares**") on the IDX and/or SGX-ST (or such later date as may be required to comply with all applicable laws and regulations (including the listing rules of the IDX and SGX-ST), on which the Subscriber issues a conversion notice to the Company, provided always that the Shares have been traded for at least 25 trading days prior to this Mandatory Conversion Date and the new Shares arising from the proposed debt-for-equity swap of unsecured debt have been distributed to certain unsecured creditors of the Company. In the event that no conversion notice is received by the Company

after the expiry of two (2) months from the resumption of trading in the Shares on the IDX and/or SGX-ST (or such later date as may be required to comply with all applicable laws and regulations (including the listing rules of the IDX and SGX-ST)) and the new Shares arising from the proposed debt-for-equity swap of unsecured debt have been distributed to certain unsecured creditors of the Company, the Subscriber will be deemed to have issued to the Company, and the Company will be deemed to have received from the Subscriber, a conversion notice, and such date falling after the expiry of two (2) months from the resumption of trading in the Shares on the IDX and/or SGX-ST (or such later date as may be required to comply with all applicable laws and regulations (including the listing rules of the IDX and SGX-ST)) shall be the Mandatory Conversion Date.

- 2.4 **Conversion Shares.** The number of Conversion Shares to be issued in the Subscriber's name will be derived based on the following formula:

$$\frac{\text{US\$10,000,000}}{\text{Conversion Price (in US\$, based on a foreign exchange rate of US\$1:IDR14,127.00)}}$$

where, "**Conversion Price**" means the average of the closing prices of the Shares on the IDX for the preceding 25 trading days (the "**Average Price**") prior to the Mandatory Conversion Date, provided that if the Average Price is IDR57.5 per Share or below, the conversion price shall be fixed at IDR57.5 per Conversion Share, and provided that the aggregate number of Conversion Shares shall not exceed 2,456,869,565.

- 2.5 **Ranking of Conversion Shares.** The Conversion Shares shall rank *pari passu* in all respects with and carry all rights similar to the existing issued Shares except that they will not rank for any dividend, right, allotment or other distributions, the record date of which falls on or before the Mandatory Conversion Date.
- 2.6 **Bankruptcy or Insolvency.** In the event that the Company is declared bankrupt or insolvent in a final and binding judgment by any competent court prior to the Mandatory Conversion Date, the Company shall not be obligated to convert the Mandatory Convertible Security into Conversion Shares in accordance with the terms and conditions of the Mandatory Convertible Security. The Subscriber shall have no claims against the Company.
- 2.7 **Additional Listing Application.** The Company will be making an application to the SGX-ST and to the IDX for the listing of and quotation for the Conversion Shares on the Mainboard of the SGX-ST and the IDX, respectively.

3. INFORMATION ON THE SUBSCRIBER

The details of the Subscriber who has proposed to subscribe for the Mandatory Convertible Security are as follows:

Name of Subscriber	Details of how the Subscriber was identified	Rationale for placing the Mandatory Convertible Security to the Subscriber
PT Elang Megah Inti	The Subscriber had previously made it known to the Company that it wishes to identify opportunities to invest in the Indonesian shipping cabotage market through an internationally recognised operator.	After the proposed Restructuring, BLT will be well-positioned to take advantage of its expertise in Asian shipping, and in particular, the Indonesian cabotage market. The Proposed Security Issuance provides the Subscriber with the opportunity to acquire a strategic stake in an appropriately capitalised and funded company that is well positioned to grow and deliver an investment return to the Subscriber.

The Subscriber is a company incorporated in the Republic of Indonesia. Benny Lucman and Gideon Shem Chandra are the legal and beneficial owners of 90% and 10% of the shares in the capital of the Subscriber respectively. The Subscriber Shareholders are Indonesian businessmen based in Indonesia who wish to diversify into other markets such as the Indonesian shipping cabotage market.

The Subscriber and the Subscriber Shareholders have no prior connections (including any business relationship) with the Company, its directors and substantial shareholders and each is not a person to whom the Company is prohibited from issuing shares to, as provided for by Rule 812(1) of the Listing Manual. As at the date of this announcement, the Subscriber and the Subscriber Shareholders do not hold any Shares.

4. RATIONALE OF THE PROPOSED SECURITY ISSUANCE

The estimated net proceeds from the Proposed Security Issuance will be US\$10 million ("**Issuance Net Proceeds**"), as the estimated expenses pertaining to the Proposed Security Issuance are expected to be negligible.

The Company intends to use the entire Issuance Net Proceeds for general working capital and corporate funding purposes. The Company will announce the use of the Issuance Net

Proceeds as and when such funds are materially disbursed and whether such use is in accordance with the stated use and in accordance with the allocation above. Where there is any material deviation from the stated use of proceeds, the Company will discuss the same with the Subscriber, and announce the reasons for such deviation.

5. PRINCIPAL TERMS OF THE MCS SUBSCRIPTION AGREEMENT

5.1 Conditions Precedent for the Proposed Security Issuance

- (a) Completion of the Proposed Security Issuance is conditional, *inter alia*, upon the following being satisfied:
 - (i) the passing of the resolutions by the shareholders of the Company approving (i) the change of the Company's shareholding structure including the increase of the authorised capital and the issuance of a new series of shares of the Company; and (ii) the issuance of the Mandatory Convertible Security;
 - (ii) the issue and subscription of the Mandatory Convertible Security not being prohibited by any statute, order, rule, regulation, code or directive promulgated or issued by any legislative, executive or regulatory body or authority which is applicable to the Company;
 - (iii) the occurrence of the MLA Closing;
 - (iv) Hadi Surya, Siana Surya, PT Tunggaladhi Baskara and Meadowstream Limited collectively retaining a direct and/or indirect shareholding of at least 15% of the total issued share capital of the Company; and
 - (v) the existing Shares remaining quoted and listed on the IDX and/or the SGX-ST.
- (b) If any of the conditions set out in paragraph 5.1(a) above is not satisfied on or before 31 December 2015 or such other date as the Company and the Subscriber may agree, the MCS Subscription Agreement will automatically terminate and the Company, the Subscriber and the Subscriber Shareholders shall not have any claims against each other.

5.2 Liquidation

In the event that the Company goes into liquidation, the Mandatory Convertible Security will rank junior to any present and future debt obligations of the Company, whether secured or unsecured, and whether conditional or unconditional.

5.3 Adjustment and Modification

In compliance with Rules 829 and 830 of the Listing Manual, the Company will:

- (a) announce any adjustment made to the Conversion Price and, where appropriate, the number of the Mandatory Convertible Security, in the event of rights, bonus or other capitalisation issues;
- (b) announce the date of expiry of the Mandatory Convertible Security and send a notice of the expiry to the Subscriber at least one (1) month before the expiration date; and
- (c) obtain Shareholders' approval for any material alteration to the terms of the Mandatory Convertible Security after the issue of the Mandatory Convertible Security which is to the advantage of the Subscriber, except where the alterations are made pursuant to the terms of the Mandatory Convertible Security.

5.4 Restrictions on Disposition of the Shares in the Subscriber the Conversion Shares

From the date of the MCS Subscription Agreement and until the expiry of twelve (12) months of the date of listing of the Conversion Shares on the IDX, the Subscriber Shareholders and the Subscriber shall be subject to a mandatory lock-up period, and accordingly, shall not, directly or indirectly, sell, offer, dispose of, hedge or enter into any transaction or do or omit to do anything that is designed to, or might reasonably be expected to result in the disposition of (i) any shares in the Subscriber; and/or (ii) any of the Conversion Shares.

6. FINANCIAL EFFECTS OF THE PROPOSED SECURITY ISSUANCE

The financial effects of the Proposed Security Issuance on the Group are set forth below and were prepared based on the Group's audited consolidated financial statements for the financial year ended 31 December 2014.¹ The financial effects below are purely for illustrative

¹ The financial effects are also based on the assumption that the estimated expenses to be incurred by the Company in connection with the Proposed Security Issuance are expected to be negligible.

purposes and are therefore not necessarily indicative of the actual financial position of the Group after the completion of the Proposed Security Issuance.

6.1 NTA

Assuming that the Proposed Security Issuance had been completed on 31 December 2014 (being the end of the most recently completed financial year ended 31 December 2014), the effects on the NTA per share of the Group as at 31 December 2014 would be as follows:

	Before the Proposed Security Issuance	After the Proposed Security Issuance
NTA (US\$ million)	(1,172.4)	(1,162.4)
Number of shares ('000)	11,550,831	11,550,831
NTA per ordinary share (US\$)	(0.101)	(0.101)

6.2 EPS

Assuming that the Proposed Security Issuance had been completed on 1 January 2014 (being the beginning of the most recently completed financial year ended 31 December 2014), the effects of the Proposed Security Issuance on the EPS of the Group for the financial year ended 31 December 2014 would be as follows:

	Before the Proposed Security Issuance	After the Proposed Security Issuance
Profit attributable to shareholders (US\$ million)	(42.0)	(42.0)
Weighted average no. of ordinary shares – Basic ('000)	11,550,831	11,550,831
EPS (US cents) - Basic	(0.004)	(0.004)

7. NO PROSPECTUS OR OFFER INFORMATION STATEMENT TO BE ISSUED

There will not be any Prospectus or Offer Information Statement issued in connection with the Proposed Security Issuance as the Proposed Security Issuance will be made pursuant to the exemption under Section 272B of the SFA.

8. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

The Mandatory Convertible Security, and subsequently, the Conversion Shares, will not be issued to any person who is a director or a substantial shareholder of the Company or any person who falls within Rule 812 of the Listing Manual.

The Subscriber will hold up to 9.5% of the enlarged share capital of the Company immediately after Conversion and will not be deemed to be a controlling shareholder (as defined in the Listing Manual). Accordingly, with respect to the Proposed Security Issuance, the Company will not be seeking shareholders' approval under Rule 803 for the transfer of a controlling interest.

None of the Company's directors, substantial shareholders or persons falling under Rule 812(1) of the Listing Manual has any interest, direct or indirect, in the Proposed Security Issuance, otherwise than through their interests in the Shares.

9. DOCUMENT AVAILABLE FOR INSPECTION

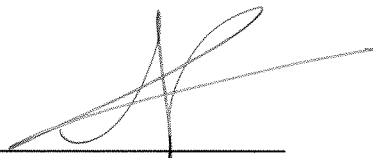
A copy of the MCS Subscription Agreement may be inspected at the registered office of the Company during normal business hours for a period of three (3) months from the date of this announcement.

10. OTHER INFORMATION

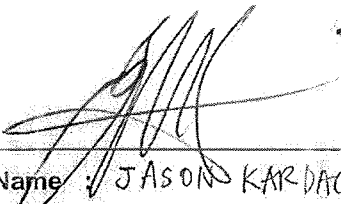
The Company will release further announcements to inform the shareholders of the Company of any material developments on the Proposed Security Issuance.

For and on behalf of
PT Berlian Laju Tanker Tbk

9 OCTOBER 2015



Name : Siana Anggraeni Surya
Title : President Director



Name : JASON KARDACHI
Title : Director