CIRCULAR DATED 7 OCTOBER 2016

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

This Circular is issued by Rickmers Maritime. If you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

If you have sold or transferred all your units in Rickmers Maritime held through The Central Depository (Pte) Limited ("**CDP**"), you need not forward this Circular to the purchaser or transferee as arrangements will be made by CDP for a separate Circular to be sent to the purchaser or transferee. If you have sold or transferred all your units represented by physical certificate(s), you should at once hand this Circular to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

Capitalised terms appearing on the cover of this Circular have the same meanings as defined herein.

The Singapore Exchange Securities Trading Limited ('**SGX-ST**") assumes no responsibility for the accuracy of any of the statements made, opinions expressed or reports contained in this Circular.

RICKMERS MARITIME

(a business trust constituted on 30 March 2007 under the laws of the Republic of Singapore and registered under the Business Trusts Act, Chapter 31A of Singapore)
(Registration Number: 2007003)

MANAGED BY

RICKMERS TRUST MANAGEMENT PTE. LTD.

(incorporated in the Republic of Singapore on 6 November 2006)
(Registration Number: 200616499G)

CIRCULAR TO UNITHOLDERS IN RELATION TO:

(1) THE PROPOSED ISSUE OF 1,319,434,076 NEW UNITS AT THE ISSUE PRICE OF S$0.045474 PER UNIT PURSUANT TO THE PROPOSED RESTRUCTURING OF THE S$100 MILLION 8.45% NOTES DUE 2017; AND

(2) THE PROPOSED WINDING UP OF RICKMERS MARITIME IN THE EVENT OF AN UNSUCCESSFUL RESTRUCTURING

IMPORTANT DATES AND TIMES:

Last date and time for lodgment of Proxy Form	:	29 October 2016 at 10 a.m.
Date and time of Extraordinary General Meeting	:	31 October 2016 at 10 a.m.
Place of Extraordinary General Meeting	:	Maxwell Chambers, 32 Maxwell Road, Level 3, Stamford Raffles Room, Singapore 069115

CONTENTS

Page No.

DEFINITIONS **2**

LETTER TO UNITHOLDERS

1. INTRODUCTION **7**

2. THE PROPOSED ISSUE OF NEW UNITS TO NOTEHOLDERS PURSUANT TO THE PROPOSED RESTRUCTURING **7**

3. INFORMATION ON THE UNITHOLDERS **16**

4. THE PROPOSED WINDING UP **16**

5. RATIONALE FOR THE PROPOSED ISSUE AND THE PROPOSED WINDING UP **18**

6. UNITHOLDERS' APPROVAL **21**

7. PRO FORMA FINANCIAL EFFECTS OF THE PROPOSED RESTRUCTURING **21**

8. EFFECT OF THE PROPOSED ISSUE ON EXISTING UNITS **23**

9. INTERESTS OF DIRECTORS AND SUBSTANTIAL UNITHOLDERS **24**

10. DIRECTORS' RECOMMENDATION **24**

11. EXTRAORDINARY GENERAL MEETING **24**

12. ACTION TO BE TAKEN BY UNITHOLDERS **24**

13. DIRECTORS' RESPONSIBILITY STATEMENT **25**

14. DOCUMENTS AVAILABLE FOR INSPECTION **25**

APPENDIX 1 ..... **26**

NOTICE OF EXTRAORDINARY GENERAL MEETING **27**

PROXY FORM **29**

In this Circular, the following definitions apply throughout unless the context otherwise requires or is otherwise stated:

"Alternative Proposal"	:	Has the meaning ascribed to it in paragraph 2.10(a) of this Circular
"Announcement"	:	The announcement made on 22 September 2016 in respect of the Proposed Issue, the Proposed Restructuring and the Proposed Winding Up
"Base Figure"	:	Has the meaning ascribed to it in paragraph 2.10(b) of this Circular
"BNP Facility"	:	The US$250.75 million secured loan facility granted by the BNP Syndicate to certain wholly-owned subsidiaries of Rickmers Maritime, of which US$67.80 million was outstanding as at 30 June 2016
"BNP Syndicate"	:	BNP Paribas, ING Bank NV, Singapore Branch, The Bank of Nova Scotia Asia Limited, The Hongkong and Shanghai Banking Corporation Limited and Sumitomo Mitsui Trust Bank Limited, Singapore Branch
"Board" or **"Directors"**	:	The directors of the Trustee-Manager as at the date of this Circular
"BTA"	:	Business Trusts Act, Chapter 31A of Singapore, as amended, modified or supplemented from time to time
"CDP"	:	The Central Depository (Pte) Limited
"Circular"	:	This circular to Unitholders dated 7 October 2016
"CMB Facility"	:	The US$46.31 million secured loan facility granted by CMB to a wholly-owned subsidiary of Rickmers Maritime, of which US$15.88 million was outstanding as at 30 June 2016
"CMB"	:	Commerzbank AG, Singapore Branch
"Conditions"	:	The terms and conditions applicable to the Notes
"Consent Solicitation"	:	Has the meaning ascribed to it in paragraph 2.2 of this Circular
"Consent Solicitation Statement"	:	The consent solicitation statement to be despatched to Noteholders pursuant to the Consent Solicitation
"EGM"	:	Extraordinary general meeting of Unitholders and any adjournment thereof

"Existing Facilities"	:	The BNP Facility, the CMB Facility and the HSH Facility
"Existing Units"	:	879,622,717 Units in issue as at the Latest Practicable Date
"Extraordinary Resolution"	:	A resolution proposed and passed as such by a majority being 75% or more of the total number of votes cast for and against such resolution at a meeting of Unitholders convened in accordance with the provisions of the Rickmers Maritime Trust Deed
"FY"	:	Financial year ending or ended 31 December, as the case may be
"FY2015 Audited Financial Statements"	:	The audited consolidated financial statements of the Group for FY2015
"General Mandate"	:	Has the meaning ascribed to it in paragraph 2.10(b) of this Circular
"Group"	:	Rickmers Maritime and its subsidiaries
"HSH Facility"	:	The US$360 million secured loan facility granted by the HSH Syndicate to Rickmers Maritime, of which US$197.73 million was outstanding as at 30 June 2016
"HSH Syndicate"	:	HSH Nordbank AG, Singapore Branch and DBS Bank Ltd
"Independent Auditor"	:	PricewaterhouseCoopers LLP
"Initial Proposed Exchange Offer"	:	Has the meaning ascribed to it in paragraph 2.1 of this Circular
"IRAS"	:	The Inland Revenue Authority of Singapore
"Issue Price"	:	S$0.045474 for each New Unit
"Latest Practicable Date"	:	4 October 2016, being the latest practicable date prior to the printing of this Circular
"Listing Manual"	:	The Listing Manual of the SGX-ST, as amended, modified or supplemented from time to time
"New Facility"	:	The restructured secured amortizing term loan facility of an amount of up to US$260,227,745.26
"New Units"	:	1,319,434,076 new Units to be issued by Rickmers Maritime to Noteholders pursuant to the Proposed Restructuring
"Noteholders"	:	Holders of the Notes

"Noteholders' Meeting"	:	Has the meaning ascribed to it in paragraph 2.2 of this Circular
"Notes"	:	Series 001 S$100 million 8.45 per cent. Notes due 2017 (ISIN: SG6QC6000001) issued under the S$300 million multicurrency medium term note programme of Rickmers Maritime
"Notes Trust Deed"	:	The trust deed dated 19 November 2013 between the Trustee-Manager and DB International Trust (Singapore) Limited in relation to the Notes
"Notice of EGM"	:	The notice of the EGM set out on page 27 of this Circular
"Notice of Noteholders' Meeting"	:	Has the meaning ascribed to it in paragraph 2.2 of this Circular
"Polaris"	:	Polaris Shipmanagement Company Limited, a wholly-owned subsidiary of Rickmers Second
"Proposed Issue"	:	The proposed issue of the New Units by Rickmers Maritime to Noteholders pursuant to the Proposed Restructuring
"Proposed Restructuring"	:	The proposal by Rickmers Maritime to Noteholders to amend the Notes and issue the New Units at the Issue Price as described in paragraph 2.2 of this Circular
"Proposed Winding Up"	:	The proposed winding up of Rickmers Maritime in the event of an Unsuccessful Restructuring and where the Trustee-Manager is of the opinion that it is impracticable or inadvisable to continue Rickmers Maritime
"Proxy Form"	:	The proxy form issued to Unitholders
"Register of Unitholders"	:	The register of Unitholders of Rickmers Maritime
"Redemption Amount"	:	The remaining outstanding amount under the Notes or the amended Notes, as the case may be
"Rickmers Group"	:	Rickmers Holding and Rickmers Second, which are both controlled by Mr. Bertram R. C. Rickmers, together with their respective subsidiaries, including Polaris
"Rickmers Holding"	:	Rickmers Holding AG
"Rickmers Second"	:	Rickmers Second Invest GmbH, the holding company of Polaris
"Rickmers Maritime"	:	The business trust known as "Rickmers Maritime" constituted on 30 March 2007 under the laws of the

		Republic of Singapore
"Rickmers Maritime Trust Deed"	:	The trust deed dated 30 March 2007 constituting Rickmers Maritime, as amended, supplemented or modified from time to time
"Securities and Futures Act"	:	Securities and Futures Act, Chapter 289 of Singapore, as amended, modified or supplemented from time to time
"Securities Accounts"	:	A securities account maintained by a Unitholder with CDP, but shall not include a securities sub-account maintained with a Depository Agent
"SGX-ST"	:	Singapore Exchange Securities Trading Limited
"Substantial Unitholder "	:	A Unitholder with an interest in one or more Units constituting not less than 5% of all Units
"Syndicate Lenders"	:	The BNP Syndicate, CMB and the HSH Syndicate
"Trustee-Manager"	:	Rickmers Trust Management Pte. Ltd., in its capacity as trustee-manager of Rickmers Maritime
"Units"	:	Units in Rickmers Maritime issued in accordance with the Rickmers Maritime Trust Deed
"Unitholders"	:	Holders of Units in the Register of Unitholders, except that where the registered holder is CDP, the term shall mean the persons named as Depositors in the Depository Register maintained by CDP and whose Securities Accounts are credited with the Units
"Unsuccessful Restructuring"	:	Has the meaning ascribed to it in paragraph 4.1 of this Circular
"S$" and "cents"	:	Singapore dollars and cents respectively
"US$" and "US cents"	:	United States dollars and cents respectively
"%" or "per cent"	:	Per centum or percentage

Trustee-Manager and Rickmers Maritime. All references to (1) the "**Trustee-Manager**" are to it acting in its capacity as trustee-manager of Rickmers Maritime, and (2) "**Rickmers Maritime**" are to Rickmers Maritime acting through the Trustee-Manager.

Depositors, etc. The expressions "**Depositor**", "**Depository Agent**" and "**Depository Register**" shall have the meanings ascribed to them, respectively, in Section 81SF of the Securities and Futures Act, Chapter 289.

Genders, etc. Words importing the singular shall, where applicable, include the plural and vice versa. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall include corporations.

Headings. The headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

Time. Any reference to a time of day in this Circular shall be a reference to Singapore time, unless otherwise specified.

Rounding. Any discrepancies in the tables in this Circular between the listed amounts and the totals thereof are due to rounding.

Statutes. Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under any statute or any statutory modification thereof and used in this Circular shall, where applicable, have the meaning ascribed to that word under that statute or that statutory modification, as the case may be.

Exchange Rate. The exchange rate of US$1.00: S$1.34 as of 1 January 2015, the average exchange rate of US$1.00: S$1.38 for FY2015 and the exchange rate of US$1.00: S$1.41 as of 31 December 2015, are used for this Circular.

RICKMERS MARITIME

(a business trust constituted on 30 March 2007 under the laws of the Republic of Singapore)
(Registration Number: 2007003)

Directors of the Trustee-Manager
Mr. Bertram R. C. Rickmers *(Chairman and Non-Executive Director)*
Dr. Ignace Adolf Julien Van Meenen *(Non-Executive Director)*
Mrs. Lee Suet Fern *(Independent Non-Executive Director)*
Mr. Lim How Teck *(Independent Non-Executive Director)*
Mr. Raymundo A. Yu Jr. *(Independent Non-Executive Director)*

Registered Office
8 Shenton Way
#42-03
Singapore 068811

7 October 2016

To: The Unitholders of Rickmers Maritime

Dear Sir/Madam

THE PROPOSED ISSUE OF 1,319,434,076 NEW UNITS AT THE ISSUE PRICE OF S$0.045474 PER UNIT PURSUANT TO THE PROPOSED RESTRUCTURING OF THE S$100 MILLION 8.45% NOTES DUE 2017 AND THE PROPOSED WINDING UP OF RICKMERS MARITIME IN THE EVENT OF AN UNSUCCESSFUL RESTRUCTURING

1. INTRODUCTION

The Trustee-Manager is convening an EGM to be held on 31 October 2016 to seek Unitholders' approval for (i) the proposed issue of the New Units to the Noteholders pursuant to the Proposed Restructuring and (ii) the Proposed Winding Up of Rickmers Maritime in the event of an Unsuccessful Restructuring and where the Trustee-Manager is of the opinion that it is impracticable or inadvisable to continue Rickmers Maritime.

The purpose of this Circular is to provide Unitholders with information relating to the Proposed Issue, the Proposed Restructuring and the Proposed Winding Up, and to seek the approval of Unitholders for the Proposed Issue and the Proposed Winding Up.

The SGX-ST assumes no responsibility for the accuracy of any of the statements made, opinions expressed or reports contained in this Circular.

2. THE PROPOSED ISSUE OF NEW UNITS TO NOTEHOLDERS PURSUANT TO THE PROPOSED RESTRUCTURING

2.1. Background

Rickmers Maritime is a Singapore business trust formed to own and operate containerships under fixed-rate time charters to leading global container liner companies. Rickmers Maritime's fleet comprises of 16 vessels, which are all mortgaged to the Syndicate Lenders as security for the Existing Facilities. Rickmers Maritime's vessels are chartered to leading container liner companies, including CMA CGM, Maersk Line, Mitsui O.S.K. Lines Ltd., and Mediterranean Shipping Company.

In recent years, the depressed charter market and adverse industry conditions affected the financial performance of Rickmers Maritime in terms of lower revenues, cash and asset values.

On 19 February 2016, the Trustee-Manager announced that the Independent Auditor had included an emphasis of matter in respect of material uncertainties relating to going concern in the Independent Auditor's Report to the Unitholders on the consolidated financial statements of the Group for FY2015. The charter market deteriorated further in 2016 and Rickmers Maritime decommissioned 5 vessels in August and September 2016 to reduce operating costs.

Rickmers Maritime is facing uncertainty in meeting its principal repayment obligations and the value-to-loan covenants under the Existing Facilities as a result of the significant decline in asset values in a depressed market. As at 30 June 2016, the outstanding amounts under the Existing Facilities are:

	Interest Payment (US$)	**Interest Payment Date**	**Outstanding Principal Amount (US$)**	**Maturity Date**
BNP Facility	3-month US$ LIBOR + 1.75% per annum	Payable on a quarterly basis until: ▪ Tranche A: 5 June 2018 ▪ Tranche B: 28 August 2018 ▪ Tranche C: 27 November 2018	67.8 million, consisting of: ▪ Tranche A: 27.3 million ▪ Tranche B: 28.5 million ▪ Tranche C: 12.0 million	▪ Tranche A: 5 June 2018 ▪ Tranche B: 28 August 2018 ▪ Tranche C: 27 November 2018
CMB Facility		Payable on a quarterly basis until 31 March 2021	15.9 million	31 March 2021
HSH Facility		Payable on a quarterly basis until 31 March 2017	197.7 million	31 March 2017

In its announcements dated 25 May 2016, 29 June 2016, 5 August 2016 and 23 August 2016, the Trustee-Manager announced that it was engaging the Syndicate Lenders on a comprehensive refinancing plan by way of a unified facility as part of Rickmers Maritime's balance sheet optimisation efforts which included the reduction of amortisation and the increase of loan tenors. To facilitate negotiations with the Syndicate Lenders on the refinancing plan, Rickmers Maritime obtained standstills on principal repayments and/or waivers of financial covenants and other matters from the BNP Syndicate and the HSH Syndicate. The BNP Syndicate has granted extensions of time to meet the value-to-loan covenant, and waivers of other financial covenants under the BNP Facility, until 31 August 2016. Rickmers Maritime has requested for these to be extended and is in the midst of providing clarifications to the BNP Syndicate in connection with such request. The HSH Syndicate has granted standstills on the repayment of principal and interest, and a waiver of the value-to-loan and financial covenants under the HSH Facility, until 31 October 2016.

The Trustee-Manager announced on 7 September 2016 that Rickmers Maritime had received a firm offer letter from the HSH Syndicate in relation to a New Facility to refinance all of Rickmers Maritime's present outstanding debt under the BNP Facility and the HSH Facility. The New Facility, if entered into, extends the maturities of a large part of Rickmers Maritime's secured bank debts to the first quarter of 2021 and includes, amongst other terms, a generally back-ended amortisation schedule. The New Facility is conditional on, amongst others, entry into loan and security documentation, waivers and/or consents from the Syndicate Lenders and evidence that the Notes have been successfully restructured. Rickmers Maritime was also in negotiations with CMB in relation to a potential debt settlement agreement and will update Unitholders and other securities holders of any further development in due course.

In the same announcement, the Trustee-Manager also advised that the current adverse industry conditions may prevent Rickmers Maritime from meeting its coupon payment obligations of S$4.2 million due on 15 November 2016 and another S$4.2 million due on 15 May 2017, as well as its principal repayment obligations of S$100 million due on 15 May 2017, under the Notes. In such circumstances, Rickmers Maritime was therefore contemplating a restructuring of the Notes by way of a debt exchange via a consent solicitation exercise to its Noteholders that sought to exchange the existing principal amount of the Notes, and interest due thereon, for new unsecured S$28 million fixed rate step-up perpetual convertible securities which would be convertible at any time into Units at a fixed conversion price subject to adjustment for various adjustment events (the "**Initial Proposed Exchange Offer**"). It was proposed that such perpetual convertible securities would initially be convertible into 20% new Units, to be issued pursuant to the General Mandate, based on a proposed fixed conversion price and the existing Units.

At an informal meeting with the Noteholders held on 15 September 2016, Rickmers Maritime received feedback from the Noteholders present at the informal meeting on the Initial Proposed Exchange Offer. Taking into account the feedback from the Noteholders at the meeting, Rickmers Maritime revised the terms of the Initial Proposed Exchange Offer and is proposing instead to restructure the Notes by way of the Proposed Restructuring as further described at paragraph 2.2 below.

The Proposed Restructuring reflects the feedback received from the Noteholders present at the informal meeting and seeks to:

(a) reduce the proposed level of debt write-off under the Proposed Restructuring as compared to under the Initial Proposed Exchange Offer;

(b) increase the number of new Units being offered to the Noteholders from approximately 16% new Units under the Initial Proposed Exchange Offer to 60% new Units under the Proposed Restructuring, based on the enlarged total number of Units following the Proposed Issue; and

(c) partially redeem the existing principal amount of the Notes in the form of the issuance of new Units instead of exchanging them for perpetual convertible securities, subject to the approval of Unitholders being obtained for the issuance of the New Units, with the remaining principal amount under the Notes to be repayable at an extended maturity date.

2.2. **The Proposed Restructuring**

The Trustee-Manager announced the Proposed Restructuring on 22 September 2016 and intends to publish a notice of meeting ("**Notice of Noteholders' Meeting**") to convene a meeting of the Noteholders (the "**Noteholders' Meeting**") for the purposes of approving an extraordinary resolution as set out in the Notice of Noteholders' Meeting in relation to the proposed amendments to the Notes Trust Deed and Conditions in order to effect the Proposed Restructuring (the "**Consent Solicitation**"). The Consent Solicitation and Proposed Restructuring are intended to be made on the terms and subject to the conditions set out in the Consent Solicitation Statement and the Noteholders' Notice of Meeting.

By way of the Consent Solicitation, Rickmers Maritime is seeking the consent of Noteholders for, amongst others:

(a) the amendments to the Notes Trust Deed and the Conditions to amend the Notes, including a partial redemption of the Notes payable in the form of the New Units to be issued at the Issue Price, representing approximately 150% of the Existing Units, such that the outstanding principal amount under the Notes is reduced to an aggregate of S$40 million repayable in 2023 (the "**Proposed Restructuring**"); and

(b) the waiver of any non-compliance or potential non-compliance with certain provisions of the Notes Trust Deed and Conditions.

The indicative dates and times for the Consent Solicitation are set out below in bold and italics and are for illustrative purposes only. The final dates will be announced in due course by way of announcements released on the SGX-ST.

Date	**Event**
7 October 2016	Notice of EGM and despatch of Circular
No later than 18 October 2016	***Noteholders' Notice of Meeting***
31 October 2016	EGM
9 November 2016	***Noteholders' Meeting***
11 November 2016	***Notice of adjourned Noteholders' Meeting (if required)***
15 November 2016	Coupon payment of S$4.2 million is due under the Notes[(1)]
23 November 2016	***Adjourned Noteholders' Meeting (if required)***

Notes:

(1) Under the Notes Trust Deed and the Conditions, Rickmers Maritime is required to make such coupon payment within 5 business days of its due date.

2.3. **Key Amendments to the Notes**

The amendments to the Notes are as follows:

Key Amendments	Notes prior to the Proposed Restructuring	Notes after the Proposed Restructuring
Outstanding Redemption Amount	S$100 million	S$40 million
Maturity Date	15 May 2017	15 November 2023
Coupon Rate (per annum)	8.45%	November 2016 to November 2019: 2.7% November 2019 to November 2020: 3.3% November 2020 to November 2021: 3.9% November 2021 to November 2022: 4.5% November 2022 to November 2023: 5.2%
Coupon Amount (per annum)	S$8.45 million	S$1.08 million for November 2016 to November 2019 S$1.32 million for November 2019 to November 2020 S$1.56 million for November 2020 to November 2021 S$1.80 million for November 2021 to November 2022 S$2.08 million for November 2022 to November 2023
Coupon Frequency	Semi-annually	Semi-annually
Special Coupon Payment	None	<u>Coupon Rate</u> November 2016 to November 2017: 1.25% per annum <u>Coupon Amount</u> S$0.50 million for November 2016 to November 2017 <u>Coupon Frequency</u> Single lump sum payment to be paid on the date that the New Units are issued to the Noteholders pursuant to the Proposed Restructuring or Alternative Proposal, as the case may be
Security	Unsecured	Unsecured

2.4. **New Units**

An aggregate of 1,319,434,076 New Units will be issued to Noteholders at the Issue Price as part of the Proposed Restructuring.

The New Units will represent approximately 150% of the Existing Units and will upon issuance represent approximately 60% of the enlarged total number of Units following the completion of the Proposed Issue.

As a result of the Proposed Issue, the Unitholders' aggregate equity interest in Rickmers Maritime will be reduced from 100% as at the Latest Practicable Date to 40% following the completion of the Proposed Issue. The dilution represents a reduction in the value of the Unitholders' equity interest in Rickmers Maritime of approximately S$26.4 million, based on

Rickmers Maritime's market capitalization of approximately S$44.0 million as at the preceding market day before the date of the Announcement.

The New Units will, upon allotment and issue, rank *pari passu* in all respects with the Existing Units as at the date of issue of the New Units.

Fractional entitlements to the New Units will be disregarded or otherwise dealt with in such manner as the Trustee-Manager may, in its absolute discretion, deem fit in the interests of Rickmers Maritime, including disregarding the fractional entitlements or aggregating and selling the same and retaining the net proceeds for the benefit of Rickmers Maritime.

Units in Rickmers Maritime are currently traded in board lots of one hundred (100) Units. A Noteholder may receive such New Units in odd lots. Noteholders who receive odd lots of New Units and who wish to trade such odd lots on the SGX-ST should do so on the existing Unit Share Market, which allows trading of odd lots with a minimum of one (1) Unit.

2.5. **Issue Price**

The Issue Price of S$0.045474 for each New Unit represents a discount of 12.4% to the volume weighted average price of S$0.051892 per Unit for trades in the Units done on the SGX-ST for the full market day on 21 September 2016, being the preceding market day before the date of the Announcement.

2.6. **Use of Proceeds**

Rickmers Maritime will not be receiving any cash consideration from the Unitholders for the Proposed Issue and the Proposed Restructuring and all costs and expenses associated with the Proposed Issue and the Proposed Restructuring will be fully borne by Rickmers Maritime.

2.7. **Value of the Proposed Restructuring**

The outstanding Redemption Amount of the Notes prior to the Proposed Restructuring is S$100 million. The outstanding Redemption Amount of the amended Notes after the Proposed Restructuring will be S$40 million while the value of the New Units is approximately S$26.4 million, based on the market capitalization of Rickmers Maritime which was approximately S$44.0 million as at the preceding market day before the date of the Announcement. The aggregate value of the Proposed Restructuring which is being offered to Noteholders is therefore approximately S$66.4 million, or approximately 66.4% of the outstanding Redemption Amount of the Notes prior to the Proposed Restructuring.

2.8. **Conditions Precedent**

The Proposed Restructuring and the Proposed Issue are conditional on, amongst others, the fulfilment of the following conditions precedent:

(a) the approval of Unitholders being obtained at the EGM in respect of the Proposed Issue;

(b) approval in-principle for the listing and quotation of the New Units on the SGX-ST being granted by the SGX-ST; and

(c) the approval of Noteholders being obtained at the Noteholders' Meeting in respect of the Proposed Restructuring.

2.9. **Listing on the SGX-ST**

The issuance of the New Units is subject to, amongst others, approval in-principle being granted by the SGX-ST for the listing and quotation of the same on the SGX-ST. The Trustee-Manager will make the necessary application(s) for the listing of the New Units to be issued for the purposes of, in connection with, or where contemplated by, the Proposed Issue. An announcement on the receipt of the approval in-principle of the SGX-ST will be announced when appropriate.

If the approval in-principle of the SGX-ST is obtained, such approval is not to be taken as an indication of the merits of the Proposed Issue, the New Units, Rickmers Maritime, the Trustee-Manager and/or their subsidiaries.

2.10. **Alternative Proposal**

(a) Alternative Proposal

In the event that the approval of Unitholders for the Proposed Issue is not obtained at the EGM, Rickmers Maritime will make an alternative proposal to Noteholders to achieve a restructuring of the Notes.

By way of the Consent Solicitation and in relation to the Alternative Proposal, Rickmers Maritime will be seeking the consent of Noteholders for, amongst others:

(i) the amendments to the Notes Trust Deed and the Conditions to amend the Notes, including a partial redemption of the Notes payable in the form of 175,924,543 new Units to be issued at S$0.341 for each new Unit, representing approximately 20% of the Existing Units, such that the outstanding principal amount under the Notes is reduced to an aggregate of S$40 million repayable in 2023 (the "**Alternative Proposal**"); and

(ii) the waiver of any non-compliance or potential non-compliance with certain provisions of the Notes Trust Deed and Conditions.

The terms of the Alternative Proposal are the same as the terms of the Proposed Restructuring, save that 175,924,543 (instead of 1,319,434,076) new Units at the issue price of S$0.341 (instead of S$0.045474) for each new Unit will be issued to the Noteholders and the approval of Unitholders for the issuance of new units will no longer be a condition precedent. As such, the key amendments to the Notes under the Alternative Proposal are the same as set out in paragraph 2.3 above.

(b) New Units

The 175,924,543 new Units proposed to be issued to Noteholders under the Alternative Proposal will represent approximately 20% of the Existing Units and will upon issuance represent approximately 16.7% of the enlarged total number of Units following the issuance of such new Units.

As a result of the issuance of new Units under the Alternative Proposal, the Unitholders' aggregate equity interest in Rickmers Maritime will be reduced from 100% as at the Latest Practicable Date to 83.3% following the completion of the Alternative Proposal. The dilution resulting from the Alternative Proposal represents a reduction in the value of the Unitholders' equity interest in Rickmers Maritime of approximately S$7.3 million, based on Rickmers Maritime's market capitalization of approximately S$44.0 million as at the preceding market day before the date of the Announcement.

The new Units will, upon allotment and issue pursuant to the Alternative Proposal, rank *pari passu* in all respects with the Existing Units as at the date of issue of such new Units.

Fractional entitlements to the new Units to be issued pursuant to the Alternative Proposal will be disregarded or otherwise dealt with in such manner as the Trustee-Manager may, in its absolute discretion, deem fit in the interests of Rickmers Maritime, including disregarding the fractional entitlements or aggregating and selling the same and retaining the net proceeds for the benefit of Rickmers Maritime.

Units in Rickmers Maritime are currently traded in board lots of one hundred (100) Units. A Noteholder may receive such new Units to be issued pursuant to the Alternative Proposal in odd lots. Noteholders who receive odd lots of such new Units and who wish to trade such odd lots on the SGX-ST should do so on the existing Unit Share Market, which allows trading of odd lots with a minimum of one (1) Unit.

It is intended that the 175,924,543 new Units under the Alternative Proposal will be issued pursuant to the general mandate given by Unitholders at the annual general meeting held on 30 April 2016 (the "**General Mandate**") which allows the Trustee-Manager to issue new Units and/or convertible securities or other instruments which may be convertible into Units such that the number of new Units (and/or Units into which the convertible securities may be converted) does not exceed 50% of the number of Units in issue (excluding treasury Units) as at 30 April 2016 (the "**Base Figure**"), of which the aggregate number of new Units (and/or Units into which the convertible securities may be converted) issued other than on a *pro rata* basis to existing Unitholders shall not be more than 20% of the Base Figure.

As at 30 April 2016, the number of Units in issue was 879,622,717 Units. The number of Units that can be issued under the General Mandate is therefore 439,811,358 Units, of which no more than 175,924,543 Units may be issued on a non *pro rata* basis. The Trustee-Manager has not issued any Units since 30 April 2016. The 175,924,543 new Units proposed to be issued pursuant to the Alternative Proposal is therefore within the prescribed limit for the issuance of Units on a non *pro rata* basis under the General Mandate and prior approval of Unitholders is not required for the issuance of the 175,924,543 new Units under the Alternative Proposal.

(c) Issue Price

The issue price of S$0.341 for each new Unit issued under the Alternative Proposal represents a premium of 557% to the volume weighted average price of S$0.051892 per Unit for trades in the Units done on the SGX-ST for the full market day on 21

September 2016, being the preceding market day before the date of the Announcement.

(d) Use of Proceeds

Rickmers Maritime will not be receiving any cash consideration from the Unitholders for the Alternative Proposal and all costs and expenses associated with the Alternative Proposal will be fully borne by Rickmers Maritime.

(e) Value of the Alternative Proposal

The outstanding Redemption Amount of the Notes prior to the Alternative Proposal is S$100 million. The outstanding Redemption Amount of the amended Notes after the Alternative Proposal will be S$40 million while the value of the new Units to be issued pursuant to the Alternative Proposal is S$7.3 million, based on the market capitalization of Rickmers Maritime which was approximately S$44.0 million as at the preceding market day before the date of the Announcement. The aggregate value of the Alternative Proposal which is being offered to Noteholders is therefore approximately S$47.3 million, or approximately 47.3% of the outstanding Redemption Amount of the Notes prior to the Alternative Proposal.

(f) Conditions Precedent

The Alternative Proposal is conditional on, amongst others, the fulfilment of the following conditions precedent:

(i) approval in-principle for the listing and quotation of the new Units, to be issued pursuant to the Alternative Proposal, on the SGX-ST being granted by the SGX-ST; and

(ii) the approval of Noteholders being obtained at the Noteholders' Meeting in respect of the Alternative Proposal.

(g) Listing on the SGX-ST

The issuance of the new Units to be issued pursuant to the Alternative Proposal is subject to, amongst others, approval in-principle being granted by the SGX-ST for the listing and quotation of the same on the SGX-ST. The Trustee-Manager will make the necessary application(s) for the listing of such New Units to be issued for the purposes of, in connection with, or where contemplated by, the Alternative Proposal. An announcement on the receipt of the approval in-principle of the SGX-ST will be announced when appropriate.

If the approval in-principle of the SGX-ST is obtained, such approval is not to be taken as an indication of the merits of the Alternative Proposal, the new Units to be issued pursuant to the Alternative Proposal, Rickmers Maritime, the Trustee-Manager and/or their subsidiaries.

3. INFORMATION ON THE UNITHOLDERS

3.1. To the best of the Trustee-Manager's knowledge, the New Units will not be issued to any of the persons set out in Rule 812(1) of the Listing Manual.

3.2. To the best of the Trustee-Manager's knowledge, the Trust is in compliance with Rule 803 of the Listing Manual and none of the Noteholders will own 15% or more units in Rickmers Maritime following the completion of the Proposed Issue.

4. THE PROPOSED WINDING UP

4.1. Background

In the event that (i) the Proposed Issue is not approved by the Unitholders at the EGM and/or the Proposed Restructuring is not approved by the Noteholders at the Noteholders' Meeting; or (ii) the Alternative Proposal is not approved by the Noteholders at the Noteholders' Meeting ("**Unsuccessful Restructuring**"), the New Facility will not be extended to Rickmers Maritime.

Rickmers Maritime will not have available cash to meet its principal repayment obligations under the HSH Facility which are already due (but are presently waived by the HSH Syndicate) and a further amount of US$179.7 million due on 31 March 2017 under the HSH Facility. Rickmers Maritime is also unlikely to be able to meet its coupon payment obligations of S$4.2 million due on 15 November 2016 and another S$4.2 million due on 15 May 2017, and its principal repayment obligations of S$100 million due on 15 May 2017, under the Notes. As a result, Rickmers Maritime will be in default under the Existing Facilities and the Notes, unless further standstills and/or waivers in respect of its payment and other obligations under the Existing Facilities and Notes are obtained from the relevant Syndicate Lenders and the Noteholders, and Rickmers Maritime will no longer be able to operate on a going concern basis.

In the event of an Unsuccessful Restructuring, while Rickmers Maritime will attempt to obtain further standstills and/or waivers in respect of its payment and other obligations under the Existing Facilities and Notes from the relevant Syndicate Lenders and the Noteholders to avoid potential liquidation, it does not expect these to be granted in the absence of a credible alternative to the Proposed Restructuring and the Alternative Proposal.

In the event of an Unsuccessful Restructuring and where the Trustee-Manager is of the opinion that it is impracticable or inadvisable to continue Rickmers Maritime, the Trustee-Manager may propose to wind up Rickmers Maritime in accordance with the Rickmers Maritime Trust Deed.

4.2. The Proposed Winding Up

Section 44(1) of the BTA provides that subject to Section 44(2) of the BTA, the trust deed of a registered business trust may provide that the registered business trust is to be wound up at a specified time, in specified circumstances or on the happening of a specified event.

Section 44(3) of the BTA provides that the trustee-manager of a registered business trust may wind up the registered business trust:

(a) if the trust deed of the registered business trust provides that the business trust may or is to be wound up at a specified time, in specified circumstances or on the happening of a specified event;

(b) the specified time, circumstance or event has arisen; and

(c) the winding up of the registered business trust has been approved by a majority of the number of votes of unitholders of the registered business trust who, being entitled to do so, vote in person or, where proxies are allowed, by proxy present at a general meeting convened in accordance with the requirements under Division 1 of Part IX of the BTA.

Under Clause 21.1 of the Rickmers Maritime Trust Deed, it is provided that Rickmers Maritime may, without prejudice to the provisions of the BTA, be wound up by the Trustee-Manager in the event that any law shall be passed which renders it illegal or, in the opinion of the Trustee-Manager, impracticable or inadvisable to continue Rickmers Maritime and approval for the winding up has been given by the Unitholders by way of an Extraordinary Resolution duly passed by the Unitholders at a meeting thereof convened by the Trustee-Manager in accordance with the Rickmers Maritime Trust Deed. An Extraordinary Resolution is required to be passed by a majority consisting of 75% or more of the total number of votes cast for and against such resolution at a meeting of Unitholders convened in accordance with the provisions of the Rickmers Maritime Trust Deed.

Clause 21.2 of the Rickmers Maritime Trust Deed provides that, in the event that Rickmers Maritime is to be wound up, the Trustee-Manager shall, subject to authorisations or directions (if any) given to it by the Unitholders, amongst others, proceed as follows:

(a) dispose of the trust property of Rickmers Maritime as soon as practicable after the commencement of the Proposed Winding Up;

(b) repay any outstanding borrowings effected by Rickmers Maritime and all other debts and liabilities in respect of Rickmers Maritime before applying the balance to make distributions to the Unitholders;

(c) retain from any distribution to be made to the Unitholders an amount equal to any contingent liability to the IRAS or CDP under any indemnity given to the IRAS or CDP (and in the case of CDP, such fees, costs and expenses due to CDP);

(d) retain all fees, costs, charges and expenses incurred by the Trustee-Manager in connection with the Proposed Winding Up; and

(e) distribute to the Unitholders in proportion to their respective interests in the trust property all net cash proceeds derived from the realisation of the trust property and available for the purposes of such distribution, subject to, amongst others, paragraph (d) above.

In the event of an Unsuccessful Restructuring and where it is impracticable or inadvisable to continue Rickmers Maritime in the opinion of the Trustee-Manager, but approval for the Proposed Winding Up could not be obtained from Unitholders at the EGM, the Trustee-Manager may proceed with the winding up of Rickmers Maritime by way of an application to court to wind up Rickmers Maritime. Pursuant to Section 46(1) of the BTA, a registered

business trust may be wound up under an order of the court on the application of, amongst others, the trustee-manager of the registered business trust. In the event of an Unsuccessful Restructuring and where it is impracticable or inadvisable to continue Rickmers Maritime in the opinion of the Trustee-Manager, the Trustee-Manager considers that the Proposed Winding Up is a more efficient and less costly method compared to applying to court to wind up Rickmers Maritime.

4.3. **Delisting of Rickmers Maritime**

In the event of an Unsuccessful Restructuring and where the Trustee-Manager proceeds with the Proposed Winding Up, this will result in the delisting of Rickmers Maritime from the SGX-ST.

Rule 1308 of the Listing Manual, read with Rules 1307(1), (2) and (3) of the Listing Manual, provides that Unitholders' approval for the delisting of an issuer is not required in a voluntary liquidation.

Rule 1309 of the Listing Manual provides that if an issuer is seeking to delist from the SGX-ST:

(a) a reasonable exit alternative, which should normally be in cash, should be offered to the issuer's shareholders and holders of any other classes of listed securities to be delisted; and

(b) the issuer should normally appoint an independent financial adviser to advise on the exit offer.

For the purposes of Rule 1309 of the Listing Manual, a reasonable exit offer may include a voluntary liquidation of Rickmers Maritime's assets and distribution of cash back to Unitholders.

5. RATIONALE FOR THE PROPOSED ISSUE AND THE PROPOSED WINDING UP

5.1. **Rationale for the Proposed Issue**

(a) **Avoid Liquidation**

As a result of the depressed charter market and adverse industry conditions, Rickmers Maritime does not have available cash to meet its principal repayment obligations under the Existing Facilities and the Notes as described at paragraph 4.1 above. Rickmers Maritime is at risk of default under its Existing Facilities and Notes, unless further standstills and/or waivers in respect of principal repayments, financial covenants and other matters are obtained from the Syndicate Lenders and the Noteholders, and there is significant uncertainty as to the ability of Rickmers Maritime to continue as a going concern.

The New Facility, if entered into, would allow Rickmers Maritime to avoid potential liquidation by including a moratorium on principal repayments under some of the Existing Facilities, reduce amortisation and increase loan tenors. As the New Facility is conditional on, amongst other things, evidence that the Notes have been

successfully restructured, it is therefore vital that Noteholders' consent is obtained for the Proposed Restructuring in order for Rickmers Maritime to continue to operate as a going concern and to preserve value for all stakeholders.

The issuance of new Units under the Proposed Restructuring and the Alternative Proposal is in consideration for the partial debt write-down of the Notes under the Proposed Restructuring and in recognition that the claims of Unitholders generally rank behind the claims of Noteholders in the event of a potential liquidation of Rickmers Maritime.

Rickmers Maritime has taken into account the feedback received from the Noteholders at the informal meeting held on 15 September 2016 and is of the view that Noteholders are more likely to approve the Proposed Restructuring on its current terms than accept the Alternative Proposal because the Proposed Restructuring allows Noteholders to retain more value. The Noteholders would receive more new Units under the Proposed Restructuring than under the Alternative Proposal. In addition, the aggregate value of the Proposed Restructuring is approximately S$66.4 million, or approximately 66.4% of the outstanding Redemption Amount of the Notes prior to the Proposed Restructuring, while the aggregate value of the Alternative Proposal is lower at approximately S$47.3 million, or approximately 47.3% of the outstanding Redemption Amount of the Notes prior to the Alternative Proposal being effected.

Rickmers Maritime considers the number of New Units proposed to be issued to Noteholders pursuant to the Proposed Restructuring, representing approximately 60% of the enlarged total number of Units following the completion of the Proposed Issue, as the optimum percentage of Units required to deliver majority ownership to Noteholders while preserving the status of Rickmers Holding as the largest Unitholder of Rickmers Maritime, through its shareholdings in Polaris and Rickmers Second. As far as Rickmers Maritime is aware as at the Latest Practicable Date, Rickmers Holdings will remain the largest Unitholder of Rickmers Maritime with an interest in 13.68% of the enlarged total number of Units following the completion of the Proposed Issue.

If more than 60% of the enlarged total number of Units is issued to Noteholders pursuant to the Proposed Restructuring, this may result in Rickmers Holding losing its status as the largest Unitholder in Rickmers Maritime. Any further dilution of the interest of Rickmers Holding in Rickmers Maritime may weaken the benefits that Rickmers Maritime receives by operating under the Rickmers Group, such as enhanced purchasing power and operational economies of scale. With Rickmers Holding remaining as the largest Unitholder of Rickmers Maritime, the interests of Rickmers Holding and Rickmers Maritime will continue to be aligned, and Rickmers Holding will able to justify its continued support for the business and operations of Rickmers Maritime.

While both the Proposed Restructuring and the Alternative Proposal may enable Rickmers Maritime to avoid a potential liquidation, Rickmers Maritime is of the view that the Proposed Restructuring places it in a better position to avoid a potential liquidation as Noteholders are more likely to approve the Proposed Restructuring on its current terms than accept the Alternative Proposal based on the factors considered above.

(b) **Improvement of Financial Position**

Following the Proposed Restructuring, the overall face value of the debts of Rickmers Maritime will be reduced by S$60 million, from the existing S$100 million under the Notes to S$40 million. The maturity of the Notes will also be increased by 6.5 years, from 15 May 2017 to 15 November 2023. In addition, ongoing interest costs, in cash terms, will be reduced from the current S$8.45 million per year under the Notes to S$1.58 million (including the special coupon payment of S$0.50 million to be paid on the date that the New Units are issued to the Noteholders pursuant to the Proposed Restructuring or Alternative Proposal, as the case may be) for November 2016 to November 2017, S$1.08 million per year for November 2017 to November 2019, S$1.32 million for November 2019 to November 2020, S$1.56 million for November 2020 to November 2021, S$1.80 million for November 2021 to November 2022 and S$2.08 million for November 2022 to November 2023, under the amended Notes pursuant to the Proposed Restructuring.

The above benefits also apply to the Alternative Proposal.

Following the Proposed Restructuring, the Alternative Proposal and/or the granting of the New Facility, as the case may be, the Trust intends to restore its financial position by stabilizing, restructuring and extending its financial liabilities to continue to operate as a going concern. Rickmers Maritime aims to improve its cash position by reducing its operational costs by, amongst other things, temporarily laying-up vessels that are unable to generate sufficient revenue to fully cover operational costs or which are unemployed, taking into account market conditions and outlook, while keeping capacity ready to be able to capture any short or long-term charter opportunities that may arise or any potential cyclical upturn in vessel charter rates. The intended effect of such approach is to reduce cash outflows. Rickmers Maritime also aims to pursue cash-producing and value-enhancing business strategies, which may include low-cost vessel acquisitions and the conversion of existing or acquired vessels for other purposes.

(c) **Potential Costs**

While the Proposed Restructuring and the Alternative Proposal will both result in a dilution of the equity interests of Unitholders in Rickmers Maritime and a loss of value for Unitholders in the short-term, Rickmers Maritime is of the view that should Rickmers Maritime undergo a potential liquidation due to an Unsuccessful Restructuring, the Unitholders will suffer an even greater loss of value with no option of enjoying any potential upside should there be an improvement in the financial position of Rickmers Maritime in the future.

While the Proposed Issue and the Alternative Proposal will both result in a reduction of the value of the Unitholders' equity interest in Rickmers Maritime, the reduction of debt of Rickmers Maritime will enhance the long-term solvency of Rickmers Maritime and its ability to operate as a going concern.

5.2. **Rationale for the Proposed Winding Up**

As described in paragraph 4.1 above, in the event of an Unsuccessful Restructuring, Rickmers Maritime will, unless standstills and/or waivers are obtained from the Syndicate Lenders and the Noteholders, be in default under the Existing Facilities and Notes, and will be unable to operate as a going concern due to the lack of available cash. In these circumstances, if the Trustee-Manager considers that there are no other options available to Rickmers Maritime to avoid liquidation, the Trustee-Manager may be of the opinion that it is impracticable and inadvisable to continue Rickmers Maritime when it can no longer operate as a going concern. At such time, the Trustee-Manager may be of the view that a winding up of Rickmers Maritime in accordance with the terms of the Rickmers Maritime Trust Deed may be in the best interests of the Unitholders to ensure an orderly winding up of Rickmers Maritime.

6. UNITHOLDERS' APPROVAL

6.1. **Unitholders' approval**

The issuance of the New Units requires the approval of Unitholders under Rule 805(1) of the Listing Manual.

The Proposed Winding Up, in the event of an Unsuccessful Restructuring and where the Trustee-Manager is of the opinion that it is impracticable or inadvisable to continue Rickmers Maritime, also requires the approval of Unitholders under the BTA and the Rickmers Maritime Trust Deed.

6.2. **Voting Undertakings**

As at the Latest Practicable Date, Polaris and Rickmers Second directly and/or indirectly hold in aggregate approximately 300,729,185 Units, representing approximately 34.2% of the Existing Units. In support of the Proposed Issue, Polaris and Rickmers Second have each provided an undertaking to the Trustee-Manager that they will vote in favor of the ordinary resolution relating to the Proposed Issue as set out in the Notice of EGM.

7. PRO FORMA FINANCIAL EFFECTS OF THE PROPOSED RESTRUCTURING

7.1. **Assumptions**

The *pro forma* financial effects of the Proposed Restructuring on Rickmers Maritime presented below are strictly for illustrative purposes and do not necessarily reflect the financial effect of the Proposed Restructuring on the Group.

The *pro forma* financial effects presented below were prepared based on the FY2015 Audited Financial Statements and the following assumptions:

(a) a total of 1,319,434,076 New Units at the Issue Price of S$0.045474 per unit are issued pursuant to the Proposed Restructuring;

(b) the interest cost in relation to the Notes is assumed to be S$1.58 million (comprising S$1.08 million, being the coupon payment based on the coupon rate of 2.7% per

annum, and S$0.50 million being the special coupon payment) and the interest cost to be recognised in the financial statements of the Group upon completion of the Proposed Restructuring may be materially different due to the effects of amortisation using the effective interest rate method as defined in IAS 39;

(c) the fair value of the amended Notes and the New Units is assumed to be S$66.4 million. This fair value used to determine the gain on restructuring (i.e. the difference between the carrying value of the Notes and the fair value of S$66.4 million) to be recognised in the financial statements of the Group upon completion of the Proposed Restructuring (which should be determined at the completion date of the Proposed Restructuring), may be materially different; and

(d) the transaction cost of the Proposed Restructuring is immaterial compared to the Group's FY2015 net loss after tax and the Group's NAV as at 31 December 2015.

The effects of the New Facility have been excluded from the *pro forma* financial effects presented below as the New Facility has not been entered into as at the Latest Practicable Date.

7.2. **Pro Forma Loss per Unit**

The *pro forma* financial effects of the Proposed Restructuring on Rickmers Maritime's earnings per Unit for FY2015, based on the FY2015 Audited Financial Statements, as if the Proposed Issue was completed on 1 January 2015 are as follows:

	FY2015	**Adjusted[(1)] for the Effects of the Proposed Restructuring**
Net (loss) after tax attributable to Unitholders (US$'000)	(129,227)	(99,009)
Weighted average number of Units in issue ('000)	860,042	2,179,476
(Loss) per Unit (US cents)	(15.03)	(4.54)
(Loss) per Unit (cents)	(20.74)	(6.27)

Notes:

(1) The adjustments include:
- (i) the reversal of S$9.07 million (US$6.57 million) of interest on the Notes;
- (ii) the interest cost of the amended Notes of S$1.58 million (US$1.14 million), which includes the special coupon payment of US$0.50 million (US$0.36 million); and
- (iii) the gain on restructuring of S$33.23 million (US$24.80 million).

7.3. **Pro Forma NAV per Unit**

The *pro forma* financial effects of the Proposed Restructuring on the NAV per unit as at 31 December 2015, based on the FY2015 Audited Financial Statements, as if the Proposed Restructuring was completed on 31 December 2015, are as follows:

	As at 31 December 2015	Adjusted[(1)] for the Effects of the Proposed Issue
NAV (US$'000)	363,564	406,546
Units in issue	879,622,717	2,199,056,793
NAV per Unit (US cents)	0.41	0.18
NAV per Unit (cents)	0.58	0.26

Notes:

(1) The adjustments include the reduction in the Notes outstanding at 31 December 2015 from US$71.35 million, to S$40.00 million (US$28.37 million).

7.4. **Pro Forma Gearing Ratio**

The *pro forma* financial effects of the Proposed Restructuring on the gearing ratio of Rickmers Maritime, based on the FY2015 Audited Financial Statements, as if the Proposed Restructuring was completed on 31 December 2015, are as follows:

	As at 31 December 2015 (US$ milllion)	Adjusted[(1)] for the Effects of the Proposed Restructuring (US$ million)
Total debt	384.7	341.8
Total capitalisation (total Unitholders' funds plus total debt)	748.3	748.3
Gearing ratio (%) (total debt divided by total capitalisation)	51	46

Notes:

(1) The adjustments include the reduction in the Notes outstanding at 31 December 2015 from US$71.35 million, to S$40.00 million (US$28.37 million).

8. EFFECT OF THE PROPOSED ISSUE ON EXISTING UNITS

The effect of the Proposed Issue on the Existing Units is as follows:

	No. of Units
Existing Units at the Latest Practicable Date	879,622,717
Add: New Units to be issued pursuant to the Proposed Issue	1,319,434,076
Enlarged total number of Units issued after the Proposed Issue	2,199,056,793

9. INTERESTS OF DIRECTORS AND SUBSTANTIAL UNITHOLDERS

As at the Latest Practicable Date, the interests of Directors and Substantial Unitholders in the Units, based on the Trustee-Manager's Register of Interest of Directors and Register of Substantial Unitholders respectively, are set out in Appendix 1 to this Circular.

Other than through their respective unitholdings in Rickmers Maritime, none of the Directors or Substantial Unitholders has any interest, direct or indirect, in the Proposed Issue.

To the best of the Trustee-Manager's knowledge, none of the Directors or Substantial Unitholders of Rickmers Maritime have any business connection (including business relationship) with any of the Noteholders or their directors or substantial shareholders.

10. DIRECTORS' RECOMMENDATION

Having considered the terms, the rationale and the benefits of the Proposed Issue, the Directors are of the view that the Proposed Issue is in the best interests of Rickmers Maritime and accordingly recommend that the Unitholders vote in favour of the ordinary resolution relating to the Proposed Issue as set out in the Notice of EGM.

In the event of an Unsuccessful Restructuring and where the Trustee-Manager is of the opinion that it is impracticable or inadvisable to continue Rickmers Maritime, having considered the terms, the rationale and the benefits of the Proposed Winding Up, the Directors are of the view that the Proposed Winding Up is in the best interests of Rickmers Maritime and accordingly recommend that the Unitholders vote in favour of the extraordinary resolution relating to the Proposed Winding Up in the event of an Unsuccessful Restructuring as set out in the Notice of EGM.

11. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on page 27 of this Circular, will be held at 10 a.m. on 31 October 2016 at Maxwell Chambers, 32 Maxwell Road, Level 3, Stamford Raffles Room, Singapore 069115 for the purpose of considering and, if thought fit, passing the ordinary resolution relating to the Proposed Issue and the extraordinary resolution relating to the Proposed Winding Up in the event of an Unsuccessful Restructuring (with or without any modification) as set out in the Notice of EGM.

12. ACTION TO BE TAKEN BY UNITHOLDERS

Unitholders who are unable to attend the EGM and wish to appoint a proxy to attend and vote at the EGM on their behalf must complete, sign and return the Proxy Form attached to this Circular in accordance with the instructions printed thereon as soon as possible and in any event so as to arrive at the registered office of the Trustee-Manager at 8 Shenton Way #42-03, Singapore 068811 not later than 48 hours before the time fixed for the EGM.

The completion and return of a Proxy Form by a Unitholder does not preclude him from attending and voting in person at the EGM should he subsequently decide to do so, although the appointment of the proxy shall be deemed to be revoked by such attendance.

A Depositor shall not be regarded as a Unitholder of Rickmers Maritime entitled to attend the EGM and to speak and vote thereat unless his name appears on the Depository Register as at 48 hours before the EGM.

13. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Issue and the Proposed Winding Up, Rickmers Maritime and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in the Circular 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 those sources and/or reproduced in the Circular in its proper form and context.

14. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the Trustee-Manager during normal business hours on any weekday (public holidays excepted) up to and including the date of the EGM:

(a) the Rickmers Maritime Trust Deed; and

(b) the annual report of Rickmers Maritime for FY2015.

Yours faithfully
For and on behalf of the Board of Directors of
RICKMERS TRUST MANAGEMENT PTE. LTD.
(as Trustee-Manager of Rickmers Maritime)

Bertram R. C. Rickmers
Chairman

APPENDIX 1

	Unitholdings as at the Latest Practicable Date[1]				Unitholdings after the Proposed Issue[2]				Unitholdings after the Alternative Proposal[3]			
	Direct Interest	%	Deemed Interest	%	Direct Interest	%	Deemed Interest	%	Direct Interest	%	Deemed Interest	%
Directors												
Bertram R. C. Rickmers	-	-	300,729,185[4]	34.19	-	-	300,729,185[4]	13.68	-	-	300,729,185[4]	28.49
Dr. Ignace Adolf Julien Van Meenen	-	-	-	-	-	-	-	-	-	-	-	-
Lee Suet Fern	928,164	0.11	-	-	928,164	0.04	-	-	928,164	0.09	-	-
Lim How Teck	240,491	0.03	-	-	240,491	0.01	-	-	240,491	0.02	-	-
Raymundo A. Yu Jr.	-	-	-	-	-	-	-	-	-	-	-	-
Substantial Unitholders (other than Directors)												
Rickmers Holding	-	-	300,729,185[5]	34.19	-	-	300,729,185[5]	13.68	-	-	300,729,185[5]	28.49
Rickmers Second	158,801,503	18.05	141,927,682[6]	16.14	158,801,503	7.22	141,927,682[6]	6.45	158,801,503	15.04	141,927,682[6]	13.45
Polaris	141,927,682	16.14	-	-	141,927,682	6.45	-	-	141,927,682	13.45	-	-
Noteholders												
Noteholders (as a group)	-	-	-	-	1,319,434,076	60	-	-	175,924,543	16.7	-	-

Notes:

(1) Based on the issued capital of 879,622,717 Units (excluding treasury Units) as at the Latest Practicable Date.

(2) Based on the enlarged issued capital of 2,199,056,793 Units (excluding treasury Units) after the Proposed Issue of 1,319,434,076 New Units.

(3) Based on the enlarged issued capital of 1,055,547,260 Units (excluding treasury Units) after the proposed issuance of 175,924,543 new Units under the Alternative Proposal.

(4) Mr. Bertram R. C. Rickmers holds 100% of Rickmers Holding. He is therefore deemed to be interested in the units held by Rickmers Second and Polaris in Rickmers Maritime.

(5) Rickmers Holding is the holding company of Rickmers Second, which in turn is the holding company of Polaris. Rickmers Holding is therefore deemed to be interested in the units held by Rickmers Second and Polaris in Rickmers Maritime.

(6) Rickmers Second is the holding company of Polaris and is therefore deemed to be interested in the units held by Polaris in Rickmers Maritime.

RICKMERS MARITIME
(a business trust constituted under the laws of the Republic of Singapore)
Managed by Rickmers Trust Management Pte. Ltd.

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of the Unitholders of Rickmers Maritime (the "**Trust**") will be held at 10 a.m. on 31 October 2016 at Maxwell Chambers, 32 Maxwell Road, Level 3, Stamford Raffles Room, Singapore 069115 for the purpose of considering and, if thought fit, passing, with or without modifications, the following resolutions.

Unless otherwise defined herein, terms defined in the circular to Unitholders dated 7 October 2016 ("**Circular**") issued by Rickmers Trust Management Pte. Ltd., in its capacity as trustee-manager of Rickmers Maritime ("**Trustee-Manager**"), have the same meanings when used in this Notice.

RESOLUTION 1 (ORDINARY RESOLUTION): THE PROPOSED ISSUE

(a) That the Proposed Issue be and is hereby approved and that approval is hereby given for the issue of 1,319,434,076 new units in Rickmers Maritime ("**New Units**") to the Noteholders, subject to and otherwise in accordance with the terms and conditions of the Proposed Restructuring, whereby the New Units shall rank *pari passu* in all respects with the existing Units of Rickmers Maritime as at the date of the issuance of such New Units, and will be admitted for listing and quotation on the SGX-ST;

(b) that the Trustee-Manager and any Director of the Trustee-Manager be and are hereby authorised to do all such acts and things and to execute all such documents as they may consider expedient or necessary to give effect to this Ordinary Resolution as they deem fit; and

(c) all actions taken by the Trustee-Manager and any Director of the Trustee-Manager in connection with, relating to or arising from the Proposed Issue be and are hereby ratified, confirmed and approved.

RESOLUTION 2 (EXTRAORDINARY RESOLUTION): THE PROPOSED WINDING UP

(a) That in the event that Resolution 1 is not passed and/or the Proposed Restructuring is not approved by the Noteholders at the Noteholders' Meeting, or the Alternative Proposal is not approved by the Noteholders at the Noteholders' Meeting, and where it is impracticable or inadvisable to continue Rickmers Maritime in the opinion of the Trustee-Manager, Rickmers Maritime be wound up in accordance with the Business Trusts Act, Chapter 31A of Singapore ("**BTA**") and the Rickmers Maritime Trust Deed, and the Trustee-Manager be and is hereby authorised to proceed with the winding up of Rickmers Maritime in accordance with the BTA and the Rickmers Maritime Trust Deed;

(b) that the Trustee-Manager and any Director of the Trustee-Manager be and are hereby authorised to do all such acts and things and to execute all such documents as they may consider expedient or necessary to give effect to this Extraordinary Resolution as they deem fit; and

(c) all actions taken by the Trustee-Manager and any Director of the Trustee-Manager in connection with, relating to or arising from the Proposed Winding Up be and are hereby ratified, confirmed and approved.

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

Kim Yi Hwa
Company Secretary

Singapore
7 October 2016

Notes:

1. A Unitholder entitled to attend and vote at the Extraordinary General Meeting of the Unitholders of the Trust (the "**Meeting**") is entitled to appoint one or two proxies to attend and vote in his/her stead. A proxy need not be a Unitholder of the Trust.

2. The instrument appointing a proxy must be deposited at the Registered Office of the Trustee-Manager at 8 Shenton Way #42-03, Singapore 068811 not less than forty-eight (48) hours before the time appointed for holding the Meeting.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Meeting and/or any adjournment thereof, a Unitholder of the Trust (i) consents to the collection, use and disclosure of the Unitholder's personal data by the Trustee-Manager (or its agents) for the purpose of the processing and administration by the Trustee-Manager (or its agents) of proxies and representatives appointed for the Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Meeting (including any adjournment thereof), and in order for the Trustee-Manager (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the Unitholder discloses the personal data of the Unitholder's proxy(ies) and/or representative(s) to the Trustee-Manager (or its agents), the Unitholder has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Trustee-Manager (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the Unitholder will indemnify the Trustee-Manager in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the Unitholder's breach of warranty.

Special Note on Dress Code:
Unitholders of Rickmers Maritime (and their respective proxies) are requested not to wear singlets, bermudas, shorts and slippers at Maxwell Chambers, the venue of the Meeting. Your co-operation in complying with Maxwell Chambers' dress code is greatly appreciated or otherwise, you will be denied entry into the building.

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PROXY FORM

RICKMERS MARITIME
Registration No. 2007003
(A business trust constituted under the laws of the Republic of Singapore)

RICKMERS TRUST MANAGEMENT PTE. LTD.
(As Trustee-Manager of Rickmers Maritime)
Company Registration No. 200616499G
(Incorporated in the Republic of Singapore)

PROXY FORM
(Please see notes overleaf before completing this Form)

I/We, _____ (Name)
holder of NRIC/Passport Number or Company Registration or UEN Number_____
of _____ (Address)
being a Unitholder/Unitholders of Rickmers Maritime (the "**Trust**"), hereby appoint:

Name	**NRIC/Passport Number**	**Proportion of Unitholdings**	
		No. of Units	**%**
Address			

and/or (delete as appropriate)

Name	**NRIC/Passport Number**	**Proportion of Unitholdings**	
		No. of Units	**%**
Address			

or failing the person, or either or both of the persons, referred to above, the Chairman of the Meeting as my/our proxy/proxies to vote for me/us on my/our behalf at the Extraordinary General Meeting (the "**Meeting**") of Unitholders of the Trust to be held at 10 a.m. on 31 October 2016 at Maxwell Chambers, 32 Maxwell Road, Level 3, Stamford Raffles Room, Singapore 069115. I/We direct my/our proxy/proxies to vote for or against the Resolutions proposed at the Meeting as indicated hereunder. If no specific direction as to voting is given or in the event of any other matter arising at the Meeting and at any adjournment thereof, the proxy/proxies will vote or abstain from voting at his/her discretion.

No.	**Resolutions**	**No. of votes for**	**No. of votes against**
1	**Ordinary Resolution** To approve the Proposed Issue of the New Units to the Noteholders pursuant to the Proposed Restructuring		
2	**Extraordinary Resolution** To approve the Proposed Winding Up of Rickmers Maritime in the event of an Unsuccessful Restructuring		

Note: If you wish to use all your votes "For" or "Against", please tick [✓] within the box provided. Otherwise, please indicate the number of votes as appropriate.

Dated this _____ day of _____ 2016.

Total number of Units held in:	
(a) CDP Register	
(b) Register of Unitholders	

_____
Signature(s) of Unitholder(s)
Or, Common Seal of Corporate Unitholder

PROXY FORM

Notes:

1. Please insert the total number of Units held by you. If you have Units entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act, Chapter 289), you should insert that number of Units. If you have Units registered in your name in the Register of Unitholders, you should insert that number of Units. If you have Units entered against your name in the Depository Register and Units registered in your name in the Register of Unitholders, you should insert the aggregate number of Units entered against your name in the Depository Register and registered in your name in the Register of Unitholders. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the Units held by you.

2. A Unitholder of the Trust entitled to attend and vote at a meeting of the Trust is entitled to appoint one or two proxies to attend and vote in his/her stead. A proxy need not be a Unitholder of the Trust.

3. Where a Unitholder appoints two proxies, the appointments shall be invalid unless he/she specifies the proportion of his/her unitholding (expressed as a percentage of the whole) to be represented by each proxy.

4. Completion and return of this instrument appointing a proxy shall not preclude a Unitholder from attending and voting at the Meeting. Any appointment of a proxy or proxies shall be deemed to be revoked if a Unitholder attends the meeting in person, and in such event, the Trust reserves the right to refuse to admit any person or persons appointed under the instrument of proxy to the Meeting.

5. The instrument appointing a proxy or proxies must be deposited at the registered office of the Trustee-Manager at 8 Shenton Way #42-03, Singapore 068811 not less than 48 hours before the time appointed for the Meeting.

6. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised. Where the instrument appointing a proxy or proxies is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument.

7. A corporation which is a Unitholder may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Meeting, in accordance with Section 179 of the Companies Act, Chapter 50 of Singapore.

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s), the Unitholder accepts and agrees to the personal data privacy terms set out in the Notice of Extraordinary General Meeting dated 7 October 2016.

General:

The Trustee-Manager shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible, or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of Units entered in the Depository Register, the Trustee-Manager may reject any instrument appointing a proxy or proxies lodged if the Unitholder, being the appointor, is not shown to have Units entered against his name in the Depository Register as at 48 hours before the time appointed for holding the Meeting, as certified by The Central Depository (Pte) Limited to the Trustee-Manager.

Special Note on Dress Code:
Unitholders of Rickmers Maritime (and their respective proxies) are requested not to wear singlets, bermudas, shorts and slippers at Maxwell Chambers, the venue of the Extraordinary General Meeting. Your co-operation in complying with Maxwell Chambers' dress code is greatly appreciated or otherwise, you will be denied entry into the building.