

CIRCULAR DATED 10 APRIL 2023

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ CAREFULLY.

If you are in any doubt as to the contents of this Circular or the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional advisor immediately.

Capitalised terms appearing on the cover of this Circular shall have the same meanings as defined herein. If you have sold or transferred all your shares in the capital of Atlantic Navigation Holdings (Singapore) Limited (the "**Company**") held through The Central Depository (Pte) Limited ("**CDP**"), you need not forward this Circular with the Notice of Extraordinary General Meeting ("**EGM**") and the attached Proxy Form 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 shares represented by physical share certificate(s), you should immediately forward this Circular with the Notice of EGM and the attached Proxy Form immediately to the purchaser or to the transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or the transferee.

This Circular has been prepared by the Company and its contents have been reviewed by the Company's sponsor, SAC Capital Private Limited ("**Sponsor**"). This Circular has not been examined or approved by the Singapore Exchange Securities Trading Limited ("**SGX-ST**") and the SGX-ST assumes no responsibility for the contents of this Circular, including the correctness of any of the statements or opinions made, or reports contained in this Circular.

The contact person for the Sponsor is Ms Lee Khai Yinn (Tel: (65) 6232 3210) at 1 Robinson Road, #21-00 AIA Tower, Singapore 048542.

This Circular has been made available on SGXNet (www.sgx.com). A printed copy of this Circular will NOT be despatched to Shareholders.

Please refer to Section 8 of this Circular and the Notice of EGM for further information, including the steps to be taken by Shareholders to participate at the EGM.



Atlantic Navigation Holdings (Singapore) Limited

ATLANTIC NAVIGATION HOLDINGS (SINGAPORE) LIMITED

(Company Registration No. 200411055E)
(Incorporated in the Republic of Singapore)

CIRCULAR TO SHAREHOLDERS IN RELATION TO THE PROPOSED ACQUISITION OF A VESSEL WHICH CONSTITUTES AN INTERESTED PERSON TRANSACTION UNDER CHAPTER 9 OF THE CATALIST RULES ("PROPOSED ACQUISITION")

Independent Financial Adviser in relation to the Proposed Acquisition



XANDAR CAPITAL PTE. LTD.

(Company Registration Number: 200002789M)
(Incorporated in the Republic of Singapore)

IMPORTANT DATES AND TIMES:

Last date and time for lodgement of Proxy Form : 23 April 2023 at 11:00 a.m.

Date and time of Extraordinary General Meeting : 25 April 2023 at 11:00 a.m.

(or as soon after the conclusion or adjournment of the 2023 AGM (as defined herein) of the Company to be held at 10:00 a.m. on the same day and at the same place)

Place of Extraordinary General Meeting : Hibiscus Room, Ibis Singapore on Bencoolen, 170 Bencoolen Street, Singapore 189657

CONTENTS

	Page
CORPORATE INFORMATION	2
DEFINITIONS	3
LETTER TO SHAREHOLDERS	7
1. INTRODUCTION	7
2. THE PROPOSED ACQUISITION	8
3. THE PROPOSED ACQUISITION AS AN INTERESTED PERSON TRANSACTION.....	11
4. THE PROPOSED ACQUISITION AS PART OF THE ORDINARY COURSE OF BUSINESS	14
5. FINANCIAL EFFECTS OF THE PROPOSED ACQUISITION	15
6. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS	16
7. EXTRAORDINARY GENERAL MEETING	17
8. ACTION TO BE TAKEN BY SHAREHOLDERS.....	17
9. DIRECTORS' RECOMMENDATIONS	17
10. CONSENTS	17
11. DIRECTOR'S SERVICE CONTRACT	18
12. DIRECTORS' RESPONSIBILITY STATEMENT	18
13. DOCUMENTS FOR INSPECTION	18
APPENDIX I – IFA OPINION	I-1
NOTICE OF EXTRAORDINARY GENERAL MEETING	N-1
EXTRAORDINARY GENERAL MEETING PROXY FORM	

CORPORATE INFORMATION

Directors of the Company	: Mr Kum Soh Har, Michael (<i>Non-Executive and Non-Independent Chairman</i>) Ms Kum Wan Mei, Gwendolyn (Gan Wanmei) (<i>Alternate Director to Mr Kum Soh Har, Michael</i>) Mr Wong Siew Cheong (<i>Executive Director and Chief Executive Officer</i>) Mr Gwee Lian Kheng (<i>Lead Independent Director</i>) Mr Wong Chee Meng, Lawrence (<i>Independent Director</i>) Mr Sam Chee Leong (<i>Independent Director</i>)
Registered Office of the Company	: 30 Cecil Street #19-08 Prudential Tower Singapore 049712
Legal Adviser to the Company in respect of the Proposed Acquisition	: Virtus Law LLP 8 Marina Boulevard #29-01 Marina Bay Financial Centre Tower 1 Singapore 018981
Independent Financial Adviser in respect of the Proposed Acquisition	: Xandar Capital Pte. Ltd. 3 Shenton Way #24-02 Shenton House Singapore 068805

DEFINITIONS

The following definitions shall apply throughout unless otherwise stated in this Circular:

"2023 AGM"	:	The annual general meeting of the Company for FY2022 to be held at Hibiscus Room, Ibis Singapore on Bencoolen, 170 Bencoolen Street, Singapore 189657 on 25 April 2023 at 10:00 a.m.
"Act" or "Companies Act"	:	The Companies Act 1967 of Singapore, as amended, supplemented or modified from time to time
"Announcement"	:	The announcement by the Company on 6 April 2023. Please refer to Section 1.1 of this Circular for further information in this regard
"Atlantic Oceana" or "Buyer"	:	Atlantic Oceana Inc., a company incorporated in British Virgin Islands and a wholly-owned indirect subsidiary of the Company
"Board"	:	The board of Directors of the Company
"Catalist"	:	The Catalist board of the SGX-ST
"Catalist Rules"	:	The SGX-ST Listing Manual Section B: Rules of Catalist, as may be amended, modified or supplemented from time to time
"CDP"	:	The Central Depository (Pte) Limited
"Circular"	:	This circular to Shareholders dated 10 April 2023 in respect of the Proposed Acquisition
"Company"	:	Atlantic Navigation Holdings (Singapore) Limited
"Completion"	:	Completion of the Proposed Acquisition. Please refer to Section 2.4.4 of this Circular for further information in this regard
"Consideration"	:	The consideration for the Proposed Acquisition being US\$10.0 million (being 4.76% discount from the valuation of US\$10.5 million based on the CWA Valuation Report)
"Consumables"	:	Lubricating and hydraulic oils and greases
"Controlling Shareholder"	:	A person who: (a) holds directly or indirectly 15% or more of the total number of issued shares excluding treasury shares and subsidiary holdings in a company. The SGX-ST may determine that a person who satisfies this paragraph is not a controlling shareholder; or (b) in fact exercises control over a company

"Constitution"	:	The Constitution of the Company, as amended, modified or supplemented from time to time
"CWA"	:	Cleghorn, Wilton & Associates, Ltd., Dubai, UAE
"CWA Valuation Report"	:	The valuation report prepared by CWA. Please refer to Section 2.3.1 of this Circular for further information in this regard
"Directors"	:	The directors of the Company as at the Latest Practicable Date
"EGM"	:	The extraordinary general meeting of the Company, notice of which is set out on pages N-1 to N-3 of this Circular
"EPS"	:	Earnings per Share
"First SPS"	:	The first major special survey due every five years. Please refer to Section 2.2 of this Circular for further information in this regard
"FY"	:	Financial year ended or ending 31 December, as the case may be
"Group"	:	The Company and its subsidiaries, collectively
"IFA"	:	The independent financial adviser in relation to the Proposed Acquisition, being Xandar Capital Pte. Ltd.
"IFA Opinion"	:	The IFA opinion provided by the IFA, and which has been appended hereto as Appendix I. Please refer to Section 3.3.2 of this Circular for more information in this regard
"Independent Shareholders"	:	Shareholders who are deemed to be independent for the purpose of the Proposed Acquisition as an interested person transaction under the Catalist Rules, being Shareholders who are independent of the Seller and its associates
"Initial Payment"	:	50% of the Consideration, being US\$5.0 million. Please refer to Section 2.4.2 of this Circular for more information in this regard
"Latest Practicable Date"	:	6 April 2023, being the latest practicable date prior to the issue of this Circular
"Market Day"	:	A day on which the SGX-ST is open for trading in securities
"MLS"	:	Marine Logistics Services provided by the Group
"MOA"	:	The memorandum of agreement between the Buyer and the Seller, which was executed on 6 April 2023

"Non-Interested Directors"	:	The Directors who are considered independent in relation to the Proposed Acquisition, namely Mr Wong Siew Cheong, Mr Gwee Lian Kheng, Mr Wong Chee Meng, Lawrence and Mr Sam Chee Leong
"Notice of EGM"	:	The notice of EGM which is set out on pages N-1 to N-3 of this Circular
"NTA"	:	Net tangible assets
"Ordinary Resolution"	:	The ordinary resolution as set out in the Notice of EGM
"Parties"	:	The Buyer and the Seller
"Proposed Acquisition"	:	The proposed acquisition of the Vessel
"Register of Members"	:	The register of members of the Company
"Securities Account"	:	A securities account maintained by a Depositor with CDP, but does not include a securities account maintained with a Depository Agent
"Seller" or "Saeed"	:	Saeed Investment Pte. Ltd.
"SFA"	:	The Securities and Futures Act 2001 of Singapore, as amended, modified or supplemented from time to time
"SGX-ST"	:	Singapore Exchange Securities Trading Limited
"Shareholders"	:	Registered holders of Shares, except that where the registered holder is CDP, the term "Shareholders" shall, in relation to such Shares and where the context admits, mean Depositors whose Securities Accounts are credited with such Shares
"Shares"	:	Ordinary shares in the capital of the Company and " Share " shall be construed accordingly
"Substantial Shareholders"	:	A person who has an interest (directly or indirectly) of 5% or more of the total voting Shares
"treasury share"	:	Shall have the meaning ascribed to it under the Act
"UAE"	:	United Arab Emirates
"US\$"	:	US dollars, being the lawful currency of the United States of America
"Vessel"	:	Vega Egypt 1 (International Maritime Organization Number 9754513)
"S\$" and "cents"	:	Singapore dollars and cents respectively, being the lawful currency of the Republic of Singapore
"%"	:	Percentage or per centum

The terms "**Depositor**", "**Depository Agent**" and "**Depository Register**" shall have the meanings ascribed to them respectively in Section 81SF of the SFA.

The term "**subsidiary**" shall have the meaning ascribed to it in Section 5 of the Act.

Words importing the singular number, where applicable, shall include the plural and *vice versa*. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall, where applicable, include firms, corporations and other entities.

Any reference in this Circular to "**Rule**" or "**Chapter**" is a reference to the relevant rule or chapter in the Catalist Rules as for the time being, unless otherwise stated.

Any reference in this Circular to any enactment is a reference to that statute or enactment for the time being amended or re-enacted up to the Latest Practicable Date. Any term defined under the Act, the SFA, the Catalist Rules or any statutory modification thereof and used in this Circular shall, where applicable, have the meaning assigned to it under the Act, the SFA, the Catalist Rules or any statutory modification thereof, as the case may be, unless otherwise provided.

Any discrepancies in the tables included herein between the amounts in the columns of the tables and the totals thereof and relevant percentages (if any) are due to rounding. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

Any reference to a time of day shall be a reference to Singapore time unless otherwise stated.

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

ATLANTIC NAVIGATION HOLDINGS (SINGAPORE) LIMITED

(Company Registration No. 200411055E)
(Incorporated in the Republic of Singapore)

LETTER TO SHAREHOLDERS

Directors

Mr Kum Soh Har, Michael (*Non-Executive and Non-Independent Chairman*)
Ms Kum Wan Mei, Gwendolyn (Gan Wanmei) (*Alternate Director to Mr Kum Soh Har, Michael*)
Mr Wong Siew Cheong (*Executive Director and Chief Executive Officer*)
Mr Gwee Lian Kheng (*Lead Independent Director*)
Mr Wong Chee Meng, Lawrence (*Independent Director*)
Mr Sam Chee Leong (*Independent Director*)

Registered Office

30 Cecil Street
#19-08 Prudential Tower
Singapore 049712

10 April 2023

To: The Shareholders of Atlantic Navigation Holdings (Singapore) Limited

Dear Sir/Madam

THE PROPOSED ACQUISITION OF A VESSEL WHICH CONSTITUTES AN INTERESTED PERSON TRANSACTION UNDER CHAPTER 9 OF THE CATALIST RULES

1. INTRODUCTION

- 1.1. On 6 April 2023, the Company announced (the "**Announcement**") that its wholly-owned indirect subsidiary, Atlantic Oceana, had, on 6 April 2023, entered into a MOA with the Seller in relation to the Proposed Acquisition.
- 1.2. As Saeed is a Controlling Shareholder of the Company, the Proposed Acquisition constitutes an interested person transaction under Chapter 9 of the Catalist Rules and is subject to Independent Shareholders' approval at the EGM.
- 1.3. The Directors therefore propose to convene the EGM on 25 April 2023 at 11:00 a.m. (or as soon after the conclusion or adjournment of the 2023 AGM to be held at 10:00 a.m. on the same day and at the same place) to seek Independent Shareholders' approval for the Proposed Acquisition ("**Ordinary Resolution**").
- 1.4. The purpose of this Circular is to provide Shareholders with information relating to the Ordinary Resolution to be tabled at the EGM, and to ensure that Shareholders will be in a position to make an informed decision in respect of the Ordinary Resolution at the EGM. The Notice of EGM is set out on pages N-1 to N-3 of this Circular.
- 1.5. The SGX-ST assumes no responsibility for the accuracy of any statements or opinions made or reports contained in this Circular. If a Shareholder is in any doubt as to the course of action he should take, he should consult his stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

2. THE PROPOSED ACQUISITION

2.1. Information relating to the Seller and the Vessel

The information on the Seller and the Vessel in this Circular was provided by the Seller. In respect of such information, the Company and the Board have not independently verified the accuracy and correctness of the same and the Company's responsibility is limited to the proper extraction and reproduction herein in the context that the information is being disclosed in this Circular.

2.1.1. Information relating to the Seller

The Seller is a company incorporated in Singapore on 8 May 2018 with its principal business in investment holding.

As at the Latest Practicable Date, the Seller is a controlling shareholder of the Company and is deemed to be interested in 262,918,394 shares representing 50.22% in the capital of the Company.

The Seller is wholly owned by Mr Kum Soh Har, Michael (*Non-Executive and Non-Independent Chairman*) and his spouse, Madam Ong Bee Yong Lynda, in equal shares. Accordingly, the Seller is an associate of Mr Kum Soh Har, Michael.

In view of the above, the Seller is an interested person and the Proposed Acquisition is an interested person transaction under Chapter 9 of the Catalist Rules.

2.1.2. Information relating to the Vessel

The Vessel is a 75-metre multi-purpose platform supply vessel with 57-men accommodation with clear deck space of 520 square metres, equipped with Dynamic Positioning 2 and Fire Fighting Notation 1 as well as an offshore pedestal telescopic crane with main-hook safe working load of up to 40 tons at operating height between 5.5metres and 8.0 metres. It was built in October 2017 and had recently completed its first major special survey due every five years in October 2022 ("**First SPS**") with class society being American Bureau Society. Further information relating to the valuation of the Vessel may be found in Section 2.3 of this Circular.

2.2. Rationale and benefit to the Group for the Proposed Acquisition

The business of the Group is categorised into two principal operating divisions, namely MLS and Ship Repair, Fabrication and Other Marine Services. The MLS division provides ship chartering, technical and chartering project management, principally for the offshore oil and gas as well as marine construction industries predominantly in the Middle East region.

The Board believes that the Proposed Acquisition will enhance the long-term interests of the Group and its Shareholders on the following basis:

- (a) the Proposed Acquisition is in line with the Group's strategy for its MLS business to invest and expand its fleet with young quality vessels and is intended to further establish the Group's business in the Middle East region. The acquisition of another quality vessel will also allow the Group to offer more comprehensive services to its clients as part of its long term plans;

- (b) as previously disclosed in the financial results announcement for the first financial quarter ended 31 March 2022 dated 15 July 2022, the Vessel has been under the management of ship manager Atlantic Maritime Group FZE, a wholly-owned subsidiary of the Group, since November 2021. Hence, the Group is familiar with and aware of the operational capabilities of the Vessel, and to the best of the Directors' knowledge, no major capital expenditure is required of the Vessel subsequent to the Proposed Acquisition in the near future in view of the recent completion of the First SPS; and
- (c) the Vessel is currently on firm contract with an international charterer until 27 October 2023 with an option exercisable by the charterer to extend the contract for up to 180 days i.e. until 24 April 2024. The Proposed Acquisition will allow the Group to continue with the contract and generate operational charter income subsequent to the completion of the Proposed Acquisition, subject to the Independent Shareholders' approval at the EGM.

2.3. Value of the Vessel to be acquired

2.3.1. The Company did not engage an independent valuer to perform a valuation on the Vessel for the purpose of the Proposed Acquisition. However, Cleghorn, Wilton & Associates, Ltd. ("**CWA**"), Dubai, UAE, an independent valuer, was appointed by the Group to perform a valuation of the Vessel ("**CWA Valuation Report**") at the request of one of its principal banks in the Middle East for the purpose of evaluating the general condition and valuation of the Vessel whereby the Vessel was valued at US\$10,500,000 as at 7 March 2023, being the date of the CWA Valuation Report. Established in the UAE circa 1976, CWA has been the Group's valuer of its vessel fleet since its inception and is on the panel of approved valuers of the principal banker.

2.3.2. The valuation of the Vessel was based on willing buyer, willing seller basis, assuming charter-free delivery, free average, free of liens and encumbrance and with valid full-term classification and statutory certificates, and taking into consideration of, *inter alia*, the following:

- (a) review of documentation in accordance with classification rules and statutory requirement;
- (b) review of all vessel related documents and a condition survey of the main deck plating, mooring fairleads, towing brackets, anchor and associated equipment and manholes for tank entry;
- (c) review of the inventory list of all existing equipment and associated spare parts; and
- (d) other considerations which, *inter alia*, includes the size, type and characteristics of the Vessel.

2.4. Principal terms of the Proposed Acquisition

The principal terms of the Proposed Acquisition are set as follows:

2.4.1. Consideration

The Consideration for the Proposed Acquisition is US\$10.0 million, being 4.76% discount from the valuation of US\$10.5 million based on the CWA Valuation Report. The Consideration was arrived at on a willing-buyer willing-seller basis, after negotiations which were conducted on an arm's length basis between the Buyer and the Seller, taking into account several factors including, *inter alia*, (i) the CWA Valuation Report, (ii) the offshore oil and gas market in the Middle East region, and (iii) the Vessel having an existing firm contract and having completed its First SPS in October 2022.

For the avoidance of doubt, the Consideration does not include the cost for Consumables, the purchase of which is customary in such acquisition of vessels. The Buyer shall take over and pay at the market price on the date of delivery of the Vessel for the quantities of Consumables taken over and such payment shall be made to the Seller at the time of Initial Payment in the same currency as the Consideration. The Company expects the amount of payment for the Consumables to be immaterial, being less than S\$100,000.

2.4.2. Method of payment

Assuming that Shareholders' approval for the Proposed Acquisition is obtained at the EGM, the Buyer will pay 50% of the Consideration, being US\$5.0 million, to be received by the Sellers in a nominated account on or by 2 May 2023 ("**Initial Payment**").

The balance Consideration, being US\$5.0 million, shall be deferred and paid in subsequent equal installments of US\$1.0 million per month over five (5) months starting from May 2023.

The Consideration is expected to be funded by the medium term loan facility of up to US\$20.0 million available to the Company, as announced by the Company on 16 March 2023 with respect to the Initial Payment as well as cash flow from operations of the Group in relation to the installments.

2.4.3. Conditions Precedent

The completion of the Proposed Acquisition is conditional on the following conditions being satisfied:

- (a) **Shareholders' Approval:** approval of the Shareholders obtained in an EGM for the Proposed Acquisition;
- (b) **Inspection:** inspection and acceptance of the Vessel's classification records to the satisfaction of the Buyer;
- (c) **Documentation:** the Buyer and the Seller will exchange documents as prescribed under the MOA on the day of delivery, which includes, *inter alia*, (i) original legal bill of sale in a form recordable in Buyer's nominated flag state, transferring title of the Vessel and stating that the Vessel is free from all mortgages, encumbrances and maritime liens or any other debts whatsoever, duly notarised and apostilled and a certified true copy thereof; (ii) commercial invoice for the Vessel and the Consumables; (iii) evidence of approval from the board of directors of the Buyer and the Seller to authorise the execution, delivery and performance of the MOA; and (iv) a written undertaking by the Seller to effect deletion from the Vessel's registry and provide the electronically issued deletion duly apostilled from the previous flag registry together with the electronically issued closed Continuous Synopsis Record (CSR) of the Vessel issued by the Vessel's registry, to the Buyer promptly and latest within four (4) weeks after the Initial Payment has been received by the Seller.

2.4.4. Completion

Assuming that Shareholders' approval for the Proposed Acquisition is obtained at the EGM, the title of the Vessel is deemed transferred with full economic benefits accruing to the Group on 1 May 2023 ("**Completion**"). For the avoidance of doubt, the Vessel is expected to be delivered to the Buyer on 30 April 2023. The Buyer and the Seller shall sign and deliver to each other a protocol of delivery and acceptance confirming the date and time of delivery of the Vessel from the Seller to the Buyer.

If the Seller anticipates that, notwithstanding the exercise of due diligence by them, the Vessel will not be ready by 30 April 2023, the Seller may notify the Buyer in writing stating the date when they anticipate that the Vessel will be ready for delivery and proposing a new date while the Buyer retains the option of cancelling the MOA.

2.4.5. Warranties and Undertakings

The Seller warrants that the Vessel, at the time of delivery, is free from all encumbrances, mortgages and maritime liens or any other debts whatsoever, and is not subject to port state or other administrative detentions. The Seller undertakes to indemnify the Buyer against all consequences of claims made against the Vessel which have been incurred prior to the time of delivery.

3. THE PROPOSED ACQUISITION AS AN INTERESTED PERSON TRANSACTION

3.1. Materiality thresholds under Chapter 9 of the Catalist Rules

3.1.1. In accordance with Rule 906(1)(a) and Rule 918 of the Catalist Rules, where the value of an interested person transaction, or when aggregated with other transactions entered into with the same interested person during the same FY, is equal to or exceeds 5% of the Group's latest audited NTA, the approval of Shareholders is required to be obtained either prior to the transaction being entered into, or if the transaction is expressed to be conditional on such approval, prior to the completion of such transaction, as the case may be.

3.1.2. The Seller is an interested person and the Proposed Acquisition is an interested person transaction under Chapter 9 of the Catalist Rules. Based on the latest audited consolidated financial statements of the Group for FY2021 (at the date of the Announcement on 6 April 2023), the audited consolidated NTA of the Group was approximately US\$68.8 million as at 31 December 2021. The Consideration represents at least 14.53% of the Group's latest audited consolidated NTA value as at 31 December 2021. As this value exceeds 5%, pursuant to Rule 906(1)(a) of the Catalist Rules, the Proposed Acquisition constitute an interested person transaction which is subject to the approval of Independent Shareholders.

3.2. The aggregate of all interested persons transactions

Pursuant to Rule 917(5) of the Catalist Rules, the current total of all interested person transactions from 1 January 2023 up to the Latest Practicable Date are as follows:

Name of interested person & nature of the interested person transaction	Amount (US\$'000)
<u>Saeed:</u>	
- Interest on advance due from the Group ⁽¹⁾	25
- Ship management fees due to the Group ⁽²⁾	198
Sub-total:	223
<u>Mr Wong Siew Cheong:</u>	
- Interest on loan due from the Group ⁽³⁾	59
- Employment visa agency and administrative services rendered by related company in the UAE	17
Sub-total:	76
Grand Total	299

Notes:

- (1) As at the Latest Practicable Date, the Seller had provided an aggregate of US\$3.0 million shareholder advance (the "**Advance**") to the Group where the Advance is unsecured, interest-bearing at an interest rate of 3.0% per annum, and further advance of US\$0.8 million which is unsecured and non-interest bearing, both sums to be settled in cash.
- (2) Pursuant to the Ship Management Agreement between the Seller and a wholly-owned ship manager subsidiary of the Group, i.e. Atlantic Maritime Group FZE entered on 15 July 2022 with effect from 16 November 2021 for the provision of ship management services including commercial, technical, crewing and operational expenses management services of the Vessel for fees to be determined on a per-day basis. For avoidance of doubt, the Ship Management Agreement will cease upon Completion.
- (3) As at the Latest Practicable Date, Mr Wong Siew Cheong, the Executive Director and CEO, had provided an aggregate of US\$7.3 million loan to the Group (the "**Loan**") where the Loan is unsecured, interest-bearing at an interest rate of 3.0% per annum, and advances of US\$1.6 million which is unsecured, non-interest bearing, both sums to be settled in cash.

Save as disclosed above and the Proposed Acquisition, no other interested person transactions were entered into between the Company and the Seller or its associates from 1 January 2023 up to the Latest Practicable Date.

3.3. Advice of the IFA

- 3.3.1. Rule 921(4)(a) of the Catalist Rules provides that, where Shareholders' approval is required for an interested person transaction, the Shareholders' circular must include an opinion from an independent financial adviser as to whether such transaction is on normal commercial terms and if it is prejudicial to the interests of the Company and its minority Shareholders.
- 3.3.2. The Company has appointed Xandar Capital Pte. Ltd. as the IFA to provide an opinion on whether the Proposed Acquisition are on normal commercial terms and are not prejudicial to the interests of the Company and its minority Shareholders (the "**IFA Opinion**"). A copy of the IFA letter dated 10 April 2023 from the IFA, containing the IFA Opinion in full, is set out in Appendix I of this Circular. Shareholders are advised to read the IFA Opinion carefully and in its entirety. The advice of the IFA to the Non-Interested Directors has been extracted from the IFA letter and is reproduced in italics below:

"Having regard to our terms of reference, in arriving at our opinion, we have taken into account a range of factors which we consider to be pertinent and have a significant bearing on our assessment of the Proposed Acquisition. We have carefully considered as many factors as we deem essential and balanced them before reaching our opinion. Accordingly, it is important that our IFA Letter, in particular, all the considerations and information we have taken into account, be read in its entirety.

We set out below a summary of the key factors we have taken into our consideration of the Proposed Acquisition:

- (a) *the Consideration is at a discount of 4.76% to the valuation opined by CWA for the purpose of evaluating the general condition and valuation of the vessel for financial institution purposes;*
- (b) *the key terms of the MOA are the same or more favourable to the Group as compared to the terms and conditions set out in SALEFORM 2012, a widely used standardised form contract which prescribes the usual market terms and conditions for the sale and purchase of vessels;*

- (c) *the Group has favourable payment terms for the Proposed Acquisition and can take immediate delivery of the Vessel;*
- (d) *the Proposed Acquisition is beneficial to the Group as it is acquiring a vessel younger than the average age of its existing fleet, the Vessel is not expected to require any major capital expenditure in the near future and has a firm contract which provides stable revenue to the Group up to 27 October 2023;*
- (e) *while there is a lack of market comparable for the Vessel, we note that the Consideration is lower than the average consideration for the 10 medium PSV to be acquired by Tidewater Inc announced in March 2023;*
- (f) *there is no change to the Group's net tangible assets per Share and the earnings per Share while the Group's gearing ratio will increase from 0.45 times to 0.49 times with the Proposed Acquisition; and*
- (g) *other consideration as set out in paragraph 4.7 of this IFA Letter.*

Accordingly, after taking into account the above factors and the information made available to us as at the Latest Practicable Date, we are of the opinion that, the Proposed Acquisition is on normal commercial terms and is not prejudicial to the interests of the Company and its minority shareholders."

3.4. Audit committee's statement

The members of the audit committee of the Company (other than Mr Kum Soh Har, Michael) do not have any interests in the Proposed Acquisition and are accordingly deemed to be independent for the purposes of the Proposed Acquisition. Having reviewed, *inter alia*, the terms of the MOA, the rationale and benefits to the Group for the Proposed Acquisition, the CWA Valuation Report, and having considered the advice of the IFA, the audit committee of the Company (other than Mr Kum Soh Har, Michael) concurs with the IFA and is of the view that the Proposed Acquisition is on normal commercial terms and is not prejudicial to the interests of the Company and its minority Shareholders.

3.5. Abstention from voting on the Proposed Acquisition

- 3.5.1. Pursuant to Rule 919 of the Catalist Rules, the Seller shall abstain, and shall procure that its associates and nominees abstain, from voting in respect of their shareholding in the Company on the ordinary resolution relating to the Proposed Acquisition. The Seller shall not, and shall procure that its associates and nominees shall not, accept nominations as a proxy or otherwise for voting on the ordinary resolution relating to the Proposed Acquisition unless it is given specific instructions as to voting.
- 3.5.2. The Company shall disregard any votes cast by the Seller and its associates on the Ordinary Resolution relating to the Proposed Acquisition.

4. THE PROPOSED ACQUISITION AS PART OF THE ORDINARY COURSE OF BUSINESS

4.1. The Proposed Acquisition is in the ordinary course of business of the Group. Nevertheless, the relative figures of the Proposed Acquisition computed on the bases set out in Rules 1006(a) to 1006(e) of the Catalyst Rules are set out below for Shareholders' reference:

Catalist Rule	Basis of Calculation	Relative figure (%)
1006(a)	The net asset value of the assets to be disposed of, compared with the group's net asset value. ⁽¹⁾ This basis is not applicable to an acquisition of assets.	Not applicable ⁽²⁾
1006(b)	The net profits attributable to the assets acquired or disposed of, compared with the group's net profits. ⁽³⁾	Not applicable ⁽⁴⁾
1006(c)	The aggregate value of the consideration given or received, compared with the issuer's market capitalisation based on the total number of issued shares excluding treasury shares.	25.5% ⁽⁵⁾
1006(d)	The number of equity securities issued by the issuer as consideration for an acquisition, compared with the number of equity securities previously in issue.	Not applicable ⁽⁶⁾
1006(e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the group's proved and probable reserves. This basis is applicable to a disposal of mineral, oil or gas assets by a mineral, oil and gas company, but not to an acquisition of such assets. If the reserves are not directly comparable, the Exchange may permit valuations to be used instead of volume or amount.	Not applicable ⁽⁷⁾

Notes:

- (1) Under Rule 1006(a) of the Catalyst Rules, "net assets" means total assets less total liabilities.
- (2) Rule 1006(a) of the Catalyst Rules is not applicable to the Proposed Acquisition, being an acquisition of assets.
- (3) Under Rule 1002(3)(b) of the Catalyst Rules, "net profits" is defined as profit or loss including discontinued operations that have not been disposed and before income tax and non-controlling interests.
- (4) No net profit or loss is attributable to the Vessel.
- (5) The market capitalisation of S\$11.2 million is calculated based on the volume weighted average price of S\$0.0995 on 31 March 2023, being the last full Market Day on which the shares of the Company were traded, preceding the date of the signing of the MOA. The exchange rate used is US\$1.00 : S\$1.3265 on 5 April 2023, being the last Market Day preceding the date of the signing of the MOA, extracted from Oanda.com.
- (6) Rule 1006(d) of the Catalyst Rules is not applicable to the Proposed Acquisition as the Consideration does not involve equity securities.
- (7) Rule 1006(e) of the Catalyst Rules is not applicable as the Company is not a mineral, oil and gas company.

- 4.2. Accordingly, the Proposed Acquisition is deemed a discloseable transaction if Chapter 10 of the Catalyst Rules were to be applied. Nevertheless, the Proposed Acquisition is an interested person transaction under Chapter 9 of the Catalyst Rules which is subject to the approval of the Shareholders at the EGM.

5. FINANCIAL EFFECTS OF THE PROPOSED ACQUISITION

5.1. Bases and Assumptions

The following are presented for illustration purposes only and are not intended to reflect the actual future financial situation of the Company after Completion. The financial effects of the Proposed Acquisition on the Company as set out below are based on the Group's latest audited financial statements for FY2022 and the following assumptions:

- (a) the financial effects on the Group's NTA attributable to the Shareholders and the NTA per Share as well as the gearing ratio have been computed assuming that Completion took place on 31 December 2022;
- (b) the financial effects on the Group's earnings attributable to the Shareholders and the EPS have been computed assuming that Completion took place on 1 January 2022; and
- (c) the Vessel does not generate any income and does not incur any cost.

5.2. Share Capital

As no new Shares will be issued by the Company in connection with the Proposed Acquisition, the Proposed Acquisition will have no impact on the Company's issued share capital.

5.3. NTA per Share

	Before the Proposed Acquisition	After the Proposed Acquisition
NTA (US\$'000)	81,827	81,827
Number of issued shares	523,512,144	523,512,144
NTA per share (US cents)	15.63	15.63

5.4. EPS

	Before the Proposed Acquisition	After the Proposed Acquisition
Net profit attributable to Shareholders (US\$'000)	11,208	11,208
Weighted average number of shares	523,512,144	523,512,144
EPS (US cents)	2.14	2.14

5.5. Gearing

	Before the Proposed Acquisition	After the Proposed Acquisition
Net borrowings / (cash) ⁽¹⁾ as at 31 December 2022 (US\$'000)	67,443	77,443
Shareholders' equity (US\$'000)	81,833	81,833
Gearing (times)	0.45	0.49

Note:

- (1) Net debts means total debts (including trade payables, accruals and other payables, other non-financial liabilities, lease liabilities and loans and borrowings) less cash and bank balances.

6. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

- 6.1. The interests of Directors and Substantial Shareholders (both direct and deemed) in the issued share capital of the Company as recorded in the Register of Directors' Shareholdings and the Register of Substantial Shareholdings of the Company as at the Latest Practicable Date are set out below. The percentages shown are based on the issued capital of the Company as at the Latest Practicable Date.

	Direct Interest		Deemed Interest	
	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾
Directors				
Kum Soh Har, Michael ⁽²⁾	–	–	262,918,394	50.22
Kum Wan Mei, Gwendolyn	–	–	–	–
Wong Siew Cheong ⁽³⁾	166,599,000	31.82	33,375,000	6.38
Gwee Lian Kheng	–	–	–	–
Wong Chee Meng, Lawrence	–	–	–	–
Sam Chee Leong	–	–	–	–
Substantial Shareholders (other than Directors)				
Saeed Investment Pte. Ltd. ⁽⁴⁾	–	–	262,918,394	50.22
Ong Bee Yong, Lynda ⁽²⁾	–	–	262,918,394	50.22
Chong Mee Chin ⁽³⁾	–	–	33,375,000	6.38

Notes:

- (1) Based on 523,512,144 issued Shares (excluding treasury shares and subsidiary holdings) as at the Latest Practicable Date.
- (2) Kum Soh Har, Michael and Ong Bee Yong, Lynda are deemed interested in 262,918,394 Shares which are held by Saeed Investment Pte. Ltd. by virtue of Section 7 of the Act.
- (3) Wong Siew Cheong is deemed to be interested in 33,375,000 Shares which are held by his spouse, Chong Mee Chin. Chong Mee Chin is deemed to be interested in the 33,375,000 Shares held through DBS Nominees (Private) Limited.
- (4) Saeed Investment Pte. Ltd. is deemed to be interested in 262,918,394 Shares through HSBC (Singapore) Nominees Pte Ltd.

- 6.2. Save as disclosed in this Circular, none of the Directors or, as far as the Directors are aware, Substantial Shareholders of the Company has any interest, direct or indirect, in the transactions contemplated herein (other than in his capacity as a Director or Shareholder of the Company).

7. EXTRAORDINARY GENERAL MEETING

The EGM will be held on 25 April 2023 at 11:00 a.m. (or as soon after the conclusion or adjournment of the 2023 AGM to be held at 10:00 a.m. on the same day and at the same place) to seek approval from Independent Shareholders for the purpose of considering and, if thought fit, passing, with or without modification the Ordinary Resolution set out in the Notice of EGM attached in this Circular. The Notice of EGM is set out on pages N-1 to N-3 of this Circular.

8. ACTION TO BE TAKEN BY SHAREHOLDERS

- 8.1. Shareholders who are unable to attend the EGM and who wish to appoint a proxy to attend on their behalf are requested to 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 reach the registered office of the Company not less than forty-eight (48) hours before the time fixed for the EGM. The completion and lodgment of the proxy form by a Shareholder will not prevent him from attending and voting at the EGM in person if he so wishes.
- 8.2. A Depositor shall not be regarded as a member of the Company entitled to attend the EGM and to speak and vote thereat unless his name appears on the Depository Register at least seventy-two (72) hours before the EGM.

9. DIRECTORS' RECOMMENDATIONS

- 9.1. The Non-Interested Directors, having considered *inter alia* the terms of the MOA, the rationale and benefits to the Group for the Proposed Acquisition, the CWA Valuation Report, the IFA Opinion, the views of the audit committee and all other relevant information set out in this Circular, are of the view that the Proposed Acquisition is in the best interests of the Company and the Shareholders. Accordingly, the Non-Interested Directors recommend that Independent Shareholders vote in favour of the Ordinary Resolution in respect of the Proposed Acquisition set out in the Notice of EGM attached in this Circular.
- 9.2. Mr Kum Soh Har, Michael (*Non-Executive and Non-Independent Chairman*), being the co-owner of the Seller, and Ms Kum Wan Mei, Gwendolyn (*Gan Wanmei*) (*Alternate Director to Mr Kum Soh Har, Michael*) are considered to be conflicted in relation to the Proposed Acquisition. They have therefore refrained from making any recommendation to the Shareholders for the Ordinary Resolution relating to the Proposed Acquisition as set out in the Notice of EGM.

10. CONSENTS

10.1. Consent of legal adviser

Virtus Law LLP, named as the legal adviser to the Company in respect of the Proposed Acquisition and general advice pertaining to the Catalist Rules in relation to the Proposed Acquisition, has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its name and all references thereto, in the form and context in which they appear in this Circular.

10.2. **Consent of the IFA**

The IFA has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its name and the IFA letter (containing the IFA Opinion in full) and all references thereto, in the form and context in which they appear in this Circular.

11. **DIRECTOR'S SERVICE CONTRACT**

No person is proposed to be appointed as a director of the Company in connection with the Proposed Acquisition. Accordingly, no service contract is proposed to be entered into between the Company and any such person.

12. **DIRECTORS' RESPONSIBILITY STATEMENT**

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular (save for information relating to the Seller and the Vessel) 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 Acquisition, the Company 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 this 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 this Circular in its proper form and context.

13. **DOCUMENTS FOR INSPECTION**

Copies of the following documents are available for inspection during normal business hours from 9.00 a.m. to 5.00 p.m. at the registered office of the Company at 30 Cecil Street, #19-08, Prudential Tower, Singapore 049712 for a period of three (3) months from the date of this Circular.

- (a) the annual reports of the Company for FY2021 and FY2022;
- (b) the MOA;
- (c) the CWA Valuation Report;
- (d) the IFA Opinion;
- (e) the consent letter from the legal adviser to the Company; and
- (f) the consent letter from the IFA.

Yours faithfully
for and on behalf of the Board of Directors of
Atlantic Navigation Holdings (Singapore) Limited

Wong Siew Cheong
Executive Director and Chief Executive Officer

APPENDIX I – IFA OPINION

Appended as follows



10 April 2023

ATLANTIC NAVIGATION HOLDINGS (SINGAPORE) LIMITED

30 Cecil Street
#19-08 Prudential Tower
Singapore 049712

Attention: The Non-Interested Directors (as defined herein)

Dear Sirs

LETTER FROM XANDAR CAPITAL PTE. LTD. TO THE NON-INTERESTED DIRECTORS OF ATLANTIC NAVIGATION HOLDINGS (SINGAPORE) LIMITED (THE “COMPANY”) IN RESPECT OF THE PROPOSED ACQUISITION OF A VESSEL WHICH CONSTITUTES AN INTERESTED PERSON TRANSACTION UNDER CHAPTER 9 OF THE LISTING MANUAL (SECTION B: RULES OF CATALIST) (THE “CATALIST RULES”) OF THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED (THE “SGX-ST”)

All capitalised terms in this letter which are not defined herein shall have the same meaning ascribed to them in the circular to shareholders of the Company dated 10 April 2023 (the “Circular”).

1. INTRODUCTION

On 6 April 2023 (the “**Announcement Date**”), the Company announced that its wholly-owned subsidiary, Atlantic Oceana Inc. (the “**Buyer**”), had, on 6 April 2023, entered into a memorandum of agreement (the “**MOA**”) with Saeed Investment Pte. Ltd. (“**Saeed**”), pursuant to which Saeed has agreed to sell, and the Buyer has agreed to acquire a vessel known as *Vega Egypt 1* (the “**Vessel**”) for a cash consideration of US\$10.0 million (the “**Consideration**”) (the “**Proposed Acquisition**”).

Saeed is deemed to be interested in 262,918,394 ordinary shares in the capital of the Company (the “**Shares**”), representing approximately 50.22% of the total issued Shares as at 6 April 2023, being the “Latest Practicable Date” for the Circular. Accordingly, Saeed is regarded as an “interested person” and the Proposed Acquisition is an “interested person transaction” under Chapter 9 of the Catalist Rules.

As the value of the Proposed Acquisition exceeds 5% of the Company’s latest audited consolidated net tangible assets (“**NTA**”) of approximately US\$68.8 million as at 31 December 2021 (being the latest audited consolidated NTA of the Company as at the Announcement Date), the Proposed Acquisition is an “interested person transaction” subject to the approval of the shareholders of the Company (“**Shareholders**”) who are deemed independent under the Catalist Rules in respect of the Proposed Acquisition (the “**Independent Shareholders**”) at an extraordinary general meeting of the Company (“**EGM**”) to be convened.

Page 1 of 15

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In connection thereof, the Company is required to obtain an opinion from an independent financial adviser (“**IFA**”) on whether the Proposed Acquisition is on normal commercial terms, and whether the Proposed Acquisition is prejudicial to the interests of the Company and its minority shareholders.

Xandar Capital Pte. Ltd. (“**Xandar Capital**”) has been appointed by the Company to act as the IFA to advise the directors of the Company who are deemed independent for the purposes of the Proposed Acquisition, namely Mr Wong Siew Cheong, Mr Gwee Lian Kheng, Mr Wong Chee Meng, Lawrence and Mr Sam Chee Leong (collectively, the “**Non-Interested Directors**”) as to (i) whether the Proposed Acquisition is normal commercial terms; and (ii) whether the Proposed Acquisition is prejudicial to the interests of the Company and its minority shareholders.

This letter (this “**IFA Letter**”), which is prepared pursuant to Rule 921(4)(a) of the Catalyst Rules, sets out our evaluation of, and our opinion to, the Proposed Acquisition, and forms part of the Circular issued by the Company in connection with the Proposed Acquisition.

2. **TERMS OF REFERENCE**

Xandar Capital has been appointed as the IFA to opine on (i) whether the Proposed Acquisition is normal commercial terms; and (ii) whether the Proposed Acquisition is prejudicial to the interests of the Company and its minority shareholders.

We are not and were not involved in any aspect of the negotiations pertaining to the Proposed Acquisition, nor were we involved in the deliberations leading up to the decisions on the part of the Directors to undertake the Proposed Acquisition. Accordingly, we do not, by this IFA Letter, warrant the merits of the Proposed Acquisition.

Our terms of reference do not require us to express, evaluate or comment on the rationale for, strategic or commercial merits and/or risks of the Proposed Acquisition, or the future performance or prospects of the Company, its subsidiaries and associated companies (the “**Group**”). We are, therefore, not expressing any opinion herein as to the future financial or other performance (including share price performance) of the Company or the Group, whether with or without the Proposed Acquisition.

As with other business transactions of the Company, the merit and/or associated risk, whether commercial, financial or otherwise, of the Proposed Acquisition, are solely the responsibility of the Directors. We are also not addressing the relative merits of the Proposed Acquisition, as compared to any alternative transaction of the Group or that otherwise may become available to the Group in the future. Such evaluations or comments remain the responsibility of the Directors and the management of the Group.

In the course of our evaluation and for the purpose of providing our opinion in respect of the Proposed Acquisition, we have held discussions with certain Directors and the management of the Group and have examined information provided by the Directors and the management of the Group and other publicly available information collated by us, upon which our view is

Page 2 of 15

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based. We have not independently verified such information, whether written or verbal, and accordingly cannot and do not make any representation or warranty in respect of, and do not accept any responsibility for, the accuracy, completeness or adequacy of such information. We have nevertheless made reasonable enquiries and exercised our judgment as we deemed necessary or appropriate on the reasonable use of such information and found no reason to doubt the accuracy or reliability of the information.

We have not made any independent evaluation and appraisal on the Vessel. We have, however, been furnished with the valuation report on the Vessel ("**CWA Valuation Report**") issued by Cleghorn, Wilton & Associates, Ltd. ("**CWA**"). CWA was commissioned by Atlantic Maritime Group FZE ("**AMG FZE**", a wholly-owned subsidiary of the Group) to perform a valuation of the Vessel at the request of a principal bank of the Group in the Middle East for the purpose of evaluating the general condition and valuation of the Vessel. Save for the CWA Valuation Report, we have not been furnished with any other independent evaluation or appraisal of the Vessel. We are not experts and do not hold ourselves to be experts in the valuation of the Vessel but have relied upon the CWA Valuation Report in our analysis.

We have also relied upon the assurance of the Directors that the Directors collectively and individually accept full responsibility for the accuracy of the information given in the Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, the Circular constitutes full and true disclosure of all material facts about the Proposed Acquisition, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in the 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.

Our opinion is based upon prevailing market, economic, industry, monetary and other conditions (where applicable) and the information made available to us contained in the Circular as of the Latest Practicable Date. We assume no responsibility to update, revise or reaffirm our view in light of any subsequent development after the Latest Practicable Date that may affect our opinion contained herein. Shareholders should take note of any announcements relevant to their consideration of the Proposed Acquisition, which may be released by the Company after the Latest Practicable Date.

In arriving at our opinion, we did not consider the specific investment objectives, financial situation, tax consequences, risk profile or unique needs and constraints of any shareholder or any specific group of shareholders. We recommend that any individual shareholder or group of shareholders who may require specific advice in relation to his or their investment objectives or portfolios should consult his or their legal, financial, tax or other professional advisors immediately.

Our opinion is for the use and benefit of the Non-Interested Directors in their deliberation of the Proposed Acquisition, and the recommendation made by the Non-Interested Directors shall remain the responsibility of the Non-Interested Directors.



The Company has been separately advised by its own advisors in the preparation of the Circular (other than this IFA Letter). We have no role or involvement and have not provided any advice, financial or otherwise, whatsoever in the preparation, review and verification of the Circular (other than this IFA Letter). Accordingly, we take no responsibility for and express no views, express or implied, on the contents of the Circular (other than this IFA Letter).

Our opinion, in relation to the Proposed Acquisition, should be considered in the context of the entirety of this IFA Letter and the Circular.

Whilst a copy of this IFA Letter may be reproduced in the Circular, neither the Company, the Directors nor the shareholders may reproduce, disseminate or quote this IFA Letter (or any part thereof) for any other purposes other than the Proposed Acquisition at any time and in any manner without our prior written consent.

We recommend that the Directors advise the independent shareholders to read these pages carefully.

3. ABOUT THE PROPOSED ACQUISITION

3.1 ABOUT THE VESSEL

Information relating to the Vessel is set out in Section 2.1.2 of the Circular. We extract as follows:

*“The Vessel is a 75-metre multi-purpose platform supply vessel with 57-men accommodation with clear deck space of 520 square metres, equipped with Dynamic Positioning 2 and Fire Fighting Notation 1 as well as an offshore pedestal telescopic crane with main-hook safe working load of up to 40 tons at operating height between 5.5 metres and 8.0 metres. It was built in October 2017 and had recently completed its first major special survey due every five years in October 2022 (“**First SPS**”) with class society being American Bureau Society.”*

We also note that

- (a) the Vessel has been under the management of AMG FZE, a wholly owned subsidiary of the Group, since November 2021; and
- (b) the Vessel is currently on firm contract with an international charterer until 27 October 2023 with an option exercisable by the charterer to extend the contract for up to 180 days.



3.2 RATIONALE FOR AND BENEFIT TO THE COMPANY ARISING FROM THE PROPOSED ACQUISITION

The rationale for and benefit to the Company arising from the Proposed Acquisition is set out in Section 2.2 of the Circular and we extract in *italics* as follows:

“The Board believes that the Proposed Acquisition will enhance the long-term interests of the Group and its Shareholders on the following basis:

- (a) the Proposed Acquisition is in line with the Group's strategy for its MLS business to invest and expand its fleet with young quality vessels and is intended to further establish the Group's business in the Middle East region. The acquisition of another quality vessel will also allow the Group to offer more comprehensive services to its clients as part of its long term plans;*
- (b) as previously disclosed in the financial results announcement for the first financial quarter ended 31 March 2022 dated 15 July 2022, the Vessel has been under the management of ship manager Atlantic Maritime Group FZE, a wholly-owned subsidiary of the Group, since November 2021. Hence, the Group is familiar with and aware of the operational capabilities of the Vessel, and to the best of the Directors' knowledge, no major capital expenditure is required of the Vessel subsequent to the Proposed Acquisition in the near future in view of the recent completion of the First SPS; and*
- (c) the Vessel is currently on firm contract with an international charterer until 27 October 2023 with an option exercisable by the charterer to extend the contract for up to 180 days i.e. until 24 April 2024. The Proposed Acquisition will allow the Group to continue with the contract and generate operational charter income subsequent to the completion of the Proposed Acquisition, subject to the Independent Shareholders' approval at the EGM.”*

3.3 THE CONSIDERATION

Information relating to the Consideration is set out in Sections 2.4.1 and 2.4.2 of the Circular. We summarise the cash payment schedule as follows:

	Consideration
On or before 2 May 2023, subject to receipt of Independent Shareholders' approval at the EGM (the “ Initial Payment ”)	US\$ 5,000,000
May 2023	US\$ 1,000,000
June 2023	US\$ 1,000,000
July 2023	US\$ 1,000,000

	Consideration
August 2023	US\$ 1,000,000
September 2023	US\$ 1,000,000
	US\$10,000,000

We note that the Consideration was arrived at on a willing-buyer willing-seller basis, after negotiations which were conducted on an arm's length basis between the Buyer and Saeed, taking into account several factors including, *inter alia*, (i) the CWA Valuation Report, (ii) the offshore oil and gas market in the Middle East region, and (iii) the Vessel having an existing firm contract and having completed its First SPS in October 2022.

The Consideration of US\$10.0 million set out above does not include the costs of lubricating and hydraulic oils and greases ("**Consumables**"), the purchase of which is customary in such acquisition of vessels. The Buyer shall take over and pay at the market price on the date of delivery of the Vessel for the quantities of Consumables taken over and such payment shall be made to the Saeed at the time of Initial Payment in the same currency as the Consideration. The Company expects the amount of payment for the Consumables to be immaterial, being less than S\$100,000.

The Consideration is expected to be funded by the medium term loan facility of up to US\$20.0 million available to the Company, as announced by the Company on 16 March 2023, with respect to the Initial Payment as well as cash flow from operations of the Group in relation to the instalments.

3.4 OTHER SALIENT TERMS OF THE MOA

The salient terms of the MOA (other than the Consideration summarised in paragraph 3.3 of this IFA Letter) are set out in Sections 2.4.3 to 2.4.5 of the Circular.

3.4.1 Conditions Precedent

The conditions precedents are set out in Section 2.4.3 of the Circular and include the receipt of Independent Shareholders' approval for the Proposed Acquisition; the satisfactory inspection and acceptance of the Vessel's classification records; and the completion of the exchange of the relevant documentations.

3.4.2 Completion

Information relating to the completion of the Proposed Acquisition is set out in Section 2.4.4 of the Circular. We extract as follows:

"Assuming that Shareholders' approval for the Proposed Acquisition is obtained at the EGM, the title of the Vessel is deemed transferred with full economic benefits accruing to the Group



on 1 May 2023 (“**Completion**”). For the avoidance of doubt, the Vessel is expected to be delivered to the Buyer on 30 April 2023.”

3.4.3 Warranties and Undertakings

Information relating to the warranties and undertakings under the MOA is set out in Section 2.4.5 of the Circular. We extract as follows:

“The Seller warrants that the Vessel, at the time of delivery, is free from all encumbrances, mortgages and maritime liens or any other debts whatsoever, and is not subject to port state or other administrative detentions. The Seller undertakes to indemnify the Buyer against all consequences of claims made against the Vessel which have been incurred prior to the time of delivery.”

3.5 ABOUT SAEED

Information relating to Saeed is set out in Section 2.1.1 of the Circular. As mentioned above, Saeed holds 50.22% of the total issued Shares and is the single largest Shareholder of the Company. In addition, we note that:

- (a) Saeed is a company incorporated in Singapore on 8 May 2018 solely for the purpose of undertaking the subscription of the 262,918,394 Shares. The subscription of the 262,918,394 Shares and Saeed became the single largest Shareholder of the Company on 11 December 2018; and
- (b) the shareholders of Saeed are Mr Kum Soh Har, Michael, the Non-Executive and Non-Independent Chairman of the Company (“**Mr Kum**”) and his spouse, Madam Ong Bee Yong, Lynda, in equal shares.

4. EVALUATION OF THE PROPOSED ACQUISITION

The following are factors which we consider to be pertinent and to have a significant bearing on our evaluation of the Proposed Acquisition:

- (a) the valuation of the Vessel;
- (b) the basis of the MOA;
- (c) the payment terms and immediate delivery of the Vessel;
- (d) the rationale for and benefits of the Proposed Acquisition;
- (e) comparable vessel acquisition or disposal transactions;
- (f) the financial effects of the Proposed Acquisition; and
- (g) other considerations.



These factors are discussed in greater detail in the ensuing paragraphs.

4.1 THE VALUATION OF THE VESSEL

The Group commissioned CWA to determine a valuation of the Vessel for the purpose of evaluating the general condition and valuation of the vessel for financial institution purposes.

We note that CWA (which was established in the United Arab Emirates *circa* 1976 ⁽¹⁾) has been the Group's valuer of its vessel fleet since the inception of the Group in 1997 and is on the panel of approved valuers of the principal bank of the Group which requested for the valuation of the Vessel.

Note:

(1) From the website of CWA.

We summarise the key information in the CWA Valuation Report as follows:

Date of valuation	7 March 2023
Findings of CWA	<p><i>"Class and Statutory Certificates are valid and no outstandings noted."</i></p> <p><i>"... in our opinion, the vessel is well maintained and in generally good condition."</i></p> <p><i>"... in our opinion, inventory list item is adequate and sufficient for this kind of vessel."</i></p>
Residual life	<i>"In our opinion, vessel should have a minimum balance useful life of at least 20 years."</i>
Standards and approach of valuation	<i>"The valuation is carried out on the basis of established standard marine practices adopting the Market Approach."</i>
Valuation	<p><i>"Having taken into consideration the comparable new vessel buildings, size, type and characteristics, assuming a sale between a willing buyer and a willing seller, it is our opinion that the above-named vessel's current market value, including appurtenances on the 7th March 2023 is approximately:</i></p> <p style="text-align: center;"><i>US\$ 10,500,000.00</i></p> <p style="text-align: center;"><i>(US DOLLARS TEN MILLION FIVE HUNDRED THOUSAND ONLY)</i></p> <p><i>The valuation is based on charter-free delivery, free average, free of liens and encumbrance and with valid full-term Classification and Statutory Certificates."</i></p>

The Consideration of US\$10.0 million represents a discount of approximately 4.76% to the valuation of the Vessel as opined by CWA.

The CWA Valuation Report is one of the documents available for inspection by Shareholders at the registered office of the Company for a period of three (3) months from the date of the Circular.

4.2 THE BASIS OF THE MOA

We note that the MOA is based on the SALEFORM 2012 which is the Norwegian Shipbrokers' Association's international memorandum of agreement for the sale and purchase of ships. We understand that SALEFORM 2012 is a widely used standardised form contract which prescribes the usual market terms and conditions for the sale and purchase of vessels.

We note the following key terms which are the same or more favourable to the Group as compared to the terms and conditions set out in SALEFORM 2012:

	SALEFORM 2012	MOA
Deposit	A deposit of a certain percentage (standard is 10% if unstated) upon three (3) banking days upon the signing of the agreement	No deposit required
Balance payment terms	The full payment of the balance purchase consideration within three (3) banking days upon the delivery of the vessel	We note that the Vessel will be delivered prior to the Initial Payment set out in Section 2.4.2 of the Circular (and summarised in paragraph 3.3 of this IFA Letter) and the Group can pay 50% of the Consideration over five monthly interest-free instalments
Time and place of delivery and notices	To be determined based on the itinerary of the vessel	Not required as the Vessel is under the management of the Group
Bunkers	Consideration does not include Consumables which shall be paid at the actual net price (excluding barging expenses) as evidenced by invoices or vouchers; or the net market price (excluding barging expenses) at the port and date of delivery of vessel	Consideration does not include Consumables which shall be paid at the market price on the date of delivery of the Vessel

	SALEFORM 2012	MOA
Buyer's default clause	Rights of seller to cancel the sale when deposit or payment is not made	No buyer's default clause

We also note that shipping-related SGX-ST-listed companies also adopted SALEFORM 2012 for their acquisition or disposal of vessels as follows:

Date	SGX-ST listed company	Transaction
8 March 2021	Samudera Shipping Line Ltd	Disposal of vessel at US\$6,750,000 with 10% of the purchase consideration placed into an escrow account as deposit and the remaining 90% to be paid upon delivery of the vessel
4 February 2021	ES Group (Holdings) Limited	Acquisition of vessel at US\$4,150,000 with 10% of the purchase consideration placed into an escrow account as deposit and the remaining 90% to be paid upon delivery of the vessel

4.3 THE PAYMENT TERMS AND IMMEDIATE DELIVERY OF VESSEL

As set out in Sections 2.4.2 of the Circular (and summarised in paragraph 3.3 of this IFA Letter), while the Vessel is expected to be delivered to the Buyer on 30 April 2023, the Group only need to pay the Initial Payment (being 50% of the Consideration) on or before 2 May 2023, subject to the receipt of Independent Shareholders' approval for the Proposed Acquisition and the balance 50% of the Consideration over five monthly interest-free instalments.

The immediate delivery of the Vessel subject to and upon the receipt of Independent Shareholders' approval for the Proposed Acquisition allows the Group to recognise the revenue to be generated by the Vessel with effect from 1 May 2023 and the interest-free instalments allow the Group to have more flexibility in its cash management.



4.4 THE RATIONALE FOR AND BENEFITS OF THE PROPOSED ACQUISITION

The rationale for and benefits of the Proposed Acquisition is set out in Section 2.2 of the Circular (and summarised in paragraph 3.2 of this IFA Letter).

- (a) We note that the Proposed Acquisition is in line with the Group's strategy to invest and expand its fleet with young quality vessels and is intended to further establish the Group's business in the Middle East region.

As set out in Section 2.1.2 of the Circular, the Vessel was built in October 2017. As at the Latest Practicable Date, the Vessel's age of less than six (6) years is below the average age (nine (9) years as at the Latest Practicable Date) of the existing fleet of the Group.

- (b) The Company also highlighted that the Vessel has been under the management of AMG FZE, a wholly owned subsidiary of the Group, since November 2021. Hence, the Group is familiar with and aware of the operational capabilities of the Vessel, and to the best of the Directors' knowledge, no major capital expenditure is required of the Vessel subsequent to the Proposed Acquisition in the near future in view of the recent completion of the First SPS.
- (c) We also note that the Vessel is currently on firm contract with an international charterer until 27 October 2023 with an option exercisable by the charterer to extend the contract for up to 180 days which will provide stable revenue to the Group,

4.5 COMPARABLE VESSEL ACQUISITION OR DISPOSAL TRANSACTIONS

We note that Tidewater Inc announced the acquisition of 37 platform supply vessels ("PSV") from Solstad Offshore ASA for an aggregate cash consideration of US\$577 million on 7 March 2023 ⁽¹⁾. Based on the presentation prepared by Tidewater Inc, we note that the acquisition comprised two broad vessel classifications, namely 27 large PSV (average age of 10.8 years) with clear deck space of more than 900 square metres and 10 medium PSV (average age of 10 years) with clear deck space of between 700 square metres and 900 square metres. The appraised value of the 10 medium PSV to be acquired by Tidewater Inc was US\$140 million or an average of US\$14 million for each medium PSV to be acquired by Tidewater Inc.

Note:

- (1) Source: <https://investor.tdw.com/news/news-details/2023/Tidewater-Announces-the-Acquisition-of-37-Platform-Supply-Vessels-from-Solstad-Offshore/default.aspx>

We note that the Vessel has clear deck space of 520 square metres which is smaller than the clear deck space of the 10 medium PSV to be acquired by Tidewater Inc. However, the Vessel is much younger (at the age of six years) as compared to the average age of 10 years for the 10 medium PSV to be acquired by Tidewater Inc.



While there is a lack of market comparable for the Vessel, we note that the Consideration is lower than the average consideration for the 10 medium PSV to be acquired by Tidewater Inc announced in March 2023.

4.6 THE FINANCIAL EFFECTS OF THE PROPOSED ACQUISITION

The financial effects of the Proposed Acquisition can be found in Section 5 of the Circular.

We note that there is no change to the net tangible assets per Share as the Group will recognise assets of US\$10.0 million (namely, the Vessel based on the Consideration) and liabilities aggregating US\$10.0 million (namely, portion of the medium term loan facility to be drawn down as well as instalments payable) with the Proposed Acquisition.

The Company assumes that the Vessel does not generate any income and does not incur any cost for the financial year ended 31 December 2022 (“**FY2022**”) and the earnings per Share remained the same at US\$0.0214 for FY2022.

There will be an increase to the Group’s gearing ratio from 0.45 times to 0.49 times as the Group has additional liabilities with the Proposed Acquisition. The Company calculates the gearing ratio by dividing its net debt over total capital plus net debt, and net debt means total debts (including trade payables, accruals and other payables, other non-financial liabilities, lease liabilities and loans and borrowings) less cash and bank balances.

4.7 OTHER CONSIDERATIONS

4.7.1 Abstention of voting by Saeed, its associates and nominees

Pursuant to Rule 919 of the Catalyst Rules, Saeed shall abstain, and shall procure that its associates and nominees abstain, from voting in respect of their shareholding in the Company on the ordinary resolution relating to the Proposed Acquisition. Saeed shall not, and shall procure that its associates and nominees shall not, accept nominations as a proxy or otherwise for voting on the ordinary resolution relating to the Proposed Acquisition unless it is given specific instructions as to voting.

4.7.2 Historical shipbuilding cost of an existing platform supply vessel of the group

As set out in Section 2.1.2 of the Circular, the Vessel is a 75-metre multi-purpose platform supply vessel (“**MPSV**”) with 57-men accommodation with clear deck space of 520 square metres, equipped with Dynamic Positioning 2 and Fire Fighting Notation 1 as well as an offshore pedestal telescopic crane with main-hook safe working load of up to 40 tons at operating height between 5.5 metres and 8.0 metres.

We note the Group only had one PSV in its existing fleet. The Group took delivery of its existing 20 tons crane capacity, 700 square metres clear deck space PSV at US\$16.0 million (including owner supplied equipment) in February 2016 ⁽¹⁾.



Note:

(1) Source: The Company's annual report for financial year ended 31 December 2015.

The Group computes the depreciation of its vessels on a straight-line basis over the estimated useful lives of the vessels which is between 15 and 25 years. Without taking into consideration additional capital expenditure incurred by the Group for the maintenance of its PSV, the net book value of its PSV as at 31 March 2023 would be between US\$8.4 million and US\$11.5 million based on a useful life of between 15 and 25 years.

The Consideration for the Vessel (which has twice the crane capacity of the existing PSV of the Group but smaller clear deck space) is within the range of the net book value of the Group's PSV as at 31 March 2023.

Further, the Group can have immediate delivery of the Vessel with the Proposed Acquisition while it may need to wait up to one year or two to take delivery a new vessel.

4.7.3 Elimination of existing interested person transaction

As mentioned above, AMG FZE, a wholly owned subsidiary of the Group, has been the ship manager of the Vessel since November 2021.

We note that the total ship management fees charged by the Group to Saeed for the management of the Vessel amounted to US\$653,904, or approximately 1.01% of the Group's revenue for FY2022.

While such transaction would be eliminated upon the completion of the Proposed Acquisition, the Group can generate revenue, cash flow and profits, directly from third party customer(s) with the ownership of the Vessel.

4.7.4 Prospects of MPSV

There were positive news relating to MPSV recently as follows:

Date / Source	News
24 March 2023 / https://www.rivieramm.com/news-content-hub/news-content-hub/dof-and-golden-energy-win-mpsv-contracts-75472	The DOF Group was reported to have won a new, four-year firm contract for its PSV <i>Skandi Gamma</i> . Golden Energy Offshore Services was reported to have won two contracts with unnamed charterers for its MPSV <i>Energy Duchess</i> , including various decommissioning projects for at least two weeks after it is mobilised from Rotterdam, the Netherlands, then a mid-term contract with a firm period of 50 days, plus options covering employment until mid July 2023.

Date / Source	News
22 March 2023 / https://www.offshore-energy.biz/olympic-subsea-vessel-gets-to-work-with-deepocean/	DeepOcean has entered a two-year charter agreement to strengthen its offering to the renewables and oil and gas industries.
23 February 2023 / https://www.mmaoffshore.com/the-me/mmaoffshorecomau/assets/public/File/asx/230223_-_2023_Half_Year_Results_Investor_Presentation.pdf	MMA Offshore Limited reported higher utilisation rate for its PSV and MPSV fleet. Utilisation rates of its PSV fleet were 84% and 88% respectively while utilisation rate of its MPSV fleet were 60% and 90% respectively for its financial year ended 30 June 2022 and its six months ended 31 December 2022.

We wish to highlight that the performance of the MPSV of other shipping companies may not be entirely applicable to the Vessel as the MPSV of these shipping companies are not based in the Middle East and there may be other factors which helped with the positive news.

5. OUR OPINION

Having regard to our terms of reference, in arriving at our opinion, we have taken into account a range of factors which we consider to be pertinent and have a significant bearing on our assessment of the Proposed Acquisition. We have carefully considered as many factors as we deem essential and balanced them before reaching our opinion. Accordingly, it is important that our IFA Letter, in particular, all the considerations and information we have taken into account, be read in its entirety.

We set out below a summary of the key factors we have taken into our consideration of the Proposed Acquisition:

- (a) the Consideration is at a discount of 4.76% to the valuation opined by CWA for the purpose of evaluating the general condition and valuation of the vessel for financial institution purposes;
- (b) the key terms of the MOA are the same or more favourable to the Group as compared to the terms and conditions set out in SALEFORM 2012, a widely used standardised form contract which prescribes the usual market terms and conditions for the sale and purchase of vessels;
- (c) the Group has favourable payment terms for the Proposed Acquisition and can take immediate delivery of the Vessel;
- (d) the Proposed Acquisition is beneficial to the Group as it is acquiring a vessel younger than the average age of its existing fleet, the Vessel is not expected to require any major capital expenditure in the near future and has a firm contract which provides stable revenue to the Group up to 27 October 2023;



- (e) while there is a lack of market comparable for the Vessel, we note that the Consideration is lower than the average consideration for the 10 medium PSV to be acquired by Tidewater Inc announced in March 2023;
- (f) there is no change to the Group's net tangible assets per Share and the earnings per Share while the Group's gearing ratio will increase from 0.45 times to 0.49 times with the Proposed Acquisition; and
- (g) other consideration as set out in paragraph 4.7 of this IFA Letter.

Accordingly, after taking into account the above factors and the information made available to us as at the Latest Practicable Date, we are of the opinion that, the Proposed Acquisition is on normal commercial terms and is not prejudicial to the interests of the Company and its minority shareholders.

This IFA Letter, which is prepared pursuant to Rule 921(4)(a) of the Catalist Rules, is addressed to the Non-Interested Directors for their benefit, in connection with and for the purpose of their consideration of the Proposed Acquisition, and the recommendation made by them to the shareholders shall remain the responsibility of the Non-Interested Directors.

Whilst a copy of this IFA Letter may be reproduced in the Circular, neither the Company, the Directors nor the Shareholders may reproduce, disseminate or quote this IFA Letter (or any part thereof) for any other purpose, without the prior written consent of Xandar Capital in each specific case, except for the Proposed Acquisition, at any time and in any manner.

This opinion is governed by, and construed in accordance with, the laws of Singapore, and is strictly limited to the matters stated herein and does not apply by implication to any other matter.

Yours truly
For and on behalf of
XANDAR CAPITAL PTE. LTD.

LOO CHIN KEONG
EXECUTIVE DIRECTOR

PAULINE SIM POI LIN
HEAD OF CORPORATE FINANCE

ATLANTIC NAVIGATION HOLDINGS (SINGAPORE) LIMITED

(Company Registration No. 200411055E)
(Incorporated in the Republic of Singapore)

NOTICE OF EXTRAORDINARY GENERAL MEETING

Unless otherwise defined, all capitalised terms herein shall bear the same meaning as in the circular to shareholders dated 10 April 2023 issued by Atlantic Navigation Holdings (Singapore) Limited ("Circular").

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of Atlantic Navigation Holdings (Singapore) Limited ("**Company**") will be held at Hibiscus Room, Ibis Singapore on Bencoolen, 170 Bencoolen Street, Singapore 189657 on 25 April 2023 at 11:00 a.m. (or as soon after the conclusion or adjournment of the Annual General Meeting of the Company to be held at 10:00 a.m. on the same day and at the same place) for the purpose of considering and, if thought fit, passing with or without modifications the following resolution:

ORDINARY RESOLUTION: THE PROPOSED ACQUISITION OF A VESSEL WHICH CONSTITUTES AN INTERESTED PERSON TRANSACTION UNDER CHAPTER 9 OF THE CATALIST RULES (THE "PROPOSED ACQUISITION")

That:

1. approval be and is hereby given for the Company to carry out and implement the Proposed Acquisition;
2. the Directors and/or each of them be and are hereby authorised to do all acts and things, enter into all transactions, arrangements and agreements, and approve, execute and deliver all documents as they or each of them deem desirable, necessary or expedient to give effect to the matters referred to in the above paragraph of this Ordinary Resolution or the transactions contemplated by the Proposed Acquisition as they or each of them may in their or each of their absolute discretion deem fit in the interests of the Group; and
3. to the extent that any action in connection with the matters referred to in the above paragraphs of this Ordinary Resolution or the transactions contemplated by the Proposed Acquisition has been performed or otherwise undertaken (whether partially or otherwise), they be and are hereby approved, ratified and confirmed.

By Order of the Board

Wong Siew Cheong
Executive Director and Chief Executive Officer
10 April 2023

NOTES:

1. The Extraordinary General Meeting of the Company will be held, in a wholly physical format at Hibiscus Room, Ibis Singapore on Bencoolen, 170 Bencoolen Street, Singapore 189657 on 25 April 2023 at 11:00 a.m. (or as soon after the conclusion or adjournment of the Annual General Meeting of the Company to be held at 10:00 a.m. on the same day and at the same place) (the "EGM") pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. There will be no option for members to participate virtually. Printed copies of documents relating to the business of the EGM, which comprise the Circular to Shareholder dated 10 April 2023 as well as this Notice of EGM and the accompanying proxy form for the EGM will not be sent to members of the Company. Instead, such documents will be made available to members of the Company solely by electronic means via publication on (i) the SGXNet at the URL <https://www.sgx.com/securities/company-announcements>; and (ii) the Company's website at the URL <http://www.atlanticnavigation.com>.
2. If a member wishes to submit questions related to the resolutions tabled for approval at the EGM, prior to the EGM, all questions must be submitted by no later than 5:00 p.m. on 17 April 2023 through email to agm2022@amquae.net and provide the following particulars, for verification purpose:
 - full name as it appears on his/her/its CDP and/or SRS share records;
 - NRIC/Passport/UEN number;
 - contact number and email address; and
 - the manner in which you hold in the Company (e.g. via CDP and/or SRS).

Please note that the Company will not be able to answer questions from persons who provide insufficient details to enable the Company to verify his/her/its shareholder status.

Alternatively, member may also ask question during the EGM.

3. The Company will endeavour to address all substantial and relevant questions received from shareholders by 21 April 2023, 11:00 a.m., being not less than forty-eight (48) hours before the closing date and time for the lodgement of the proxy form, via SGXNet and the Company's website. The Company will also address any subsequent clarifications sought or follow-up questions during the EGM in respect of substantial and relevant matters. Where substantially similar questions are received, the Company will consolidate such questions and consequently not all questions will be individually addressed. The responses from the Board and the Management of the Company shall thereafter be published on (i) the SGXNet at the URL <https://www.sgx.com/securities/company-announcements>; and (ii) the Company's website at the URL <http://www.atlanticnavigation.com>, together with the minutes of the EGM, within one (1) month after the conclusion of the EGM. The minutes will include the responses to substantial and relevant questions received from shareholders which are addressed during the EGM.
4. A member of the Company (other than a Relevant Intermediary*) entitled to attend, speak and vote at the EGM is entitled to appoint not more than two (2) proxies or Chairman to attend, speak and vote in his stead. A member of the Company, which is a corporation, is entitled to appoint its authorised representative to vote on its behalf. A proxy need not be a member of the Company.
5. Where a member appoints two (2) proxies, he shall specify the proportion of his shareholding to be represented by each proxy. If no such proportion or number is specified, the first named proxy may be treated as representing 100% of the shareholding and any second named proxy as an alternate to the first named.

If no specific direction as to voting is given or in the event of any other matter arising at the EGM and at any adjournment thereof, the proxy/proxies (except where the Chairman of the EGM is appointed as the member's proxy) will vote or abstain from voting at his/her/their discretion. In the absence of specific direction as to the voting given by a member, the appointment of the Chairman of the EGM as the member's proxy for the relevant resolutions will be treated as invalid.
6. A member who is a Relevant Intermediary* may appoint more than two (2) proxies to attend, speak and vote at the EGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by him/her/it (which number and class of shares shall be specified). Where such member appoints more than two (2) proxies, the appointments shall be invalid unless the member specifies the number of shares in relation to which each proxy has been appointed.
7. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his/her 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 common 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, failing which the instrument may be treated as invalid.
8. The completed proxy form must be submitted to the Company in the following manner:
 - (a) by post to the Company's Share Registrar office, c/o Boardroom Corporate & Advisory Services Pte. Ltd., 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632; or
 - (b) by email to AGM.TeamE@boardroomlimited.com,

in either case, by no later than 11:00 a.m. on 23 April 2023, being not less than forty-eight (48) hours before the time appointed for holding the EGM (or at any adjournment thereof) and in default the proxy form for the EGM shall not be treated as valid.

9. Investors who hold shares through Relevant Intermediaries*, including under the Central Provident Fund Investment Scheme ("CPF Investors") or the Supplementary Retirement Scheme ("SRS Investors"), and who wish to appoint the Chairman of the EGM as their proxy should approach their respective Relevant Intermediaries*, including CPF Agent Banks or SRS Operators, to submit their votes at least seven (7) working days before the EGM (i.e. by 5:00 p.m. on 13 April 2023).

10. The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed, 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.
11. In the case of a member whose Shares are entered against his/her/its name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001), the Company may reject any instrument appointing the proxy or proxies lodged if such member, being appointor, is not shown to have Shares entered against his/her/its name in the Depository Register as at seventy-two (72) hours before the time appointed for holding the EGM, as certified by The Central Depository (Pte) Limited to the Company.

* A Relevant Intermediary is:

- (a) a banking corporation licensed under the Banking Act 1970 of Singapore, or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity; or
- (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act 2001 of Singapore, and who holds shares in that capacity; or
- (c) the Central Provident Fund Board established by the Central Provident Fund Act 1953 of Singapore, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

Personal Data Privacy:

By (a) submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM and/or any adjournment thereof, or (b) submitting any question prior to the EGM of the Company in accordance with this Notice of EGM, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, (iii) addressing substantial and relevant questions from members received before the EGM and if necessary, following up with the relevant members in relation to such questions, (iv) enabling the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines by the relevant authorities, and (v) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

*This notice has been reviewed by the Company's sponsor ("**Sponsor**") SAC Capital Private Limited. This notice has not been examined or approved by the Singapore Exchange Securities Trading Limited ("**SGX-ST**") and the SGX-ST assumes no responsibility for the contents of this notice, including the correctness of any of the statements or opinions made, or reports contained in this notice.*

The contact person for the Sponsor is Ms Lee Khai Yinn (Tel: (65) 6232 3210) at 1 Robinson Road, #21-00 AIA Tower, Singapore 048542

**ATLANTIC NAVIGATION HOLDINGS
(SINGAPORE) LIMITED**

(Company Registration No. 200411055E)
(Incorporated in the Republic of Singapore)

**EXTRAORDINARY GENERAL MEETING
PROXY FORM**

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Extraordinary General Meeting dated 10 April 2023.

Important:

1. The EGM of the Company to be held on Tuesday, 25 April 2023 at 11:00 a.m. (or as soon after the conclusion or adjournment of the Annual General Meeting of the Company to be held at 10:00 a.m. on the same day and at the same place) is being convened, and will be held at Hibiscus Room, Ibis Singapore on Bencoolen, 170 Bencoolen Street, Singapore 189657. There will be no option for members to participate virtually. Printed copies of documents relating to the business of the EGM, which comprise the Circular to Shareholder dated 10 April 2023 as well as this Notice of EGM and the accompanying proxy form for the EGM will not be sent to members of the Company. Instead, such documents will be made available to members of the Company solely by electronic means via publication on (i) the SGXNet at the URL <https://www.sgx.com/securities/company-announcements>; and (ii) the Company's website at the URL <http://www.atlanticnavigation.com>.
2. Investors who hold shares through Relevant Intermediaries*, including under the Central Provident Fund Investment Scheme ("CPF Investors") or the Supplementary Retirement Scheme ("SRS Investors"), and who wish to appoint the Chairman of the AGM as their proxy should approach their respective Relevant Intermediaries*, including CPF Agent Banks or SRS Operators, to submit their votes at least seven (7) working days before the AGM (i.e. by 5:00 p.m. on 13 April 2023).
3. This Proxy Form is not valid for use by CPF Investors and SRS Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
4. Please read the notes to the proxy form.

*I/We (Name) _____

*NRIC/Passport No./Company Registration No. _____

of (Address) _____

being a member/members of ATLANTIC NAVIGATION HOLDINGS (SINGAPORE) LIMITED (the "Company") hereby appoint:

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

and/or (delete as appropriate)

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

or failing *him/her/them, the Chairman of the extraordinary general meeting of the Company (the "EGM"), as *my/our proxy/proxies to attend, speak and vote for *me/us on *my/our behalf at the EGM to be held at Hibiscus Room, Ibis Singapore on Bencoolen, 170 Bencoolen Street, Singapore 189657 on 25 April 2023 at 11:00 a.m. (or as soon after the conclusion or adjournment of the Annual General Meeting of the Company to be held at 10:00 a.m. on the same day and at the same place) and at any adjournment thereof.

*I/We direct *my/our *proxy/proxies to vote for or against the resolution to be proposed at the EGM as indicated hereunder. **If no specific direction as to voting is given, the *proxy/proxies (except where the Chairman of the EGM is appointed as *my/our proxy) will vote or abstain from voting at *his/her/their discretion. In the absence of specific directions in respect of a resolution, the appointment of the Chairman of the EGM as *my/our proxy for that resolution will be treated as invalid.**

ORDINARY RESOLUTION	For**	Against**	Abstain**
To approve the Proposed Acquisition as an Interested Person Transaction			

Notes:

* Please delete accordingly.

** Voting will be conducted by poll. If you wish to exercise all your votes "For" or "Against" or "Abstain", please indicate with a tick "✓" within the box provided. Alternatively, please indicate the number of votes as appropriate.

Dated this _____ day of _____ 2023

Total number of Shares being held	
--	--

Signature(s) of Member(s) or Common Seal

IMPORTANT: PLEASE READ NOTES OVERLEAF BEFORE COMPLETING THIS PROXY FORM

Notes:

1. Please insert the total number of shares in the capital of the Company ("**Shares**") held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001 of Singapore), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members of the Company, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members of the Company, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing the Chairman of the EGM as a proxy shall be deemed to relate to all the Shares held by you.
2. A member of the Company (other than a Relevant Intermediary*) entitled to attend, speak and vote at the EGM is entitled to appoint not more than two (2) proxies or Chairman to attend, speak and vote in his stead. A member of the Company, which is a corporation, is entitled to appoint its authorised representative to vote on its behalf. A proxy need not be a member of the Company.
3. Where a member appoints two (2) proxies, he shall specify the proportion of his shareholding to be represented by each proxy. If no such proportion or number is specified, the first named proxy may be treated as representing 100% of the shareholding and any second named proxy as an alternate to the first named.

If no specific direction as to voting is given or in the event of any other matter arising at the EGM and at any adjournment thereof, the proxy/proxies (except where the Chairman of the EGM is appointed as the member's proxy) will vote or abstain from voting at his/her/their discretion. In the absence of specific direction as to the voting given by a member, the appointment of the Chairman of the EGM as the member's proxy for the relevant resolutions will be treated as invalid.

4. A member who is a Relevant Intermediary* may appoint more than two (2) proxies to attend, speak and vote at the EGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by him/her/it (which number and class of shares shall be specified). Where such member appoints more than two (2) proxies, the appointments shall be invalid unless the member specifies the number of shares in relation to which each proxy has been appointed.
5. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his/her 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 common 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, failing which the instrument may be treated as invalid.
6. The completed proxy form must be submitted to the Company in the following manner:
 - (a) by post to the Company's Share Registrar office, c/o Boardroom Corporate & Advisory Services Pte. Ltd., 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632; or
 - (b) by email to AGM.TeamE@boardroomlimited.com,

in either case, by no later than 11:00 a.m. on 23 April 2023, being not less than forty-eight (48) hours before the time appointed for holding the EGM (or at any adjournment thereof) and in default the proxy form for the EGM shall not be treated as valid.

7. Investors who hold shares through Relevant Intermediaries*, including under the Central Provident Fund Investment Scheme ("**CPF Investors**") or the Supplementary Retirement Scheme ("**SRS Investors**"), and who wish to appoint the Chairman of the EGM as their proxy should approach their respective Relevant Intermediaries*, including CPF Agent Banks or SRS Operators, to submit their votes at least seven (7) working days before the EGM (i.e. by 5:00 p.m. on 13 April 2023).
8. The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed, 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.

* A Relevant Intermediary is:

- (a) a banking corporation licensed under the Banking Act 1970 of Singapore, or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity; or
- (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act 2001 of Singapore, and who holds shares in that capacity; or
- (c) the Central Provident Fund Board established by the Central Provident Fund Act 1953 of Singapore, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Central Provident Fund Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

General:

The Company shall be entitled to reject the instrument appointing a proxy or proxies, if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the instrument appointing a proxy or proxies. In addition, in the case of Shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies if a shareholder of the Company, being the appointor, is not shown to have Shares entered against his/her name in the Depository Register as at seventy-two (72) hours before the time appointed for holding the EGM, as certified by The Central Depository (Pte) Limited to the Company.

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s), a member is deemed to have accepted and agreed to the personal data privacy terms set out in the Notice of EGM dated 10 April 2023.