



**MARCO POLO MARINE LTD.**  
Incorporated in the Republic of Singapore  
(Company Registration Number: 200610073Z)

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## CLARIFICATION OF MEDIA REPORTS

### CONSENT SOLICITATION EXERCISE RELATING TO THE SERIES 001 S\$50,000,000 5.75 PER CENT. FIXED RATE NOTES DUE 2016 (ISIN: SG58C9997636) (THE "NOTES") ISSUED UNDER THE S\$300,000,000 MULTICURRENCY MEDIUM TERM NOTE PROGRAMME (THE "PROGRAMME")

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The Board of Directors (the "**Board**") of Marco Polo Marine Ltd. (the "**Company**", together with its subsidiaries, the "**Group**") refers to the Company's announcement dated 22 September 2016 (the "**CSE Notice Announcement**") in relation to the notice of launch of a consent solicitation exercise (the "**Consent Solicitation Exercise**") in relation to the Notes.

Following the release of the CSE Notice Announcement, various media had reported that the Company has expressed "substantial doubt on its ability to operate as a going concern", a statement that was extracted from one of the customary risk factors that the Company has disclosed as part of the CSE Notice Announcement. The Company would like to clarify and emphasize that the aforesaid statement was one of several cautionary risk factors that are typically made in the context of consent solicitation exercises and was made in view of the lack of visibility in the recovery of oil prices which, in turn, would affect the recovery of the offshore and shipping industries in the medium term.

**This should NOT be construed that the Company presently is unable, or has doubts on its ability, to operate as a going concern.**

The Company would like to assure that its business fundamentals are sound, notwithstanding the volatile economic climate and sectoral weakness. This is supported by positive Earnings Before Interest, Taxes, Depreciation and Amortization ("**EBITDA**") for financial year ended 30 September 2015 ("**FY2015**") and 9 months ended 30 June 2016 ("**9M FY2016**") at S\$27,095,000 and S\$4,207,000 respectively. More information can be found in the attached extract of the presentation that was presented to the holders of the Notes ("**Noteholders**").

The Company would like to reiterate the material variations in terms that are sought to be approved by the Noteholders pursuant to the Consent Solicitation Exercise:

- i. The original maturity date of the Notes is to be amended from 18 October 2016 ("**Original Maturity Date**") to 18 October 2019 ("**Amended Maturity Date**");
- ii. Security to be created in favour of Noteholders as follows:
  - a. A first ranking mortgage over land (on which the Company's shipyard business is located) located in Batam, Indonesia with an approximate land area of 155,858 square metres, title to which is evidenced by HGB No. 226/Sungai Pelunggut; and
  - b. A second ranking mortgage over land (on which the Company's shipyard business is located) located in Batam, Indonesia with an approximate land area of 152,750 square metres, title to which is evidenced by HGB No. 225/Sungai Pelunggut, and dry dock 3, but only to the extent that consent is obtained from PT OCBC NISP (who holds a first ranking mortgage over such land).
- iii. Additional interest ("**Additional Interest**") of 1.5% per annum to be payable on the Notes up to the Amended Maturity Date; and

- iv. A waiver for any non-compliance or potential non-compliance with various provisions of the trust deed constituting the Notes (the “**Trust Deed**”), as well as approval to make certain amendments to the Trust Deed.

**The Company would like to emphasize that there will be no haircuts made to the principal amount of the Notes to be redeemed on the Amended Maturity Date, and that all interest and Additional Interest payable on the Notes will continue to be paid to the Noteholders on schedule.**

Further details in relation to the Consent Solicitation Exercise may be found in the Consent Solicitation Statement that will be mailed to the Noteholders in due course.

#### **CAUTION IN TRADING**

Shareholders are advised to exercise caution in trading their Shares and Noteholders are advised to exercise caution in trading their Notes. The Company will make further announcements as appropriate or when there are further developments. Shareholders and Noteholders are advised to read this announcement and any further announcements by the Company carefully. Shareholders and Noteholders should consult their stock brokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take.

#### **BY ORDER OF THE BOARD**

Sean Lee Yun Feng  
Chief Executive Officer

22 September 2016