



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

RESPONSES TO QUERIES AND SUGGESTION FROM THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED ON THE ANNOUNCEMENTS MADE BY THE COMPANY ON 13 APRIL 2017 IN RELATION TO THE S\$50 MILLION 5.75% FIXED RATE NOTES DUE 2016 AND ON 16 APRIL 2017 IN RELATION TO THE INFORMAL NOTEHOLDER'S MEETING (COLLECTIVELY, THE "ANNOUNCEMENTS")

Capitalized or other terms used but not defined herein shall, unless the context otherwise requires, have the meanings as set out in the Announcements (as the case may be).

The Board of Directors of Marco Polo Marine Ltd (the "**Company**") (the "**Board**") refers to the queries raised by the Singapore Exchange Securities Trading Limited ("**SGX-ST**") on 18 April 2017 in relation to the Announcements, and append below the requisite responses:

SGX-ST Query 1:

Whether the non-payment of the April 2017 Interest Payment will affect the Company's ability to continue as a going concern.

The non-payment of the April Interest Payment on 18 April 2017 has triggered an event of default in respect of the Notes, which in turn would trigger cross-defaults on all the other loans of the Group. As per the Announcement of 13 April 2017, the Company has publicly stated that it is working on a refinancing and debt restructuring proposal (the "**Proposed Refinancing and Debt Restructuring**") which is aimed at ensuring the Company's ability to continue as a going concern¹. As further per the Announcement of 17 April 2017, an informal meeting with the Noteholders was called for to address, among others, the non-payment of the April 2017 Interest Payment. The said informal meeting with the Noteholders was held on 21 April 2017 as scheduled.

The Company has also been in touch with the various banks and lenders as regard the other loans owing by the Group to provide updates to them on the status of the Group's ability to service the loans. The Company will continue to engage the banks and lenders on the Proposed Refinancing and Debt Restructuring. The Proposed Refinancing and Debt Restructuring is expected to include the fresh injection of funds for the Company's required working capital. SUBJECT to the satisfactory conclusion of the Proposed Refinancing and Debt Restructuring and barring further deterioration in oil prices and the global economy, the Company expects to continue as a going concern.

¹ While the total assets of the Group (based on net book value) are currently greater than the total liabilities of the Group, the total assets of the Group, if based on valuation determined under distress scenario ("**distress valuation**"), are expected to fall short of the total liabilities of the Group. It should be noted that distress valuation fluctuates significantly with the current state of the offshore marine and shipping industries and general market sentiments (viz., the oil & gas sector). The Proposed Refinancing and Debt Restructuring that is being worked out is targeted at resolving the imbalance.

SGX-ST Query 2:

The Board's opinion as to whether the Company and the Group can continue as going concerns and the bases of the Board's opinion.

SUBJECT to the satisfactory conclusion of the Proposed Refinancing and Debt Restructuring and barring further deterioration in oil prices and the global economy, the Board expects the Company and the Group to continue as going concerns.

SGX-ST Query 3:

The Board's opinion as to whether a trading suspension is required.

In light of the following:

- (a) the Group has been engaging the various banks and financial institutions (whose loans in respect of which cross-defaults have been triggered)(the "**Lenders**") to discuss the current debt situation of the Group with a view to presenting to them the Proposed Refinancing and Debt Restructuring as soon as practicable;
- (b) the Proposed Refinancing and Debt Restructuring which, if satisfactorily concluded, would ensure the ability of the Company and the Group to continue as going concerns;
- (c) based on the general response of the Lenders thus far as well as that of the Noteholders at the latest informal meeting, the Company is cautiously optimistic that the Lenders and the Noteholders would allow the Company reasonable time to work out the Proposed Refinancing and Debt Restructuring for their consideration. As of now, the Group has not received formal demands for the immediate repayment of the sums owing and due under the above-mentioned loans and the Notes; and
- (d) sufficient information has been disclosed by the Company as of now to enable trading to continue on an informed basis,

the Board is of the opinion that at this time there is no necessity to suspend trading.

However, the Board will monitor the situation closely and will continuously assess the likelihood of reaching a satisfactory conclusion of the Proposed Refinancing and Debt Restructuring. The Board will call for a trading suspension of its shares when appropriate to do so (in particular, where failure of the Proposed Refinancing and Debt Restructuring is imminent).

SGX-ST Query 4:

The Board's confirmation that sufficient information has been disclosed by the Company to enable trading to continue on an informed basis.

The Board is of the view that, sufficient information has been disclosed by the Company to enable trading to continue on an informed basis.

Engaging Securities Investors Association (Singapore) (“SIAS”)

The Company has reached out to SIAS in response to its indication that it is prepared to address Noteholders’ concerns and collectively advise and represent the Noteholders.

CAUTION IN TRADING

Shareholders and potential investors are advised to exercise caution in dealing or trading the Shares. Similarly, Noteholders and potential investors are advised to exercise caution in trading the Notes. In particular, the Company wishes to caution that there is no assurance that the Company will reach consensus with the various stakeholders on the Proposed Refinancing and Debt Restructuring or that the Proposed Refinancing and Debt Restructuring, if agreed in principle, will proceed to completion. Further, a trading suspension may be called for at any time without prior or adequate prior warning when the Board regards such suspension to be advisable, appropriate or necessary. 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

23 April 2017