



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

RESPONSE TO QUERIES FROM THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED

The Board of Directors (the “Board”) of Marco Polo Marine Ltd (the “Company”), and together with its subsidiaries, refers to its announcement dated 9 May 2019 on the unaudited quarterly financial statements and dividend announcement for the second quarter and half year ended 31 March 2019. In this regard, the Board would like to respond to the following queries raised by the Singapore Exchange Securities Trading Limited on 13 May 2019 (the “SGX Queries” and each an “SGX Query”) as follows:

SGX Query (a):

With reference to the unaudited financial statements for the period ended 31 March 2019, please disclose the ageing of the Group’s trade receivables of S\$5,059,000. Please provide the Board’s assessment on the recoverability of the Group’s trade receivables and the basis for such an assessment.

Company’s Response:

The analysis of the Group’s trade receivable aging as at 31 March 2019 is as follows:

	As at 31 March 2019 S\$’000
Not past due	936
Past due 0 to 3 months	2,670
Past due over 3 months	1,453
	<hr/> 5,059 <hr/>

In assessing the recoverability of the Group’s trade receivables, the Group takes into consideration the past default experience, analysis of the customers’ current financial position and the prospects of the industry. The Group impairs its trade receivables when there is information indicating that the debtors are experiencing severe financial difficulty, there is a high probability that the debtors will enter bankruptcy, or when the Group expects default or significant delay in payments from the debtors.

The management has assessed the recoverability of the Group’s trade receivables, and based on which, the Board opines that the provision for impairment is adequate at this juncture.

SGX Query (b):

We refer to the Company's announcement issued on 24 November 2017 entitled "Update on the debt restructuring exercise". The Exchange provided an approval-in-principle for the listing and quotation of up to 2,142,857,141 Investment Shares, up to 1,000,594,259 Placement Shares, up to 269,238,880 Warrants, up to 269,238,880 Warrant Shares and 57,142,857 Consideration Shares subject to a written undertaking from the Company that it will comply with Rule 704(30) and Rule 1207(20) of the Listing Manual in relation to the use of the proceeds to be raised from the Proposed Investment and the Proposed Warrants Issue and where such proceeds are to be used for working capital purposes, the Company will disclose a breakdown with specific details on the use of proceeds for working capital in the Company's announcements on use of proceeds and in the annual report.

Please provide the breakdown with specific details on the use of proceeds for working capital as disclosed on page 13 of the unaudited financial statements for the period ended 31 March 2019.

Company's Response:

The breakdown with specific details on the use of proceeds for general working capital is as follows:

	S\$'000
Payment to trade creditors	1,078
Professional fees	1,685
Operation overheads	1,617
	<hr/>
	4,380
	<hr/>

BY ORDER OF THE BOARD

Sean Lee Yun Feng
Chief Executive Officer
15 May 2019