

1. INTRODUCTION

The Board of Directors of Sealink International Berhad (“SEALINK” or “SIB”) wishes to announce that Era Surplus Sdn Bhd (“Era”), a wholly-owned subsidiary of SIB had on 6th November 2017 entered into a Supplementary Agreement (“SA”) with Cakara Maritime Sdn Bhd (“Cakara”) for the proposed disposal of 420,000 ordinary shares at RM1.80 per share in Seasten Sdn Bhd (“Seasten”).

Pursuant to the SA, Era shall sell 420,000 ordinary shares representing 21% equity interest in Seasten to Cakara for a sale consideration of RM756,000.00 (“Proposed Disposal”).

Upon completion of the Proposed Disposal, Era will hold 49% in Seasten and Seasten will become an indirect associate company of SIB.

2. INFORMATION ON SEASTEN

Seasten was incorporated on 18th July 2013 and the current principal activity is Ship owner and operator.

The existing paid up share capital of Seasten is RM9,000,004.00 divided into 2,000,000 Ordinary Shares and 7,000,004 Redeemable Preference Shares.

The shareholders of Seasten are as follows:-

Name	Shareholding (%)
Era Surplus Sdn Bhd	70%
Cakara Maritime Sdn Bhd	30%

Upon completion of the Proposed Disposal, Era will hold 49% in the issued and paid-up share capital of Seasten and Seasten will become an indirect associate company of SIB.

3. INFORMATION ON CAKARA

Cakara is incorporated in Malaysia on 8th October 1997.

The paid up share capital of Cakara Maritime is RM1,000,000.00 divided into 1,000,000 ordinary shares.

Cakara is principally engaged in shipping business as an agent and consultants.

The shareholders in Cakara are as follows:-

Name	Shareholding (%)
Mohd Shaiful Aizi Bin Abdullah	70%
Muhammad Lukman Bin Musa @ Hussain	30%

Upon completion of the Proposed Disposal, Cakara will hold 51% in the issued and paid-up share capital of Seasten.

4. SALIENT TERMS OF THE PROPOSED DISPOSAL

4.1 Sale and Purchase of the Sale Shares

Era agrees to sell and Cakara agrees to purchase the additional 21% of the issued and paid-up share capital of Seasten comprising 420,000 ordinary shares (“Sale Shares”), on a willing buyer willing seller basis, free from all liens and encumbrances at the sale price of RM756,000.00 (“Sale Price”), upon the terms and conditions contained in the SA.

4.2 Basis of Arriving at the Sale Price

The Sale Price arrived at was based on a willing-buyer, willing-seller basis.

5. RATIONALE

SEALINK has the intention to forge a long term alliance with Cakara as Cakara is a well-established ship agent for the marine industry in Malaysia for the best interest of SEALINK.

SEALINK is always looking at strategic alliances with established agents and partners in the marine industry to enable SEALINK to maintain and increase SEALINK's market share in the marine support vessel segment.

6. LIABILITIES TO BE ASSUMED BY ERA

There are no liabilities to be assumed by Era in relation to the Sale Shares.

7. FINANCIAL EFFECTS

The Proposed Disposal has no effect on the share capital or the substantial shareholders' shareholdings of SIB.

Notwithstanding this, the above are not expected to have any material effects on the share capital and shareholding structure of the Company.

8. MAJOR SHAREHOLDERS' AND DIRECTORS' INTERESTS

None of the Directors or major shareholders or persons connected to the Directors or major shareholders has any direct or indirect interest in the Proposed Disposal.

9. DIRECTORS' STATEMENT

The Board of Directors of SEALINK, having considered all factors is of the opinion that the Proposed Disposal is in the best interest of the Company.

This announcement is dated 6th November 2017