

INTRODUCTION

The Board of Directors of Sealink International Berhad ("SEALINK" or "the Company") is pleased to announce that SEALINK Group had secured contracts for disposal of three (3) vessels for a total consideration of approximately RM18 million.

DETAILS OF THE CONTRACTS

On 24 October 2013, Midas Choice Sdn Bhd (646673-H) and Sutherland Resources Sdn Bhd (467227-T), wholly owned subsidiaries of SEALINK, secured contracts for the disposal of two (2) existing vessels to an overseas purchaser for a total cash consideration of USD2.3 million. On 4 November 2013, Euroedge Sdn Bhd (571944-T), a wholly owned subsidiary of SEALINK secured a contract for the disposal of another vessel for a total cash consideration of USD3.5million to the same overseas purchaser. On 22 November 2013, Euroedge Sdn Bhd received the downpayment for the disposal of the vessel.

INFORMATION ON THE ASSETS DISPOSED

The details of the assets disposed are as follows:-

Date sold	Company disposing asset	Official / IMO Number	Year Built / Purchase	Cost of asset RM'million	Carrying value as at 31/10/2013 (RM'million)	Disposal proceeds (RM'million)
24.10.2013	Midas Choice Sdn Bhd (646673-H) and Sutherland Resources Sdn Bhd (467227-T)	9314703 and 329810	2003 and 2002	9.81*	6.09	7.31
4.11.2013	Euroedge Sdn Bhd (571944-T)	9421568	2010	11.51	9.66	11.13
	Total				15.75	18.44

* Cost of assets includes fair value adjustments undertaken in 2008

A vessel is currently charged to CIMB Bank (L) Limited whilst the other two vessels are free from all encumbrances. This vessel is currently being discharged from the bank for the disposal.

LIABILITIES TO BE ASSUMED

The purchaser is not expected to assume any liabilities from the disposals.

TERMS OF PAYMENT AND BASIS OF CONSIDERATION

The vessels shall be delivered to the purchaser upon full payment from the purchaser. The vessels are sold as part of SEALINK's strategy to modernize our current fleet of vessels and these vessels are sold at the current market price.

Other than the vessel disposed on 4.11.2103 which would be delivered within the next six to eight weeks, the above disposals are expected to be concluded before the end of the financial year ending 2013.

FINANCIAL EFFECTS ON THE SALE

SEALINK Group is expected to recognize a gain on disposal of RM2.69 million from the disposal of the vessels.

The contracts are expected to improve the earnings, gearing and net assets of SEALINK for the financial year ending 31 December 2013.

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

UTILISATION OF PROCEEDS

The net proceeds after deducting the estimated expenses and other ancillary expenses will be used for working capital purposes.

HIGHEST PERCENTAGE RATIO APPLICABLE

The highest percentage ratio applicable to the transaction pursuant to Paragraph 10.02(g)(v) of the Bursa Malaysia Main Market Listing Requirement is 7.6%.

APPROVAL

The disposals of the vessels are not subject to the shareholders' approval or any other relevant government authorities.

DIRECTORS' AND MAJOR SHAREHOLDERS' 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 contracts.

DIRECTORS' STATEMENT

The Board of Directors of SEALINK is of the opinion that the acceptance of the contracts is in the best interest of the Company.

This announcement is dated 25 November 2013.

ABOUT SEALINK GROUP

SEALINK Group is an Integrated Service Provider which builds, owns and operates a diverse fleet of offshore marine support vessels, serving mainly the global offshore oil and gas exploration and production industry. Being one of the largest tug and barge operator in Malaysia for the oil and gas industry, it is now strengthening its position to be the major provider for offshore marine support vessels for other niche areas in the industry.

It has a young fleet of offshore marine support vessels predominantly focused on and used in the offshore oil & gas industry. With its diverse fleet of 40 vessels, it can cater to a wide base of reputable clients in the various segments of the industry.

Presently, SEALINK owns two shipyards located in Miri, Sarawak. The two shipyards have the capacity to construct up to 17 vessels a year.