



RICKMERS MARITIME (the “Trust”) and its subsidiaries (the “Group”)
Unaudited financial statements and distribution announcement
For the first quarter ended 31 March 2016

Rickmers Maritime (the “Trust”) is a business trust constituted by the Trust Deed entered on 30 March 2007 by Rickmers Trust Management Pte. Ltd. as the trustee-manager of Rickmers Maritime.

Rickmers Maritime was listed on the Singapore Exchange Securities Trading Limited (“SGX”) on 4 May 2007.

Abbreviations:

QTR : Quarter

NM : Not meaningful

Incr : Increase

Decr : Decrease

1.a (i) Consolidated Statement of Comprehensive Income for the 1st quarter ended 31 March 2016

| | | 1st QTR | | |
|--|-------------|----------------|----------|-----------------|
| | | 2016 | 2015 | Incr/ (Decr) |
| | | US\$'000 | US\$'000 | % |
| | Note | | | |
| Revenue | (a) | 21,326 | 28,636 | (26) |
| Other income | (b) | 335 | 1,665 | (80) |
| Other (losses)/gains - net | (c) | (1,599) | 1,812 | NM |
| Depreciation | | (7,217) | (8,863) | (19) |
| Vessel operating expenses | (d) | (9,741) | (9,568) | 2 |
| Trustee-Manager fee | | (690) | (740) | (7) |
| Other trust expenses | | (140) | (186) | (25) |
| Finance expenses | (e) | (3,676) | (5,723) | (36) |
| (Loss)/profit before income tax | | (1,402) | 7,033 | NM |
| Income tax expense | | - | - | - |
| Net (loss)/profit after tax | | (1,402) | 7,033 | NM |
| Other comprehensive (losses)/income | | | | |
| Cash flow hedges [^] | | | | |
| - Fair value losses | | - | (15) | NM |
| - Transfer to finance expenses | | - | 2,249 | NM |
| Other comprehensive income for the period, net of tax | | - | 2,234 | NM |
| Total comprehensive (loss)/income for the period | | (1,402) | 9,267 | NM |

[^] The fair value losses on cash flow hedges was a non-cash item and was continuously released to profit or loss to offset the interest expense over the period of borrowings.

Notes:

(a) Consists of time charter income, net of commissions.

(b) Other income

| | | 1st QTR | | |
|--|--|------------|----------|-----------------|
| | | 2016 | 2015 | Incr/ (Decr) |
| | | US\$'000 | US\$'000 | % |
| - Amortisation of deferred income from charter contracts | | - | 1,492 | NM |
| - Amortisation of deferred income from a charterer* | | 179 | - | NM |
| - Interest income from financial institutions | | 33 | 44 | (25) |
| - Other income | | 123 | 129 | (5) |
| | | 335 | 1,665 | (80) |

* Deferred income relates to contributions from a charterer for vessel improvements and are amortised over the life of the charter contracts with the charterer.

(c) *Other (losses)/gains – net*

- Exchange (loss)/gain on medium-term notes
- Exchange gain/(loss) on cash and cash equivalents
- Others

| 1st QTR | | |
|----------------|--------------|-----------------|
| 2016 | 2015 | Incr/ (Decr) |
| US\$'000 | US\$'000 | % |
| (1,736) | 2,406 | NM |
| 134 | (579) | NM |
| 3 | (15) | NM |
| (1,599) | 1,812 | NM |

(d) *Consist mainly of vessels' fixed operating expense, lubricant oil expense, vessel management fee, bunker consumption and other vessel-related expenses.*

(e) *Finance expenses*

- Interest expense on secured bank loans
- Fair value losses on effective portion of interest rate swaps transferred from other comprehensive income
 - Interest paid
- Interest on secured bank loans, net of effect of hedging
- Fair value losses on ineffective portion of interest rate swaps
 - Interest paid
 - Changes in derivative financial liability
- Interest on medium-term notes

| 1st QTR | | |
|----------------|----------------|-----------------|
| 2016 | 2015 | Incr/ (Decr) |
| US\$'000 | US\$'000 | % |
| (2,011) | (1,878) | 7 |
| - | (2,249) | NM |
| (2,011) | (4,127) | (51) |
| - | (616) | NM |
| - | 616 | NM |
| - | - | - |
| (1,665) | (1,596) | 4 |
| (3,676) | (5,723) | (36) |

1.a (ii) Consolidated Distribution Statement for the 1st quarter ended 31 March 2016

| | Note | 1st QTR | | |
|--|------|-----------------|----------|-----------------|
| | | 2016 | 2015 | Incr/ (Decr) |
| | | US\$'000 | US\$'000 | % |
| (Loss)/profit after tax | | (1,402) | 7,033 | NM |
| <u>Add:</u> | | | | |
| Non-cash adjustments and others | (a) | 8,936 | 5,054 | 77 |
| Interest expense - net | | 3,346 | 6,120 | (45) |
| EBITDA | | 10,880 | 18,207 | (40) |
| Non-recurring expenses | (b) | - | 46 | NM |
| Adjusted EBITDA | | 10,880 | 18,253 | (40) |
| <u>Add/(less):</u> | | | | |
| Movement in working capital | | 1,174 | 1,190 | (1) |
| Drydock reserve | (c) | - | - | - |
| Cash flow available for distribution before payment to debt capital providers | | 12,054 | 19,443 | (38) |
| Less: Payment to debt capital providers | | | | |
| Repayment of secured bank loans | | (12,914) | (12,237) | 6 |
| Interest paid – secured bank loans and interest rate swaps | | (1,833) | (4,691) | (61) |
| Cash flow available for distribution to unitholders | | (2,693) | 2,515 | NM |
| Amount to be distributed to unitholders | (d) | - | 5,084 | NM |
| Number of units – '000 | | 879,623 | 847,350 | 4 |
| Distribution Per Unit - US Cents | | - | 0.6 | NM |

Notes:

- (a) Non-cash adjustments comprise depreciation expense, amortisation of deferred income from a charterer and charter contracts (net), unrealised gain on interest rate swaps, amortisation of medium-term notes using the effective interest rate method as defined in IAS 39, amortisation of debt issuance costs and exchange translation differences.
- (b) Non-recurring expenses in 1Q2015 consist of professional fees incurred on the Distribution Reinvestment Plan established on 9 April 2015.
- (c) The reserve represents management's estimate of the amount of cash that needs to be retained progressively for the vessels' dry-docking costs.
- (d) For 1Q2016, no distribution was declared.
For 1Q2015, the distribution was 0.6 US Cents per unit. 331,240,842 units were funded by cash available for distribution. For the remaining 516,109,158 units, unitholders elected to receive new units under the Distribution Reinvestment Plan. A total of 16,150,452 new units were issued.

1.b (i) Statement of financial position as at 31 March 2016 together with comparative statements as at the end of the immediately preceding year

| | 31/03/16 | | 31/12/15 | |
|---|----------------|----------------|----------------|----------------|
| | Group | Trust | Group | Trust |
| | US\$'000 | US\$'000 | US\$'000 | US\$'000 |
| ASSETS | | | | |
| Current assets | | | | |
| Cash and cash equivalents | 40,848 | 15,003 | 45,064 | 22,975 |
| Trade and other receivables | 824 | 72 | 1,127 | 66 |
| Inventories | 2,434 | 238 | 2,634 | 238 |
| Prepayments | 179 | 16 | 244 | 13 |
| Total current assets | 44,285 | 15,329 | 49,069 | 23,292 |
| Non-current assets | | | | |
| Investments in subsidiaries | - | 160 | - | 160 |
| Loans to subsidiaries | - | 849,041 | - | 849,041 |
| Vessels | 699,076 | - | 706,011 | - |
| Total non-current assets | 699,076 | 849,201 | 706,011 | 849,201 |
| Total assets | 743,361 | 864,530 | 755,080 | 872,493 |
| LIABILITIES | | | | |
| Current liabilities | | | | |
| Trade and other payables | 2,028 | 183 | 2,789 | 240 |
| Amounts due to subsidiaries (non-trade) | - | 413,537 | - | 414,814 |
| Secured bank loans | 215,806 | 197,655 | 44,603 | 24,000 |
| Medium-term notes | 2,330 | 2,330 | 774 | 774 |
| Advanced charter hire received | 1,986 | - | 2,037 | - |
| Deferred income from a charterer | 714 | - | 714 | - |
| Total current liabilities | 222,864 | 613,705 | 50,917 | 439,828 |
| Non-current liabilities | | | | |
| Deferred income from a charterer | 1,064 | - | 1,243 | - |
| Secured bank loans | 84,850 | - | 268,780 | 179,637 |
| Medium-term notes | 72,421 | 72,421 | 70,576 | 70,576 |
| Total non-current liabilities | 158,335 | 72,421 | 340,599 | 250,213 |
| Total liabilities | 381,199 | 686,126 | 391,516 | 690,041 |
| NET ASSETS | 362,162 | 178,404 | 363,564 | 182,452 |
| UNITHOLDERS' FUNDS | | | | |
| Common Units in issue | 517,615 | 517,615 | 517,615 | 517,615 |
| Unit issuance costs | (12,024) | (12,024) | (12,024) | (12,024) |
| Accumulated losses | (143,429) | (327,187) | (142,027) | (323,139) |
| Total unitholders' funds | 362,162 | 178,404 | 363,564 | 182,452 |

1.b (ii) Group's borrowings and debt securities

Secured bank loans

Amount repayable within one year

Amount repayable after one year

| Group | |
|----------------|----------------|
| 31/03/16 | 31/12/15 |
| US\$'000 | US\$'000 |
| 215,806 | 44,603 |
| 84,850 | 268,780 |
| 300,656 | 313,383 |

As at 31 December 2015, the face value of the Group's total outstanding secured bank loans was US\$314.1 million. During the first quarter of 2016, a total repayment of US\$12.9 million (2015: US\$12.2 million) was made by the Group. As at 31 March 2016, the face value of the Group's total outstanding secured bank loans was US\$301.2 million.

Face value of secured bank loans

Unamortised portion of debt issuance costs

Carrying amount of secured bank loans

| Group | |
|----------------|----------------|
| 31/03/16 | 31/12/15 |
| US\$'000 | US\$'000 |
| 301,169 | 314,084 |
| (513) | (701) |
| 300,656 | 313,383 |

The difference between the face value of secured bank loans and the carrying amount of US\$300.7 million (31 December 2015: US\$313.4 million) is due to the accounting treatment for borrowings, which is initially recognised at fair value (net of transaction costs) and subsequently stated at amortised cost.

The loans bear interest at floating rates and are secured on all existing sixteen containerships and their respective assignment of the charter revenues, insurance, earnings, deposit accounts and pledge of respective owner's/borrower's (the Trust's subsidiaries) shares and requisition compensation.

The Group's secured bank loans are obtained from three syndicates of lending banks. The Group and Trust has bank borrowings of US\$179.7 million due for repayment on 31 March 2017 to one of the syndicates consisting of HSH Nordbank AG and DBS Bank Ltd (the "HSH Lenders"). Correspondingly, this amount is presented as current liabilities in the statement of financial position as at 31 March 2016. The Trustee-Manager has been in discussion with the HSH Lenders to restructure the borrowings, which include extension of repayment date beyond 31 March 2017.

Medium-term notes

Amount repayable within one year *

Amount repayable after one year

| Group | |
|---------------|---------------|
| 31/03/16 | 31/12/15 |
| US\$'000 | US\$'000 |
| 2,330 | 774 |
| 72,421 | 70,576 |
| 74,751 | 71,350 |

* Pertains to accrued interest on medium-term notes, which is due on 16 May 2016.

On 15 May 2014, the Trust issued S\$100 million (US\$80 million) of three-year notes ("Series 1 Notes") under its S\$300 million multicurrency medium-term note programme established on 19 November 2013. The Series 1 Notes bear a fixed interest rate of 8.45% per annum, which is payable semi-annually in arrears. The maturity date of Series 1 Notes is 15 May 2017.

The fair value of the Series 1 Notes is determined from the quoted price in the market. As at 31 March 2016, the fair value of the Series 1 Notes amounted to US\$66.5 million.

Status as at 31 March 2016

As at the date of these financial statements, the Trustee-Manager remains actively engaged with creditors, banks and advisors in regards to maturing debts.

1.c Consolidated statement of cash flows for the 1st quarter ended 31 March 2016

| | 1st QTR | |
|---|-----------------|---------------------|
| | 2016 | 2015 |
| | US\$'000 | US\$'000 |
| Cash flows from operating activities: | | |
| Cash receipts from customers | 20,728 | 28,790 |
| Cash paid to suppliers and Trustee-Manager | (10,216) | (10,831) |
| <i>Net cash provided by operating activities</i> | 10,512 | 17,959 |
| Cash flows from investing activities: | | |
| Vessel improvement | (146) | (433) |
| Interest received | 29 | 54 |
| <i>Net cash used in investing activities</i> | (117) | (379) |
| Cash flows from financing activities: | | |
| Repayment of secured bank loans | (12,914) | (12,237) |
| Interest paid on secured bank loans | (1,833) | (1,826) |
| Interest paid on interest rate swaps | - | (2,865) |
| Distribution to unitholders | - | (5,084) |
| <i>Net cash used in financing activities</i> | (14,747) | (22,012) |
| Net decrease in cash and cash equivalents for the period | (4,352) | (4,432) |
| Cash and cash equivalents at beginning of period | 45,064 | 60,008 |
| Effects of exchange rate changes on cash and cash equivalents | 136 | (578) |
| Cash and cash equivalents at end of period** | 40,848 | 54,998 [^] |

Footnote:

[^] Cash and cash equivalents include an amount of US\$25.0 million which could be used by the Group for operational purposes but not for distribution to unitholders nor to service interest payments on medium-term notes.

** The Group is subjected to a free liquidity covenant which requires the Group to maintain a minimum balance in cash and cash equivalents of US\$19.2 million (2015: US\$19.2 million).

1.d (i) Statement of changes in unitholders' funds for the 1st quarter ended 31 March 2016

Group

2016

Balance at 1 January 2016
Total comprehensive loss for the period

Balance at 31 March 2016

2015

Balance at 1 January 2015
Total comprehensive income for the period
Distribution to unitholders

Balance at 31 March 2015

| Attributable to unitholders of Trust | | | | |
|--------------------------------------|------------------|-----------------|--|------------------|
| Units in issue | Unit issue costs | Hedging reserve | (Accumulated losses)/ distributable income | Total |
| US\$'000 | US\$'000 | US\$'000 | US\$'000 | US\$'000 |
| 517,615 | (12,024) | - | (142,027) | 363,564 |
| - | - | - | (1,402) | (1,402) |
| 517,615 | (12,024) | - | (143,429) | (362,162) |
| 512,086 | (12,024) | (4,472) | 2,549 | 498,139 |
| - | - | 2,234 | 7,033 | 9,267 |
| - | - | - | (5,084) | (5,084) |
| 512,086 | (12,024) | (2,238) | 4,498 | 502,322 |

Trust

2016

Balance at 1 January 2016
Total comprehensive loss for the period

Balance at 31 March 2016

2015

Balance at 1 January 2015
Total comprehensive loss for the period
Distribution to unitholders

Balance at 31 March 2015

| Units in issue | Unit issue costs | Accumulated losses | Total |
|----------------|------------------|--------------------|----------------|
| US\$'000 | US\$'000 | US\$'000 | US\$'000 |
| 517,615 | (12,024) | (323,139) | 182,452 |
| - | - | (4,048) | (4,048) |
| 517,615 | (12,024) | (327,187) | 178,404 |
| 512,086 | (12,024) | (251,773) | 248,289 |
| - | - | (634) | (634) |
| - | - | (5,084) | (5,084) |
| 512,086 | (12,024) | (257,491) | 242,571 |

- 1.d (ii) Details of any changes in the company's units arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of units for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of units that may be issued on conversion of all the outstanding convertibles, as well as the number of units held as treasury units, if any, against the total number of issued units excluding treasury units of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

At the beginning and end of the period

| 31/03/16 | 31/12/15 |
|--------------------|-------------|
| Units | Units |
| 879,622,717 | 879,622,717 |

Footnote:

- (a) *There are no outstanding convertibles as at 31 March 2016 and 31 December 2015.*
- (b) *There are no treasury units as at 31 March 2016 and 31 December 2015.*

- 1.d (iii) To show the total number of issued units excluding treasury units as at the end of the current financial period and as at the end of the immediately preceding year.**

Total issued units

| 31/03/16 | 31/12/15 |
|--------------------|-------------|
| 879,622,717 | 879,622,717 |

- 1.d (iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury units as at the end of the current financial period reported on.**

Not applicable.

2 Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice

The figures have not been audited nor reviewed. However, our auditors have performed certain procedures and enquiries. These procedures are substantially less in scope than an audit or a review in accordance with International Standard on Review Engagements (ISRE) 2410 – Review of Interim Financial Information Performed by the Independent Auditor of the Entity.

3 Where the figures have been audited, or reviewed, the auditors' report (including any qualifications or emphasis of matter)

Not applicable.

4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited financial statements have been applied

Except as stated in Note 5, the Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period as those of the audited financial statements for the financial year ended 31 December 2015.

5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change

On 1 January 2016, the Group adopted the new and amended International Financial Reporting Standards ("IFRS") that are mandatory for application on that date. None of these IFRS have a significant impact on the Group.

The adoption of these new IFRS did not result in any substantial change to the Group's accounting policies nor any significant impact on the financial statements.

6 Earnings per unit ('EPU') for the current financial period and corresponding period of the immediately preceding financial year

Weighted average number of units as at end of period
- basic and diluted

(Loss)/earnings per unit for the period based on the weighted average number of units in issue (US Cents)
- basic and diluted

| 1st QTR | |
|-------------|-------------|
| 2016 | 2015 |
| 879,622,717 | 847,350,000 |
| (0.16) | 0.83 |

7 Net asset value (for the issuer and group) per unit based on the total number of issued units excluding treasury units of the issuer at the end of the period and immediately preceding financial year:-

Net asset value per unit (US\$)

| 31/03/16 | | 31/12/15 | |
|----------|-------|----------|-------|
| Group | Trust | Group | Trust |
| 0.41 | 0.20 | 0.41 | 0.21 |

Footnote:

- (a) The number of units used in the computation of actual NAV is 879,622,717 units.
(b) There are no treasury units.

8 Review of the Performance of the Group

Group revenue of US\$21.3 million for the first quarter of 2016 (1Q16) was 26% below revenue reported in the first quarter of 2015 (1Q15) as a result of reduced charter rates on vessels which had their charters renewed on short-term charters, as well as a total of 112.7 off-hire and idle days during the quarter. Fleet utilisation was 92.3% in 1Q16 and 98.8% in the same period of 2015.

Other income comprising mainly amortisation of deferred income from a charterer (non-cash in nature) and interest income decreased by US\$1.3 million. The decrease of 80% was due mainly to the expiry of charter contracts.

Other losses of US\$1.6 million was attributable to net exchange losses on SGD-denominated medium-term notes and cash balances due to the depreciation of the US dollar against the Singapore dollar in 1Q16.

Vessel operating expenses which include vessel fixed operating expense, lubricant oil expense, vessel management fee, other vessel related expenses and bunker expense, increased by 2% to US\$9.7 million in 1Q16 from US\$9.6 million in 1Q15. The increase was due mainly to (i) a contractual increase in fixed operating expenses due to higher repair and maintenance as the fleet ages, (ii) a contractual increase of 2% in vessel management fees; which came into effect from 1 January 2016, (iii) consumption of bunker due to off-hire and idle vessels. The increase was partially offset by refunds of fixed operating expenses of US\$0.3 million due to lower insurance costs. Vessel operating expenses are monitored closely and management continues to benchmark all fixed operating expenses and management fees.

Finance expenses decreased from US\$5.7 million in 1Q15 to US\$3.7 million in 1Q16. The decrease was due mainly to the expiry of interest rate swaps and reduced outstanding bank loan balances. The decrease was partially offset by higher interest expense on the SGD-denominated medium-term notes as a result of depreciation of the US dollar against the Singapore dollar in 1Q16. In respect of the Group's bank borrowings, US\$179.7 million due for repayment on 31 March 2017 has been reclassified to current liabilities during 1Q16.

Overall, the Group recorded a net loss after tax of US\$1.4 million in 1Q16 compared to a net profit of US\$7.0 million in 1Q15.

9 Where a forecast, or a prospect statement, has been previously disclosed to unitholders, any variance between it and the actual results.

No forecast statement for the financial year 2016 has been disclosed.

10 Commentary on the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

In 2015, trade growth reached just 2.4%, the slowest pace since 2009*. Trade growth is expected to increase to 4.1%* in 2016, whilst growth in container vessel capacity is expected to be lower at 3.9%* over 2016. The trade growth projection is subject to risks from global economic developments.

The charter market for modern container panamax vessels continued to be at depressed level during the reporting period, as 10% of the fleet of 3,000-5,099 TEU vessels remain idle**, putting pressure on charter rates. Time charter rates are expected to stay depressed in the coming months until a better balance between trade growth and vessel supply is reached. Vessel values may decline in a situation of prolonged excess capacity.

Rickmers Maritime's fleet has, through existing charter agreements, US\$125.7 million of secured revenue between 31 March 2016 and the expiry of the last charter party contract in 2019. The fleet is 60.3% employed for 2016. With 11 vessels trading in the spot market, the earnings and cash flows of the Trust will closely reflect the future prevailing charter market conditions.

* Source: Clarkson Research Services, March 2016

** Source: Alphaliner, April 2016

11 Distribution

a Current financial period

Any distributions recommended for the : No
current financial period

b Corresponding period of the immediately preceding financial period

Any distributions declared for the : Yes. At 0.60 US Cents per unit for distribution period
previous corresponding financial period from 1 January 2015 to 31 March 2015

Distribution Type : Income / Capital

| Distribution Type | Distribution Rate (US Cents per unit) |
|-------------------|--|
| Tax-Exempt income | 0.53 |
| Capital | 0.07 |
| Total | 0.60 |

12 If no distribution has been declared / (recommended), a statement to that effect.

No distribution has been declared.

13 If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group has not obtained a general mandate from unitholders for IPTs.

14 The board of directors of Rickmers Trust Management Pte. Ltd. do hereby confirm that, to the best of their knowledge, nothing has come to their attention which may render the financial results for the quarter ended 31 March 2016 to be false or misleading.

15 The Trustee-Manager, Rickmers Trust Management Pte. Ltd., has procured undertakings required under Rule 720(1), from all its directors and executive officers.

This release may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from other companies, changes in operating expenses, trust expenses and governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on current view of management on future events.

Any discrepancies in the tables included in this announcement between the listed amounts and total thereof are due to rounding.

BY ORDER OF THE BOARD OF RICKMERS TRUST MANAGEMENT PTE. LTD.
AS TRUSTEE-MANAGER OF RICKMERS MARITIME

Bertram R. C. Rickmers
Chairman
Date: 30 April 2016