
PROPOSED CONSOLIDATION OF EVERY TWO EXISTING ISSUED ORDINARY SHARES INTO ONE CONSOLIDATED SHARE

1. INTRODUCTION

The board of directors (the “**Board**” or the “**Directors**”) of Swiber Holdings Limited (the “**Company**” and collectively with its subsidiaries, the “**Group**”) wishes to announce that the Company proposes to undertake a share consolidation of every two existing issued ordinary shares of the Company (the “**Shares**”) registered in the name, or standing to the credit of the securities account with The Central Depository (Pte) Limited (“**CDP**”), of each shareholder of the Company (the “**Shareholder**”) as at a books closure date to be determined by the Directors (the “**Books Closure Date**”) into one consolidated share (the “**Consolidated Share**”), fractional entitlements to be disregarded (the “**Proposed Share Consolidation**”).

2. THE PROPOSED SHARE CONSOLIDATION

Under the Proposed Share Consolidation, every two Shares registered in the name of each Shareholder as at the Books Closure Date will be consolidated into one Consolidated Share. Each Consolidated Share will rank *pari passu* in all respects with each other. The Consolidated Shares will be traded in board lots of 100 Consolidated Shares.

Shareholders should note that the number of Consolidated Shares which they will be entitled to pursuant to the Proposed Share Consolidation based on their respective holdings of the Shares as at the Books Closure Date, will be rounded down to the nearest whole Consolidated Share and any fractions of a Consolidated Share arising from the Proposed Share Consolidation will be disregarded. Affected Shareholders will not be paid for any fractions of a Consolidated Share which are disregarded. Shareholders who hold less than two Shares as at the Books Closure Date will not be entitled to any Consolidated Share(s) and will no longer be Shareholders upon completion of the Proposed Share Consolidation. Such Shareholders who wish to remain as Shareholders upon completion of the Proposed Share Consolidation are advised to purchase additional Shares so as to increase the number of Shares held to a multiple of two Shares prior to the Books Closure Date.

As at the date of this announcement, the Company has an issued share capital of 918,939,000 Shares. On the assumption that no new Shares are issued by the Company on or before the Books Closure Date, the Company will have an issued ordinary share capital of up to 459,469,500 Consolidated Shares immediately following the completion of the Proposed Share Consolidation.

The Proposed Share Consolidation will have no impact on the issued and paid-up share capital of the Company. The Proposed Share Consolidation will not involve the diminution of any liability in respect of unpaid capital or the payment to any Shareholder of any paid-up capital of the Company and has no effect on the Shareholders’ funds of the Group. Shareholders are not required to make any payment to the Company in respect of the Proposed Share Consolidation.

Shareholders who hold physical share certificates may wish to deposit the same with CDP and have their Shares credited to their securities accounts with CDP before the Books Closure Date, as CDP will only accept for deposit new share certificates of Consolidated Shares after the Books Closure Date.

Subject to Shareholders' approval being obtained for the Proposed Share Consolidation at an extraordinary general meeting ("EGM") to be convened by the Company, the respective Shareholders' holdings of the Consolidated Shares arising from the Proposed Share Consolidation will be ascertained on the Books Closure Date.

The Proposed Share Consolidation will not cause any changes to the percentage shareholding of each Shareholder other than non-material changes due to rounding.

3. RATIONALE FOR THE PROPOSED SHARE CONSOLIDATION

The Proposed Share Consolidation is being undertaken to comply with the continuing listing requirement introduced by The Monetary Authority of Singapore and Singapore Exchange Securities Trading Limited (the "SGX-ST") for SGX Mainboard-listed issuers to have a minimum trading price of S\$0.20 ("MTP") with effect from 2 March 2015. The first assessment for compliance with the MTP requirement will be on 1 March 2016. The assessment of whether an issuer has met the MTP of S\$0.20 will be based on the issuer's volume weighted average price ("VWAP") of its shares for the six months preceding the relevant date of review.

For the past six months prior to the date of this announcement, the Shares have been trading in a range from S\$0.141 to S\$0.230. For illustrative purposes only, the VWAP of the Shares for such six-month period is S\$0.1861, which is below the MTP. The Company is seeking to undertake the Proposed Share Consolidation with the purpose of raising the minimum theoretical price of the Shares so as to facilitate the Company's ability to satisfy and be in compliance with the MTP requirement. On the assumption that the Proposed Share Consolidation had been in place for the six months prior to the date of this announcement, the theoretical adjusted six-month VWAP for the Consolidated Shares would be S\$0.3722.

Shareholders should note, however, that there is no assurance that the Proposed Share Consolidation will achieve the desired results or that such results (if achieved) can be sustained in the longer term.

4. ADJUSTMENTS TO OPTIONS AND SHARE AWARDS

As at the date of this announcement, the Company had unexercised employee options under the Swiber Share Option Scheme (the "ESOS") in respect of 30,000,000 new Shares and outstanding awards under the Swiber Performance Share Plan (the "Share Plan") in respect of up to 2,000,000 new Shares which have yet to be allotted and issued.

Under the respective terms of the ESOS and the Share Plan, if, amongst others, a consolidation of Shares takes place:

- a) the exercise price of the option shares, class and/or number of option shares to the extent unexercised, as well as the class and/or number of option shares over which options may be granted under the ESOS; and
- b) the number of unissued award shares and the rights attached thereto, as well as the class and/or number of award shares in respect of which awards may be granted,

may be adjusted in such manner as the Committee deems appropriate provided that such adjustment does not result in a participant receiving a benefit that a Shareholder does not receive.

The respective committees have determined that following the Proposed Share Consolidation:

- a) the unexercised employee options under the ESOS as at the date of this announcement will be adjusted as follows:

Date of Grant	No. of employee options		Exercise price per option (\$)	
	Before adjustment	After adjustment	Before adjustment	After adjustment
26 January 2011	15,000,000	7,500,000	0.97	1.94
19 March 2013	15,000,000	7,500,000	0.64	1.28

; and

- b) all awards outstanding under the Share Plan as at the date of this announcement shall be consolidated on a 2:1 ratio as if the underlying award shares were consolidated under the Proposed Share Consolidation. Following the Proposed Share Consolidation and adjustment, up to 1,000,000 award shares may be awarded to participants under such outstanding awards.

5. APPROVALS

The Proposed Share Consolidation is subject to, *inter alia*:

- (a) the in-principle approval of the SGX-ST for the dealing in, listing of and quotation for the Consolidated Shares on the SGX-ST; and
- (b) the approval of Shareholders by ordinary resolution at an EGM to be convened.

An application will be made to the SGX-ST for permission to deal in and for the listing of and quotation for up to 459,469,500 Consolidated Shares on the Mainboard of the SGX-ST. An announcement on the outcome of the application will be made in due course.

6. DESPATCH OF CIRCULAR

Subject to the Company's receipt of the in-principle approval from the SGX-ST, a circular containing, *inter alia*, the notice of the EGM and further details of the Proposed Share Consolidation will be despatched to Shareholders in due course.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Company's securities. When in doubt about the actions to take, Shareholders and potential investors are advised to seek independent advice from their bankers, stockbrokers, solicitors or other professional advisers.

By order of the Board

Raymond Kim Goh
Executive Chairman

13 July 2015