

Swiber Holdings Limited
(Judicial Managers Appointed)
Co. Reg. No. 200414721N

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PROPOSED DISPOSAL OF VESSELS TO SWIBER MARINE MEXICO S.A. DE C.V.

1. INTRODUCTION

Swiber Holdings Limited (Judicial Managers Appointed) (the "**Company**", and together with its subsidiaries, the "**Group**") wishes to announce that its indirect wholly-owned subsidiary, Aster Marine Pte. Ltd. (the "**Vendor**"), has on 23 August 2018 entered into a memorandum of agreement (the "**MOA**") with Swiber Marine Mexico S.A. de C.V. (the "**Purchaser**"), a company in which the Company indirectly holds 49% of the total issued shares, in relation to the proposed disposal by the Vendor of two vessels known as SWIBER OSLO (IMO No. 9558529) ("**Swiber Oslo**") and SWIBER ADA (IMO No. 9502154) ("**Swiber Ada**") and collectively with Swiber Oslo, the "**Vessels**") to the Purchaser (the "**Proposed Disposal**").

2. INFORMATION ON THE PROPOSED DISPOSAL

The aggregate consideration payable by the Purchaser to the Vendor for the Vessels is US\$375,000 (the "**Vessel Consideration**") (on the basis that the consideration is US\$187,500 for each Vessel) and shall be paid in cash.

As the Vessels have been mortgaged in favour of HSH Nordbank AG Singapore Branch ("**HSH**") as security for the Vendor's obligations under certain banking facilities extended by HSH to the Vendor (the "**HSH Facilities**"), the proceeds from the Proposed Disposal will be used to pay down the amounts owing under the HSH Facilities to the extent of the amount of the Vessel Consideration.

The Vessel Consideration was arrived at on a willing-buyer and willing-seller basis and based on the mutual agreement between the Vendor and HSH after taking into consideration an independent offer for the Vessels previously received by the Vendor and HSH from an unrelated third party and that the proceeds from the Proposed Disposal would be used by the Vendor to pay down the amounts owing to HSH under the HSH Facilities.

Prior to the execution of the MOA, the Purchaser had paid the Vessel Consideration in full to an escrow agent and had given irrevocable instructions to the escrow agent to release the Vessel Consideration in full to HSH or to its order immediately upon the discharge of HSH's security over the Vessels, which discharge is expected to take place on or shortly after completion of the Proposed Disposal.

Completion of the Proposed Disposal is estimated to take place within four (4) weeks after the date of the MOA.

Based on the Vendor's unaudited accounts for the three (3) months ended 31 March 2016:-

- (a) the net book value and the net tangible asset value of Swiber Oslo as at 31 March 2016 was approximately US\$11.68 million; and

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- (b) the net book value and the net tangible asset value of Swiber Ada as at 31 March 2016 was approximately US\$11.68 million.

No valuation of the Vessels was carried out in connection with the Proposed Disposal.

3. NON-DISCLOSEABLE TRANSACTION

The relative figures computed on the basis of Rule 1006 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("**Listing Manual**") in respect of the Proposed Disposal based on the latest announced unaudited consolidated financial statements of the Group for the three (3) months ended 31 March 2016 (being the latest announced consolidated accounts of the Group), are as follows:-

Rule	Bases of computation	Proposed Disposal (US\$' million)	Group (US\$' million)	Relative figure
1006(a)	Net asset value of assets to be disposed of, compared with the Group's net asset value ⁽¹⁾	23.36	486.16	4.81%
1006(b)	Net profits/(loss) attributable to the assets disposed of, compared with the Group's net profits/(loss)	-	-	Not applicable ⁽²⁾
1006(c)	Aggregate value of consideration received, compared with the Company's market capitalisation based on the total number of issued shares excluding treasury shares ⁽³⁾	0.38	37.62	1.01%
1006(d)	The number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue	-	-	Not applicable, as there is no issuance of equity securities by the Company.

Notes:

- (1) Based on the aggregate unaudited net book value of the Vessels of approximately US\$23.36 million as at 31 March 2016 and the Group's unaudited net asset value of approximately US\$486.16 million, as at 31 March 2016.
- (2) Each Vessel has historically been utilised for various projects and is one among other vessels and equipment used by the Group to complete such projects. For the review and analysis of their financials, the Group calculates profitability on an overall project basis and it would not be feasible to assign a profit value to any particular assets, including vessels, of the Group. Further, each Vessel is not provided on a charter or hire basis to any third party outside the Group. In view of the foregoing, it would not be possible to calculate the relative figure for Rule 1006(b).

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- (3) Based on the Vessel Consideration of approximately US\$0.38 million and the market capitalisation of SHL of approximately S\$51.1 million (approximately US\$37.62 million based on an exchange rate of US\$1:S\$1.35845 as at 26 July 2016, being the last full market day preceding the suspension of trading of the shares of the Company on the Singapore Exchange Securities Trading Limited (the “**Last Full Trading Day**”). The market capitalisation is determined by multiplying the 460,376,986 issued shares in the Company by S\$0.111, being the weighted average price of the Company’s shares transacted on the Last Full Trading Day.

As the relative figures computed on the applicable bases as set out in Rule 1006 of the Listing Manual do not exceed 5%, the Proposed Disposal is a “Non-Discloseable Transaction” for the purposes of Chapter 10 of the Listing Manual.

4. INTERESTS OF JUDICIAL MANAGERS, DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the Judicial Managers and the Directors of the Company, and to the best of the knowledge of the Judicial Managers and the Directors, none of the controlling shareholders of the Company, has any direct or indirect interest in the Proposed Disposal, save for the Directors’ and controlling shareholders’ shareholdings in the Company and/or options in the shares of the Company.

5. DOCUMENTS FOR INSPECTION

A copy of the MOA will be made available for inspection during normal business hours at the Company’s registered office at 12 International Business Park, #01-05 Swiber@IBP, Singapore 609920 for a period of three (3) months from the date of this announcement.

By Order of the Judicial Managers
Bob Yap Cheng Ghee
Joint and Several Judicial Manager
23 August 2018

By Order of the Board
Raymond Kim Goh
Chairman
23 August 2018