

VARD HOLDINGS LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration Number: 201012504K)

**VOLUNTARY CONDITIONAL CASH OFFER
FOR SHARES IN VARD HOLDINGS LIMITED**

1. Introduction

The board of directors (the "**Board**") of Vard Holdings Limited (the "**Company**") refers to the announcement released on 1 December 2016 by Credit Suisse (Singapore) Limited, for and on behalf of Fincantieri Oil & Gas S.p.A. (the "**Offeror**"), a direct wholly-owned subsidiary of Fincantieri S.p.A., regarding the despatch of the formal offer document dated 1 December 2016 (the "**Offer Document**") containing the terms and conditions of the voluntary conditional cash offer (the "**Offer**") by the Offeror for all of the issued ordinary shares ("**Shares**") in the capital of the Company, other than those already owned, controlled or agreed to be acquired by the Offeror, its related corporations and their respective nominees.

2. Despatch of the Circular

The Board wishes to inform the shareholders of the Company ("**Shareholders**") that the Company will today despatch a circular dated 15 December 2016 (the "**Circular**") to Shareholders.

The Circular contains, *inter alia*:

- (a) the advice of KPMG Corporate Finance Pte Ltd, the independent financial adviser to the directors of the Company who are considered independent for the purpose of the Offer (the "**Independent Directors**"); and
- (b) the recommendation of the Independent Directors in respect of the Offer and relevant information pertaining to the Offer for the consideration of Shareholders, in compliance with Rule 24 of the Singapore Code on Take-overs and Mergers.

Any Shareholder who has not received the Circular within one (1) week from the date hereof may contact The Central Depository (Pte) Limited (the "**CDP**"), if he is a Depositor (as defined in the Circular), or the Company's share registrar (the "**Share Registrar**"), if he is a scripholder, as the case may be, immediately at the addresses and telephone numbers set out below:

CDP

The Central Depository (Pte) Limited

9 North Buona Vista Drive
#01-19/20 The Metropolis
Singapore 138588

Tel: (65) 6535 7511

Share Registrar

RHT Corporate Advisory Pte. Ltd.

9 Raffles Place
#29-01, Republic Plaza Tower 1
Singapore 048619

Tel: (65) 6381 6888

All Shareholders should note that a copy of the Circular will be available on the website of the Singapore Exchange Securities Trading Limited at www.sgx.com.

3. Closing Date

Shareholders should note that the Offer Document states that acceptances of the Offer should be received by 5.30 p.m. (Singapore time) on 29 December 2016 or such later date(s) as may be announced from time to time by or on behalf of the Offeror.

4. Directors' Responsibility Statement

The directors of the Company (including those who have delegated detailed supervision of the preparation of this Announcement) have taken all reasonable care to ensure that the facts stated and the opinions expressed in this Announcement are fair and accurate, and that there are no other material facts not contained in this Announcement, the omission of which would make any statement in this Announcement misleading.

Where any information has been extracted or reproduced from published or otherwise publicly available sources or obtained from the Offeror (including, without limitation, the Offer Document), the sole responsibility of the directors of the Company has been to ensure that such information has been accurately extracted from such sources or, as the case may be, reflected or reproduced in this Announcement.

The directors of the Company jointly and severally accept responsibility accordingly.

By Order of the Board
Vard Holdings Limited

Roy Reite
Executive Director and Chief Executive Officer

15 December 2016