

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

12 International Business Park, Swiber@IBP #01-05, Singapore 609920  
Tel: +65 6505 0800 Fax: +65 6505 0802  
[www.swiber.com](http://www.swiber.com)

---

## DISPOSAL BY SWIBER MARINE PTE. LTD. OF ITS 50% SHAREHOLDING IN SWIWAR OFFSHORE PTE. LIMITED

---

### INTRODUCTION

- 1.1 Swiber Holdings Limited (Judicial Managers Appointed) (the "**Company**") and together with its subsidiaries, the "**Group**") wishes to announce that its wholly-owned subsidiary, Swiber Marine Pte. Ltd. ("**Swiber Marine**"), had entered into a sale and purchase agreement dated 20 December 2017 ("**SPA**") with Warden Marine Singapore Pte. Ltd. ("**Warden Marine**") in relation to the sale by Swiber Marine of 590 ordinary shares in the capital of Swiwar Offshore Pte. Limited ("**Swiwar**") (the "**Sale Shares**"), which represent 50% of the total issued shares in the capital of Swiwar, to Warden Marine (an unrelated party), at an aggregate cash consideration of US\$1.00 (the "**Consideration**") (the "**Disposal**").
- 1.2 The Disposal was completed on 20 December 2017 ("**Completion**") and following Completion, Swiwar ceased to be an associated company of the Company.

### 2. INFORMATION ON SWIWAR

- 2.1 Swiwar is a company incorporated in Singapore on 29 November 2006. As at the date of the SPA, Swiwar had an issued share capital of USD11,210,001.66, comprising 1,180 ordinary shares, all of which have been fully paid-up. Immediately prior to Completion, Swiber Marine and its joint venture partner, Warden Marine, each held 50% of the total issued shares in the capital of Swiwar.
- 2.2 Swiwar's principal business activities are the ownership, operation and chartering of vessels. As at the date of the SPA, the sole asset of Swiwar is a vessel named "Swiwar Surya" (previously named as "Tan Cang 66") (the "**Vessel**"). The Vessel has been mortgaged in favour of a lender (the "**Lender**") who had extended credit facilities to Swiwar in connection with Swiwar's purchase of the Vessel (the "**Credit Facilities**"). The Credit Facilities were, prior to Completion, secured by, amongst others, a corporate guarantee from the Company in favour of the Lender (the "**SHL Guarantee**"). As at the date of the SPA, the principal amount of US\$12.5 million under the Credit Facilities remained outstanding and owing by Swiwar to the Lender.

### 3. RATIONALE FOR THE DISPOSAL

- 3.1 Based on the latest available audited accounts of Swiwar for the financial year ended 31 December 2015 ("**FY2015 Swiwar Audited Accounts**"), the unaudited accounts of Swiwar for the financial year ended 31 December 2016 ("**FY2016**") and the unaudited accounts of Swiwar for the period from 1 January 2017 to 30 November 2017 ("**Swiwar 11 Months Accounts**"), Swiwar recorded a net loss of approximately US\$0.17 million, US\$5.64 million and US\$2.04 million respectively. In

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

12 International Business Park, Swiber@IBP #01-05, Singapore 609920  
Tel: +65 6505 0800 Fax: +65 6505 0802  
[www.swiber.com](http://www.swiber.com)

view of the losses made by Swiwar, Swiwar has not been able to service the repayment instalments in respect of the outstanding Credit Facilities.

- 3.2 In view of Swiwar's financial condition and after taking into account, amongst others, that (a) Swiber Marine was not in a financial position to provide further funding to Swiwar, (b) the parent company of Swiber Marine, being Swiber Offshore Marine Pte Ltd (In Creditors' Voluntary Liquidation), has been in liquidation since 28 November 2016 and (c) the value of the Vessel (which is the sole asset of Swiwar), being US\$7.86 million (according to an independent valuation of the Vessel conducted on 18 January 2017, based on the estimated fair market price as at the valuation date that the Vessel would obtain in a hypothetical transaction between a willing buyer and a willing seller on the basis of prompt charter free delivery at an acceptable worldwide delivery port, for cash payment on standard sale terms, as commissioned by Warden Marine (the "**Valuation**")), was significantly lower than the outstanding amount owing by Swiwar under the Credit Facilities, Swiber Marine and Warden Marine agreed that Swiber Marine would sell the Sale Shares to Warden Marine at a consideration of US\$1.00 and that the Company would be discharged from the SHL Guarantee.
- 3.3 Swiber Marine had also noted that in June 2017, three similar vessels were sold on the open market in Singapore for an aggregate consideration of US\$9.6 million, further supporting the position that the realistic market value of the Vessel is likely to be significantly lower than the outstanding amount owing by Swiwar under the Credit Facilities.
- 3.4 The Disposal therefore not only gives Swiber Marine the opportunity to dispose of a financial liability, but also allows the Company to be released from its obligations under the SHL Guarantee.

#### **4. CONSIDERATION**

- 4.1 The Consideration, which has been paid to Swiber Marine at Completion, was arrived at on a willing-buyer, willing-seller basis after taking into account the rationale for the Disposal as set out in paragraph 3 above. No valuation of the Sale Shares was carried out in connection with the Disposal.
- 4.2 As the Consideration is insignificant, the use of proceeds is not meaningful.

#### **5. FINANCIAL INFORMATION**

##### 5.1 Value of the Sale Shares

Based on the unaudited accounts of Swiwar for the three (3) months ended 31 March 2016 ("**1Q2016**"), the net tangible asset value of the Sale Shares as at 31 March 2016 was approximately US\$5.42 million. Based on the unaudited consolidated accounts of the Group for 1Q2016, the net book value of the Sale Shares as at 31 March 2016 was approximately US\$5.61 million.

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

12 International Business Park, Swiber@IBP #01-05, Singapore 609920  
Tel: +65 6505 0800 Fax: +65 6505 0802  
[www.swiber.com](http://www.swiber.com)

## 5.2 Deficit of Consideration to Book Value

Based on the Consideration of US\$1.00 and the net book value of the Sale Shares as at 31 March 2016 of approximately US\$5.61 million (based on the unaudited consolidated accounts of the Group for 1Q2016), the deficit of the Consideration to such net book value is approximately US\$5.61 million.

## 5.3 Loss on Disposal

Based on the Consideration of US\$1.00 and the net book value of the Sale Shares as at 31 March 2016 of approximately US\$5.61 million (based on the unaudited consolidated accounts of the Group for 1Q2016), the Disposal results in a loss on disposal of approximately US\$5.61 million.

## 6. RELATIVE FIGURES UNDER CHAPTER 10 OF THE LISTING MANUAL

6.1 The relative figures for the Disposal computed on the applicable bases set out in Rule 1006 of the Listing Manual of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) based on the unaudited consolidated accounts of the Group for 1Q2016 (being the latest announced consolidated accounts of the Group) are set out below:

Rule	Bases of computation	The 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 <sup>(1)</sup>	5.61	486.16	1.15%
1006(b)	Net profits/(loss) attributable to the assets disposed of, compared with the Group's net profits/(loss) <sup>(2) (3)</sup>	(0.53)	8.52	(6.22)%
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 <sup>(4)</sup>	See Note (4)	37.62	Not meaningful <sup>(4)</sup>

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

12 International Business Park, Swiber@IBP #01-05, Singapore 609920  
Tel: +65 6505 0800 Fax: +65 6505 0802  
[www.swiber.com](http://www.swiber.com)

Rule	Bases of computation	The Disposal (US\$' million)	Group (US\$' million)	Relative figure
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 unaudited net asset value of the Sale Shares of approximately US\$5.61 million and the Group's unaudited net asset value of approximately US\$486.16 million, as at 31 March 2016.
- (2) Based on profits or loss before income tax, minority interest and extraordinary items.
- (3) Based on the net loss attributable to the Sale Shares of approximately US\$0.53 million, and the Group's net profit of approximately US\$8.52 million, for 1Q2016.
- (4) Not meaningful, given the Consideration of US\$1.00, compared to the market capitalisation of the Company 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 SGX-ST (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.

## 7. FINANCIAL EFFECTS OF THE DISPOSAL

*The proforma financial effects of the Disposal are set out below are for illustrative purposes only and should not be taken as an indication of the actual future financial performance or position of the Group following the Disposal, nor a projection of the future financial performance or position of the Group after completion of the Disposal.*

The proforma financial effects of the Disposal, based on the Group's audited consolidated accounts for the financial year ended 31 December 2015 ("**FY2015**") (being the latest available audited consolidated accounts of the Group) are set out below:

(a) Net tangible assets ("**NTA**") per share

Assuming that the Disposal had been completed on 31 December 2015, the NTA per share of the Group would be as follows:

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

12 International Business Park, Swiber@IBP #01-05, Singapore 609920  
Tel: +65 6505 0800 Fax: +65 6505 0802  
[www.swiber.com](http://www.swiber.com)

	Before the Disposal	After the Disposal
<b>NTA (US\$)<sup>(1)</sup></b>	575,136,000	569,002,000
<b>Number of issued shares<sup>(1)</sup></b>	459,469,490	459,469,490
<b>NTA per share (US\$)</b>	1.25	1.24

Notes:

(1) Based on the Company's annual report for FY2015.

(b) Earnings per share ("EPS")

Assuming that the Disposal had been completed on 1 January 2015, the EPS for FY2015 of the Group would be as follows:

	Before the Disposal	After the Disposal
<b>Net profit/(loss) after tax (US\$)<sup>(1)(2)</sup></b>	(27,375,000)	(27,200,000)
<b>Weighted average number of issued shares<sup>(2)</sup></b>	453,215,000	453,215,000
<b>EPS (US cents)</b>	(6.04)	(6.00)

Notes:

(1) Net profit/(loss) after tax is calculated based on the net profit/(loss) for FY2015 attributable to the owners of the Company.

(2) Based on the Company's annual report for FY2015.

## 8. SERVICE CONTRACT

No person has been proposed to be appointed as a director of the Company in connection with the Disposal. Accordingly, no service contract for such appointment has been proposed to be entered into between the Company and any such person.

## 9. INTERESTS OF THE DIRECTORS AND CONTROLLING SHAREHOLDERS

Save for their shareholdings and options in shares in the Company, none of the Directors and (to the best of the knowledge of the Judicial Managers of the Company and the Directors) controlling shareholders of the Company, have any direct or indirect interest in the Disposal.

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

*12 International Business Park, Swiber@IBP #01-05, Singapore 609920*  
*Tel: +65 6505 0800 Fax: +65 6505 0802*  
[www.swiber.com](http://www.swiber.com)

## **10. INSPECTION OF DOCUMENTS**

A copy of the SPA 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  
29 January 2018

By Order of the Board  
Raymond Kim Goh  
Chairman  
29 January 2018