

Vard Holdings Limited

(Incorporated in the Republic of Singapore)
(Company Registration No.: 201012504K)

Fincantieri Oil & Gas S.p.A.

(Incorporated in Italy)
(Company Registration No.: 04795811001)

JOINT ANNOUNCEMENT

**PROPOSED VOLUNTARY DELISTING OF VARD HOLDINGS LIMITED
SGX'S REVIEW OF THE MATTERS RELATING TO THE COMPANY'S EGM**

1 INTRODUCTION

- 1.1 Vard Holdings Limited (the "**Company**") and Fincantieri Oil & Gas S.p.A. (the "**Offeror**") refer to the following:
- (a) the joint announcement released by the Company and the Offeror on 13 November 2017 (the "**13 November Joint Announcement**") in connection with the proposal to seek the privatisation (the "**Delisting Proposal**") of the Company by way of a voluntary delisting (the "**Delisting**") from the Official List of the Singapore Exchange Securities Trading Limited (the "**SGX**"). The Delisting is proposed to be made pursuant to Rule 1307 and Rule 1309 of the listing manual of the SGX (the "**Listing Manual**");
 - (b) the exit offer letter dated 13 April 2018 (the "**Exit Offer Letter**") in relation to the exit offer (the "**Exit Offer**") made by Citigroup Global Markets Singapore Pte. Ltd. ("**Citigroup**"), for and on behalf of the Offeror, for all the issued ordinary shares in the capital of the Company ("**Shares**"), other than Shares already owned, controlled or agreed to be acquired by the Offeror, its related corporations and their respective nominees, in connection with the Delisting;
 - (c) the announcement released by the Company on 1 May 2018 in relation to, *inter alia*, the results of the extraordinary general meeting held on 30 April 2018 (the "**EGM**") and the SGX's review (the "**Review**") of the conduct of the proceedings of the EGM and issues raised regarding disclosures in the circular to shareholders dated 13 April 2018 (the "**Delisting Circular**") to determine whether shareholders' approval for the resolution in relation to the Delisting (the "**Delisting Resolution**") was properly obtained;
 - (d) the announcement released by Citigroup, for and on behalf of the Offeror, on 2 May 2018 stating that in light of the Review, the Exit Offer has not become and is not declared to be unconditional in all respects (the "**Correction Announcement**"); and
 - (e) the announcement issued by the Singapore Exchange Regulation Pte Ltd ("**SGX Regco**") on 10 May 2018 ("**SGX Regco Announcement**") setting out its assessment of the Review (the "**Assessment**").
- 1.2 All capitalised terms used and not defined herein shall have the same meanings given to them in the 13 November Joint Announcement, unless otherwise expressly stated or the context otherwise requires.

2 THE SGX REGCO'S ASSESSMENT

- (a) The SGX Regco stated in its Assessment that given the inaccuracies in the relevant information set out in the IFA Letter (as defined, and contained, in the Delisting Circular), the SGX's no-objection to the proposed Delisting (as set out in the SGX's letter dated 4 April 2018) will not be valid unless the Company fulfils the following conditions (collectively, the "**Relevant Conditions**"):
- (i) submitting an updated draft Delisting Circular ("**Updated Delisting Circular**") to the SGX for its review pursuant to Rule 1202 of the Listing Manual. In this regard, the Updated Delisting Circular must include, *inter alia*:
 - (A) an updated letter from the independent financial adviser ("**IFA**") appointed pursuant to Rule 1309 of the Listing Manual and Rule 7.1 of the Singapore Code on Take-overs and Mergers and to advise the directors who are considered to be independent for the purposes of the Exit Offer (the "**Independent Directors**") in respect of their recommendation on the actions to be taken by the Shareholders in relation to the Exit Offer (the "**IFA Letter**") with the inaccuracies corrected and reflecting the current developments of the Company; and
 - (B) an updated Independent Directors' recommendation to shareholders (taking into account the updated IFA Letter). The recommendation should state the Independent Directors' assessment and the basis as to whether: (1) the shareholders should vote for the Delisting Resolution, and (2) the Exit Offer Price is reasonable;
 - (ii) convening a general meeting in respect of the Updated Delisting Circular in accordance with Rule 704(15) of the Listing Manual; and
 - (iii) obtaining shareholder approval for the Delisting in accordance with Rule 1307 of the Listing Manual.
- (b) For further details, please refer to the enclosed SGX Regco Announcement in Appendix 1.

3 THE COMPANY'S AND THE OFFEROR'S RESPONSE TO THE ASSESSMENT

The Company and the Offeror wish to jointly announce that they have considered the Assessment, and will continue to undertake the Delisting in accordance with the Offeror's Delisting Proposal. Therefore, the Company and the Offeror will take steps to fulfil the Relevant Conditions.

The Company and Offeror have prepared an indicative timetable, which sets out certain key milestones, in Appendix 2. Such indicative timetable is based on current expectation and is subject to changes. The Company and/or the Offeror (as appropriate) will provide further updates and information to Shareholders in due course.

4 THE EXIT OFFER

4.1 **Conditions.** As stated in the Exit Offer Letter and the Correction Announcement, the Delisting and the Exit Offer are conditional upon:

- (i) the SGX agreeing to the application by the Company to delist from the Official List of the SGX; and
- (ii) the Delisting Resolution being passed at the EGM.

The SGX had on 4 April 2018 informed the Company that it has no objection to the Delisting, subject to, among other matters, the approval by Shareholders in accordance with Rule 1307 of the Listing Manual. However, as set out above, following the Review, the SGX has informed the Company that the SGX's no objection to the proposed Delisting on 4 April 2018 is subject to fulfilment by the Company of the Relevant Conditions.

Accordingly, the SGX's agreement to delist the Company from the Official List of the SGX is conditional upon the Company fulfilling the Relevant Conditions. As stated in the Correction Announcement, the Exit Offer has not become and is not declared to be unconditional in all respects.

The Offeror wishes to highlight to Shareholders that the Exit Offer will become unconditional in all respects upon fulfilment of the Relevant Conditions.

4.2 **Extension of Closing Date.** In light of the above, the Offeror wishes to announce that:

- (i) the Closing Date (as defined in the Exit Offer Letter) of the Exit Offer will be extended from 5.30 p.m. (Singapore time) on 14 May 2018 to 5.30 p.m. (Singapore time) on 20 July 2018 or such later date(s) as may be announced from time to time by or on behalf of the Offeror.

Accordingly, the Exit Offer shall close at 5.30 p.m. (Singapore time) on 20 July 2018 or such later date(s) as may be announced from time to time by or on behalf of the Offeror; and

- (ii) for the avoidance of doubt, when the Exit Offer becomes or is declared unconditional in all respects in accordance with its terms, the Exit Offer will be open for acceptances by Shareholders for a period of at least 14 days after the date of the Unconditional Announcement (as defined below).

4.3 **Acceptance Procedures for Shareholders.** The procedures for acceptance of the Exit Offer by a Shareholder are set out in Appendix 1 to the Exit Offer Letter and in the Acceptance Forms (as defined in the Exit Offer Letter). Shareholders who wish to accept the Exit Offer, or Shareholders who have already accepted the Exit Offer in respect of some but not all of their Offer Shares and who wish to accept the Offer in respect of additional Offer Shares, may do so by completing and returning the relevant Acceptance Form.

4.4 **Settlement.** As stated in the Correction Announcement, acceptances which have been tendered in respect of the Exit Offer will not be settled until the Exit Offer becomes or is declared to be unconditional in all respects in accordance with its terms.

Subject to the Exit Offer becoming or being declared unconditional in all respects in accordance with its terms, the Offer Shares tendered in acceptances of the Exit Offer, which are complete and valid in all respects, will be settled:

- (a) within seven Business Days (as defined in the Exit Offer Letter) of that date on which the Exit Offer becomes or is declared to be unconditional in all respects in accordance with its terms, if such acceptances are received on or before the date on which the Exit Offer becomes or is declared to be unconditional in all respects in accordance with its terms; or
- (b) within seven Business Days of the date of such receipt, if acceptances are received after the date on which Exit Offer becomes or is declared to be unconditional in all respects in accordance with its terms, and in any case, on or before the Closing Date.

Additional information on settlement of the Exit Offer is set out in Appendix 1 of the Exit Offer Letter and the Acceptance Forms.

- 4.5 **CPFIS Investors and SRS Investors.** As stated in the Exit Offer Letter, Investors who have purchased Shares (a) using their Central Provident Fund ("**CPF**") contributions pursuant to the CPF (Investment Schemes) ("**CPFIS**") ("**CPFIS Investors**") or (b) pursuant to the Supplementary Retirement Scheme ("**SRS**") ("**SRS Investors**") are advised to consult their respective agent banks included under the CPFIS or agent banks included under the SRS (as the case may be) should they require further information, and if they are in any doubt as to the action they should take, CPFIS Investors and SRS Investors should seek independent professional advice.

Additional information pertaining to CPFIS Investors and SRS Investors is set out in Section 14.2 of the Exit Offer Letter.

5 WITHDRAWAL OF ACCEPTANCES

- 5.1 **Withdrawal of Acceptances.** In light of the Assessment, the Offeror wishes to announce that, subject to compliance with the procedures in paragraph 5.2 below, Shareholders who have accepted or accept the Exit Offer in respect of some or all of their Shares, whether it is before, on or after the date of this Joint Announcement, are permitted to withdraw their acceptances at any time prior to (but excluding) the date on which the Offeror issues an announcement that the Exit Offer has become or is declared unconditional in all respects in accordance with its terms (the "**Unconditional Announcement**").

- 5.2 **Procedures for Withdrawal of Acceptances.** To withdraw an acceptance under the Exit Offer:

- (i) a Shareholder holding Shares which are deposited with CDP must give written notice to the Offeror at Fincantieri Oil & Gas S.p.A. c/o The Central Depository (Pte) Limited, 9 North Buona Vista Drive #01-19/20 The Metropolis, Singapore 138588; and
- (ii) a Shareholder holding Shares which are not deposited with CDP must give written notice to the Offeror at Fincantieri Oil & Gas S.p.A. c/o RHT Corporate Advisory Pte. Ltd., 9 Raffles Place #29-01, Republic Plaza Tower 1, Singapore 048619.

The notice of withdrawal shall be effective only if it is:

- (a) received before 5.00 p.m. (Singapore time) on the Business Day immediately before the date on which the Unconditional Announcement is issued; and
- (b) signed by the Shareholder who validly tenders his Shares in acceptance of the Exit Offer or his agent duly appointed in writing and evidence of whose appointment is produced in a form satisfactory to the Offeror within the same notice and when actually received by the Offeror.

For CPFIS Investors and SRS Investors, who wish to withdraw their acceptances under the Exit Offer, they are advised to consult their respective agent banks included under the CPFIS or agent banks included under the SRS (as the case may be) should they require information as to how their acceptances may be withdrawn. Similarly, for persons who hold Shares through depository agents, they are advised to consult their depository agents for further information on how their acceptances may be withdrawn.

6 FURTHER INFORMATION ON THE EXIT OFFER

Any enquiries relating to the Exit Offer, including enquiries relating to the withdrawal of acceptances, should be directed to the following:

Citigroup Global Markets Singapore Pte. Ltd.
Tel: +65 6657 1253
E-mail: Vard.delisting@citi.com

7 RESPONSIBILITY STATEMENTS

- 7.1 **The Company.** The Vard Directors (including any who may have delegated detailed supervision of the preparation of this Joint Announcement) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Joint Announcement which relate to the Company (excluding information relating to the Exit Offer Letter, the Acceptance Forms, the Exit Offer, the Offeror, Citigroup, Fincantieri and/or the Fincantieri Group) are fair and accurate and that, where appropriate, no material facts which relate to the Company have been omitted from this Joint Announcement, and the Vard Directors jointly and severally accept responsibility accordingly.

Where any information which relates to the Company has been extracted or reproduced from published or otherwise publicly available sources or obtained from the Offeror or Fincantieri, the sole responsibility of the Vard Directors has been to ensure through reasonable enquiries that such information is accurately and correctly extracted from such sources or, as the case may be, reflected or reproduced in this Joint Announcement. The Vard Directors do not accept any responsibility for any information relating to the Exit Offer Letter, the Acceptance Forms, the Exit Offer, the Offeror, Citigroup, Fincantieri and/or the Fincantieri Group or any opinion expressed by the Offeror.

- 7.2 **The Offeror.** The directors of the Offeror (the "**Offeror Directors**") (including any who may have delegated detailed supervision of the preparation of this Joint Announcement) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Joint Announcement (excluding information relating to the Company) are fair and accurate and that, where appropriate, no material facts in relation thereto have been omitted from this Joint Announcement, and the Offeror Directors jointly and severally accept responsibility accordingly.

Where any information which does not relate to the Company has been extracted or reproduced from published or otherwise publicly available sources, the sole responsibility of the Offeror Directors has been to ensure through reasonable enquiries that such information is accurately and correctly extracted from such sources or, as the case may be, reflected or reproduced in this Joint Announcement. The Offeror Directors do not accept any responsibility for any information relating to or opinions expressed by the Company.

10 May 2018

By order of the Board of Directors
VARD HOLDINGS LIMITED

By order of the Board of Directors
FINCANTIERI OIL & GAS S.P.A.

Forward-Looking Statements

All statements other than statements of historical facts included in this Joint Announcement are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as "seek", "expect", "anticipate", "estimate", "believe", "intend", "project", "plan", "potential", "strategy", "forecast" and similar expressions or future or conditional verbs such as "will", "would", "should", "could", "may" and "might". These statements reflect the current expectations, beliefs, hopes, intentions or strategies of the party making the statements regarding the future and assumptions in light of currently available information. Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results may differ materially from those described in such forward-looking statements. Shareholders and investors should not place undue reliance on such forward-looking statements, and neither the Company, the Offeror nor Citigroup undertakes any obligation to update publicly or revise any forward-looking statements.

APPENDIX 1
SGX REGCO ANNOUNCEMENT

The SGX logo consists of the letters "SGX" in a bold, blue, sans-serif font, followed by a stylized graphic of three horizontal bars in blue and yellow.

Regulatory Announcement

10 May 2018

SGX RegCo's review of Vard Holdings Limited's EGM on the proposed voluntary delisting

Singapore Exchange Regulation ("SGX RegCo") refers to the SGXNet announcement issued by Vard Holdings Limited (the "Company") on 1 May 2018 that the Results of the Extraordinary General Meeting convened on 30 April 2018 (the "EGM") is subject to review by SGX RegCo.

SGX RegCo has reviewed the Company's submissions in relation to its EGM (the "Submissions") and noted certain inaccuracies in the financial evaluation of the terms of the Exit Offer presented in the Independent Financial Adviser's ("IFA") Letter ("IFA Letter"). The correct historical P/NAV multiple for Sembcorp Marine on page I-20 of the IFA Letter should be 1.7X instead of 1.2X as disclosed in the IFA Letter. The inaccuracy in Sembcorp Marine's historical P/NAV multiple has a consequential effect on the mean P/NAV multiple of the Comparable Companies stated in the IFA Letter. The correct multiple should be 1.2X instead of 1.1X as erroneously stated.

These P/NAV figures are part of the information that shareholders take into consideration to make an informed decision on the Company's proposed voluntary delisting ("Proposed Delisting") and the inaccuracies have resulted in the Exit Offer (at a P/NAV multiple of 0.9X) appearing closer to the mean P/NAV multiple of the Comparable Companies than it actually is.

The Exchange's Assessment

Listing Rule 1307 provides that the Exchange may agree to an application by an issuer to delist, subject to certain conditions. Listing Rule 105(1) further provides that the exchange may at any time vary its decision in any way, or revoke it.

Given the inaccuracies in the relevant information, the Exchange's no-objection to the Proposed Delisting (as set out in exchange's letter dated 4 April 2018) will not be valid unless the Company fulfils the following conditions:

- (a) submitting an updated draft Delisting Circular to the Exchange for its review pursuant to Listing Rule 1202. In this regard, the updated draft Delisting Circular must include, *inter alia*,:-
 - (i) an updated IFA Letter with the inaccuracies corrected and reflecting the current developments of the Company; and

- (ii) an updated Independent Directors' recommendation to shareholders (taking into account the updated IFA Letter). The recommendation should state their assessment and the basis as to whether: (1) the shareholders should vote for the Delisting Resolution; and (2) the Exit Offer Price is reasonable;
- (b) convening a general meeting in respect of the updated Delisting Circular in accordance with Listing Rule 704(15); and
- (c) obtaining shareholder approval for the delisting in accordance with Listing Rule 1307.

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About Singapore Exchange (SGX)

Singapore Exchange is Asia's leading and trusted market infrastructure, operating equity, fixed income and derivatives markets to the highest regulatory standards. As Asia's most international, multi-asset exchange, SGX provides listing, trading, clearing, settlement, depository and data services, with about 40% of listed companies and 75% of listed bonds originating outside of Singapore.

SGX is the world's most liquid offshore market for the benchmark equity indices of China, India, Japan and ASEAN and offers commodities and currency derivatives products. Headquartered in AAA-rated Singapore, SGX is globally recognised for its risk management and clearing capabilities. For more information, please visit www.sgx.com.

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APPENDIX 2

INDICATIVE TIMETABLE

DATE	KEY EVENTS
11 June 2018 (assuming 2 weeks for the receipt of SGX's approval)	Receive clearance from SGX for the Updated Delisting Circular Announce clearance from SGX for the Updated Delisting Circular
21 June 2018	Despatch of notice of extraordinary general meeting (the " Second EGM ") in relation to the Delisting (" Notice of Second EGM ") and the Updated Delisting Circular to Shareholders Announce despatch of Notice of Second EGM and the Updated Delisting Circular to Shareholders, and publish press notice of Second EGM
5 July 2018	Last day for Shareholders to withdraw acceptances of Exit Offer, assuming that the Unconditional Announcement is issued on 6 July 2018
6 July 2018	Second EGM (14 clear days after despatch of Notice of Second EGM) Annual General Meeting (" AGM ") ¹ The Company to announce results of the Second EGM (before 23:59) Assuming the resolution(s) is passed at the Second EGM, the Offeror to issue the Unconditional Announcement
20 July 2018	Closing date of the Exit Offer (which may be extended to a later date pursuant to an announcement issued by or on behalf of the Offeror from time to time)*

The above timetable, save for the closing date of the Exit Offer, is indicative only, based on current expectation and may be subject to change. The Company and/or the Offeror (as appropriate) will provide further update and information in due course.

* In respect of the closing date of the Exit Offer, if the date of the Unconditional Announcement, being the date that the Exit Offer becomes or is declared unconditional in all respects, is after 6 July 2018, the Exit Offer will remain open for acceptances by Shareholders for a period of at least 14 days after such date.

¹ Note: Subject to the SGX's approval for an extension of the timeline to hold its AGM from 30 June 2018 to 6 July 2018.