



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

VOLUNTARY CONDITIONAL CASH OFFER FOR SHARES IN VARD HOLDINGS LIMITED

APPOINTMENT OF INDEPENDENT FINANCIAL ADVISER

1. Introduction

The board of directors (the "**Board**") of Vard Holdings Limited (the "**Company**") refers to the announcement issued on 13 November 2016 (the "**Offer Announcement**") by Credit Suisse (Singapore) Limited, for and on behalf of Fincantieri Oil & Gas S.p.A. (the "**Offeror**") (which is a direct wholly-owned subsidiary of Fincantieri S.p.A.) in relation to the voluntary conditional cash offer (the "**Offer**") by the Offeror to acquire all the issued ordinary shares (the "**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.

All capitalised terms used but not defined shall have the meanings ascribed to them in the Offer Announcement.

2. Independent Financial Adviser

The Board wishes to inform shareholders of the Company ("**Shareholders**") that it has on 23 November 2016 appointed KPMG Corporate Finance Pte. Ltd. (the "**IFA**") as the independent financial adviser to advise the directors of the Company who are considered independent for the purposes of the Offer (the "**Independent Directors**").

A circular containing, *inter alia*, the advice of the IFA and the recommendation of the Independent Directors in relation to the Offer (the "**Offeree Circular**") will be sent to Shareholders in due course.

In the meantime, Shareholders are advised to exercise caution when dealing with their Shares and to refrain from taking any action in respect of their Shares which may be prejudicial to their interests, until Shareholders have considered the information and the recommendation of the Independent Directors as well as the advice of the IFA set out in the Offeree Circular.

3. 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 Announcement), 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
23 November 2016