

EXIT OFFER
by



CITIGROUP GLOBAL MARKETS SINGAPORE PTE. LTD.

(Incorporated in Singapore)
(Company Registration No.: 199002673E)

for and on behalf of

FINCANTIERI OIL & GAS S.p.A.

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

a direct wholly-owned subsidiary of

FINCANTIERI

FINCANTIERI S.p.A.

(Incorporated in Italy)
(Company Registration No.: 00397130584)

to acquire all of the issued ordinary shares
in the capital of

VARD™

a **Fincantieri** company

VARD HOLDINGS LIMITED

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

other than those already owned, controlled or agreed to be acquired by
Fincantieri Oil & Gas S.p.A., its related corporations and their respective nominees

**EXIT OFFER DECLARED UNCONDITIONAL IN ALL RESPECTS, LEVEL OF ACCEPTANCES
AND EXTENSION OF CLOSING DATE ANNOUNCEMENT**

1. INTRODUCTION

Citigroup Global Markets Singapore Pte. Ltd. ("**Citigroup**") refers to:

- (i) the exit offer letter dated 13 April 2018 (the “**Exit Offer Letter**”) in relation to the exit offer (the “**Exit Offer**”) for all the issued ordinary shares in the capital of Vard (“**Shares**”), other than Shares already owned, controlled or agreed to be acquired by Fincantieri Oil & Gas S.p.A. (the “**Offeror**”), its related corporations and their respective nominees, in connection with the proposed voluntary delisting (the “**Delisting**”) of Vard Holdings Limited (“**Vard**”) from the Official List of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) pursuant to Rules 1307 and 1309 of the listing manual of the SGX-ST (“**Listing Manual**”);
- (ii) the joint announcement issued by Vard and the Offeror on 10 May 2018 on the conditions to be fulfilled by Vard for the SGX-ST’s no-objection to the Delisting to remain valid (the “**10 May Joint Announcement**”);
- (iii) the announcement issued by Citigroup, for and on behalf of the Offeror, on 2 July 2018 in relation to the extension of the closing date for the Exit Offer (the “**Extension Announcement**”); and
- (iv) the announcement issued by Vard on 25 July 2018 on the results of the extraordinary general meeting of Vard (“**EGM**”) held on 24 July 2018 (the “**Second EGM Announcement**”).

All capitalised terms used and not defined herein shall have the same meanings given to them in the Exit Offer Letter, unless otherwise expressly stated or the context otherwise requires.

2. EXIT OFFER DECLARED UNCONDITIONAL IN ALL RESPECTS

2.1 Conditions to the Exit Offer. As stated in the Exit Offer Letter, the Delisting and the Exit Offer are conditional upon:

- (i) the SGX-ST agreeing to the application by Vard to delist from the Official List of the SGX-ST; and
- (ii) the resolution of Shareholders to be proposed at the EGM in respect of the Delisting (the “**Delisting Resolution**”) being passed at the EGM. Pursuant to Rule 1307 of the Listing Manual, the Delisting Resolution is considered passed if it is approved by a majority of at least 75 per cent. of the total number of Shares (excluding treasury shares and subsidiary holdings) held by the Shareholders present and voting, on a poll, either in person or by proxy at the EGM, and if the Delisting Resolution has not been voted against by 10 per cent. or more of the total number of Shares (excluding treasury shares and subsidiary holdings) held by the Shareholders present and voting, on a poll, either in person or by proxy, at the EGM.

2.2 Conditions to the SGX-ST's Approval. As stated in the 10 May Joint Announcement, the SGX-ST's agreement to delist Vard from the Official List of the SGX-ST (which was previously given on 4 April 2018) was conditional upon Vard fulfilling the following conditions:

- (i) submitting an updated draft delisting circular (the **"Updated Delisting Circular"**) to the SGX-ST 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 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 Vard; 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:
 - (I) the Shareholders should vote for the Delisting Resolution and (II) 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.

2.3 Exit Offer Becomes Unconditional in All Respects

As stated in the Second EGM Announcement, the directors of Vard announced that, at the EGM of Vard held on 24 July 2018, the Delisting Resolution as set out in the notice of EGM dated 9 July 2018 was duly passed by the Shareholders by way of poll in accordance with the requirements of Rule 1307 of the Listing Manual.

Accordingly, all the conditions to the Exit Offer have therefore been satisfied and Citigroup wishes to announce, for and on behalf of the Offeror, that **the Exit Offer has become and is hereby declared to be UNCONDITIONAL in all respects as at the date of this Announcement.**

Please be advised that voting in favour of the Delisting Resolution does not constitute an acceptance of the Exit Offer and Shareholders who wish to accept the Exit Offer must submit their acceptances in accordance with the procedures set out in section 6 below.

3. LEVEL OF ACCEPTANCES OF THE EXIT OFFER

Citigroup wishes to announce, for and on behalf of the Offeror, that as at 5.00 p.m. (Singapore time) on 24 July 2018, the total number of Shares (i) held before the Exit Offer period, (ii) acquired or agreed to be acquired during the Exit Offer period, and (iii) for which valid acceptances of the Exit Offer have been received, are as follows:

	Number of Shares	Approximate percentage of the total number of Shares ¹
Shares held as at 13 November 2017, being the Joint Announcement Date by:		
(i) the Offeror	936,225,710	79.34
(ii) parties acting or deemed to be acting in concert with the Offeror (" Concert Parties ")	NIL	NIL
Shares acquired ² or agreed to be acquired between 13 November 2017 up to 5.00 p.m. (Singapore time) on 24 July 2018 (other than pursuant to valid acceptances of the Exit Offer) by:		
(i) the Offeror	51,625,100	4.38
(ii) the Offeror's Concert Parties	NIL	NIL
Valid acceptances of the Exit Offer as at 5.00 p.m. (Singapore time) on 24 July 2018 received from:		
(i) the Offeror's Concert Parties	NIL	NIL
(ii) Shareholders other than the Offeror's Concert Parties	39,448,429	3.34
Total	1,027,299,239	87.06

4. RESULTANT SHAREHOLDING

As at 5.00 p.m. (Singapore time) on 24 July 2018:

- 4.1** the total number of Shares owned, controlled or agreed to be acquired by the Offeror and its Concert Parties (including valid acceptances of the Exit Offer) amount to an aggregate of 1,027,299,239 Shares, representing approximately 87.06 per cent. of the total number of Shares; and

¹ The percentage shareholding interest is based on the issued share capital of 1,180,000,000 Shares as at the date of this Announcement, and rounded to the nearest two decimal places.

² In this Announcement, Shares agreed to be acquired pursuant to a trade on the SGX-ST on a trade date are regarded as Shares already acquired on that trade date, notwithstanding that settlement of that trade will occur three market days later.

- 4.2 the total number of Shares owned, controlled or agreed to be acquired by the Offeror, its related corporations and their respective nominees (including valid acceptances of the Exit Offer) amount to an aggregate of 1,027,299,239 Shares, representing approximately 87.06 per cent. of the total number of Shares.

5. EXTENSION OF CLOSING DATE

As stated in the 10 May Joint Announcement, 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 announcement that the Exit Offer has become or is declared unconditional in all respects in accordance with its terms.

In light of the Exit Offer becoming or being declared unconditional in all respects as at the date of this Announcement, Citigroup wishes to announce, for and on behalf of the Offeror, that the Closing Date of the Exit Offer is extended from 5.30 p.m. (Singapore time) on 7 August 2018 to 5.30 p.m. (Singapore time) on 8 August 2018 or such later date(s) as may be announced from time to time by or on behalf of the Offeror (the “**Closing Date**”).

Accordingly, the Exit Offer shall close at 5.30 p.m. (Singapore time) on 8 August 2018 or such later date(s) as may be announced from time to time by or on behalf of the Offeror. The Exit Offer will no longer be open for acceptance after the Closing Date and any acceptance received after 5.30 p.m. (Singapore time) on the Closing Date will be rejected.

6. PROCEDURES FOR ACCEPTANCE

6.1 Shareholders who have not accepted the Exit Offer

Shareholders who wish to accept the Exit Offer but have not done so should (i) complete and sign their Form of Acceptance and Authorisation for Offer Shares (the “**FAA**”) or Form of Acceptance and Transfer for Offer Shares (the “**FAT**”) (collectively, the “**Acceptance Forms**”) (as the case may be) and all other relevant documents strictly in accordance with the provisions and instructions stated in the Exit Offer Letter and the relevant Acceptance Form(s); and (ii) submit the same by hand as soon as possible so as to reach **FINCANTIERI OIL & GAS S.p.A. c/o The Central Depository (Pte) Limited (“CDP”)** (in the case of Shareholders who are Depositors) or **FINCANTIERI OIL & GAS S.p.A. c/o RHT Corporate Advisory Pte. Ltd. (“RHT”)** (in the case of Shareholders who holding Shares which are not deposited with CDP) (as the case may be) at their respective addresses set out below **no later than 5.30 p.m. on the Closing Date**. The Exit Offer will not be open for acceptance beyond 5.30 p.m. on the Closing Date.

Shareholders who are in any doubt as to any of the matters referred to in the Exit Offer Letter and/or the course of action they should take should consult their stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

Shareholders who have not received or who have misplaced the Exit Offer Letter, the Updated Delisting Circular and/or the relevant Acceptance Form(s) should contact CDP (in the case of Shareholders who are Depositors) or RHT (in the case of Shareholders

holding Shares which are not deposited with CDP) (as the case may be) without delay at the following respective addresses:

For Shareholders who are Depositors:	For Shareholders holding Shares which are not deposited with CDP:
The Central Depository (Pte) Limited 9 North Buona Vista Drive #01-19/20 The Metropolis Singapore 138588	RHT Corporate Advisory Pte. Ltd. 9 Raffles Place #29-01 Republic Plaza Tower 1 Singapore 048619

Copies of the FAA may be obtained by Shareholders who are Depositors from CDP upon production of satisfactory evidence that they are Shareholders.

Copies of the FAT may be obtained by Shareholders who are holding Shares which are not deposited with CDP from RHT upon production of satisfactory evidence that they are Shareholders.

Electronic copies of the Exit Offer Letter, the Updated Delisting Circular and the Acceptance Forms are available on the website of the SGX-ST at www.sgx.com.

6.2 Shareholders who have accepted the Exit Offer

Shareholders who have validly accepted the Exit Offer on or prior to 25 July 2018 are not required to take any action in relation to the Exit Offer and can expect to receive payment within seven Business Days of 25 July 2018 for the Offer Shares which they have tendered in acceptance of the Exit Offer.

Shareholders who tender their acceptances of the Exit Offer which are valid and complete in all respects after 25 July 2018 can expect to receive payment within seven Business Days of the date of receipt of such valid acceptances of the Exit Offer.

The detailed procedures for acceptance of and additional information on settlement of the Exit Offer are set out in Appendix 1 of the Exit Offer Letter and the Acceptance Forms.

7. SHAREHOLDERS WHO DO NOT ACCEPT THE EXIT OFFER

Shareholders who have decided not to accept the Exit Offer do not have to take any action. Such Shareholders will continue to hold unquoted Shares in Vard after Vard has been delisted from the Official List of the SGX-ST. For Shareholders who are Depositors, share certificates representing their delisted Shares will be sent, by ordinary post and at their own risk, to their respective addresses as they appear in the records of CDP for their physical safekeeping.

8. RESPONSIBILITY STATEMENT

The directors of the Offeror (the “**Offeror Directors**”) (including any who may have delegated detailed supervision of the preparation of this Announcement) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Announcement are fair and accurate and that, where appropriate, no material facts in

relation thereto have been omitted from this Announcement, and the Offeror Directors jointly and severally accept responsibility accordingly.

Where any information which has been extracted or reproduced from published or otherwise publicly available sources (including, without limitation, in relation to Vard), 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 Announcement.

Issued by

**CITIGROUP GLOBAL MARKETS
SINGAPORE PTE. LTD.**

For and on behalf of

FINCANTIERI OIL & GAS S.p.A.

25 July 2018

Any enquiries relating to this Announcement, the Exit Offer or the Offeror should be directed to the following:

Citigroup Global Markets Singapore Pte. Ltd.
Tel: +65 6657 1253

Forward-Looking Statements

All statements other than statements of historical facts included in this Announcement are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as “aim”, “seek”, “expect”, “anticipate”, “estimate”, “believe”, “intend”, “project”, “plan”, “strategy”, “forecast” and similar expressions or future and conditional verbs such as “will”, “would”, “should”, “could”, “may” and “might”. These statements reflect the Offeror’s current expectations, beliefs, hopes, intentions or strategies 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 other investors of Vard should not place undue reliance on such forward-looking statements. Neither the Offeror nor Citigroup guarantees any future performance or event or undertakes any obligation to update publicly or revise any forward-looking statements.