

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

**PROPOSED VOLUNTARY DELISTING OF VARD HOLDINGS LIMITED –
APPROVAL-IN-PRINCIPLE OF THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED
FOR THE PROPOSED DELISTING AND EXTENSION OF TIMELINES UNDER RULES 707(1) AND
707(2) OF THE LISTING MANUAL OF THE SGX-ST**

1. INTRODUCTION

The Board of Directors of Vard Holdings Limited (the "**Company**") refers to the joint announcement dated 13 November 2017 (the "**Joint Announcement**") made by Fincantieri Oil & Gas S.p.A. (the "**Offeror**"), a direct wholly-owned subsidiary of Fincantieri S.p.A., and the Company in relation to the proposed 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-ST**"). The Delisting is proposed to be made pursuant to Rules 1307 and 1309 of the listing manual of the SGX-ST (the "**Listing Manual**"). Under the Delisting Proposal, Citigroup Global Markets Singapore Pte. Ltd., for and on behalf of the Offeror, will make an exit offer (the "**Exit Offer**") to acquire:

- (a) all the issued ordinary shares in the Company ("**Shares**"), held by the shareholders of the Company ("**Shareholders**"), other than those Shares already owned, controlled or agreed to be acquired by the Offeror, its related corporations and their respective nominees; and
- (b) if applicable, all Shares issued or to be issued pursuant to the valid exercise, on or prior to the closing date of the Exit Offer, of any option to subscribe for new Shares under the Company's share option scheme for employees,

on the terms and subject to the conditions set out in the exit offer letter to be issued by the Offeror to the Shareholders containing, *inter alia*, the terms of the Exit Offer and the relevant acceptance forms.

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

2. APPROVAL FOR THE DELISTING AND EXTENSION OF TIMELINES UNDER RULES 707(1) AND 707(2) OF THE LISTING MANUAL

2.1 An application was made to the SGX-ST for, *inter alia*, the SGX-ST's confirmation that it has no objection to:

- (a) the Delisting of the Company from the Official List of the SGX-ST; and
- (b) an extension of the timelines under Rules 707(1) and 707(2) of the Listing Manual.

- 2.2 On 4 April 2018, the SGX-ST confirmed that it has no objection to the Delisting of the Company from the Official List of the SGX-ST, subject to the approval of the Delisting by the Shareholders in accordance with Rule 1307 of the Listing Manual and the fulfilment of all other conditions precedent to the Delisting.
- 2.3 The SGX-ST also confirmed that it has no objection to granting the Company an extension of the timelines under Rules 707(1) and 707(2) of the Listing Manual, subject to the following:
- (a) the Company announcing the extensions granted, the reasons for seeking the extensions and the conditions as required under Rule 107 of the Listing Manual;
 - (b) a written confirmation from the Company that the extensions do not contravene any laws and regulations governing the Company and the articles of association of the Company;
 - (c) the Company announcing its audited financial statements for the financial year ending 31 December 2017 ("**FY2017**") at least two (2) weeks before the general meeting to obtain Shareholders' approval for the Delisting;
 - (d) the Company obtaining the requisite approval from the Accounting and Corporate Regulatory Authority for an extension of time to hold its annual general meeting ("**AGM**") by 30 June 2018; and
 - (e) the Delisting being approved by Shareholders in accordance with Rule 1307 of the Listing Manual and all other conditions precedent to the Delisting being fulfilled, failing which the Company will be granted an extension of time until 30 June 2018 to hold its AGM.
- 2.4 The Company's reasons for seeking an extension of the timelines under Rules 707(1) and 707(2) of the Listing Manual are as follows:
- (a) the Offeror intends to vote all of the Shares that it owns in favour of the Delisting Proposal at the EGM. Accordingly, unless the Delisting Resolution is voted against by 10% or more of Shares held by the Shareholders present and voting at the EGM, the Delisting Proposal is expected to be passed and the Company will be delisted from the Official List of the SGX-ST and trading of the Shares is likely to be suspended pending the delisting of the Company. As such, it would be neither meaningful nor justifiable to incur the cost of preparing and issuing the annual report and thereafter holding the AGM within the timelines required by Rules 707(1) and 707(2) of the Listing Manual;
 - (b) the circular to the Shareholders for the purpose of the Delisting (the "**Circular**") will incorporate the audited consolidated financial statements of the Group for FY2017 (the "**FY2017 Results**") and the opinion of the independent financial adviser and the recommendation of the Independent Vard Directors will be based on the FY2017 Results; and
 - (c) the FY2017 Results will be released prior to the despatch of the Circular. As such, it would not be meaningful for the Shareholders to receive the annual report on or around 15 April 2018 in accordance with Rule 707(2) of the Listing Manual, as the Circular incorporating the FY2017 Results would have been despatched by then.
- 2.5 The SGX-ST's decision is not to be taken as an indication of the merits of the Delisting.

- 2.6 Further information on the Delisting Proposal, the advice of CIMB Bank Berhad, Singapore Branch (the "**IFA**"), the independent financial adviser to the Independent Vard Directors, and the recommendation of the Independent Vard Directors in relation to the Exit Offer and the Delisting Proposal, will be set out in the Circular to be despatched by the Company to the Shareholders in due course. In the meantime, Shareholders are advised to exercise caution when dealing in their Shares and refrain from taking any action in relation to their Shares which may be prejudicial to their interests until they or their advisers have considered the recommendation of the Independent Vard Directors as well as the advice of the IFA as set out in the Circular.

3. 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 Joint Announcement), the sole responsibility of the directors of the Company 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.

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
5 April 2018