

Creditors of Swiber Holdings and Swiber Offshore Construction approve restructuring proposal

Singapore, 29 May 2019 – Creditors of Swiber Holdings Limited (SHL) and its main subsidiary, Swiber Offshore Construction (SOC), today voted in favour of a restructuring proposal which will take Swiber one step nearer to implementing a restructuring with equity investment from New York-listed Seaspan Corporation.

The approvals came nearly three years after SHL filed for insolvency. Creditors of SHL and SOC gave the go-ahead for two resolutions, the first being the approval of the restructuring proposal which stemmed from the investment agreement with Seaspan in relation to their proposed investment of up to US\$200 million, and the second being the approval of professional fees during the interim judicial management period from 2 August 2016 to 5 October 2016 and disbursements for the period from 2 August 2016 to 30 April 2019.

The resolution to approve the restructuring proposal was approved by 83% of SHL's creditors representing 75.86% in value of claims present and voting, and by 77% of SOC's creditors representing 97.5% in value of claims present and voting. Creditors also voted to approve professional fees and disbursements totalling S\$4.5 million.

Judicial manager Bob Yap, Head of Restructuring at KPMG in Singapore, said: "The mandate given by creditors today is positive news for Swiber, providing the company an opportunity to be rehabilitated with the proposed investment from Seaspan.

"While there is still much to do in the restructuring process, including obtaining shareholders' and regulatory approvals, we believe this is a positive step towards achieving a successful restructuring."

Seaspan, the world's largest independent owner and manager of containerships, has agreed, subject to several conditions precedent, to invest an initial US\$10 million for an 80% shareholding in New Swiber. Upon meeting various milestones in relation to the development stage LNG-to-power project in Vietnam, a further US\$190 million will be invested to subscribe for new preference shares in Equatoriale Energy Pte Ltd, a wholly-owned Swiber subsidiary.

As part of the restructuring proposal, it is proposed that Swiber will transfer various assets to the New Swiber group and restructure SHL's and SOC's debts through the issuance of New Swiber shares to unsecured creditors and redeemable convertible bonds to certain secured creditors, and New Swiber will issue shares to Seaspan, SHL's existing shareholders, key management of New Swiber and professional service providers involved in the restructuring. It is also proposed that the listing status of SHL will, subject to the necessary approvals, be transferred to New Swiber. The restructuring proposal does not call for a Scheme of Arrangement, as creditors are not expected to waive or compromise their debts at this stage.

It is envisaged that the New Swiber group will be an innovative energy solution provider with engineering capabilities across the power, oil and gas and marine sectors. It is currently envisaged that the New Swiber group will continue with Swiber's current business of vessel chartering and engineering services while diversifying into the power business, particularly the LNG segment where it is planning to build, own and operate LNG-to-power plants in South Central Vietnam with the first phase to generate up to 1.2 GW of electricity, followed by an identical LNG-to-power plant in the second phase, over a concession period to be agreed with the relevant Vietnam authorities.

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