



SWISSCO

SWISSCO HOLDINGS LIMITED

Company Registration Number: 200404711D
(Incorporated in the Republic of Singapore)

DIVESTMENT OF SHARES IN SWIBER HOLDINGS LIMITED

1. INTRODUCTION

The Board of Directors of Swissco Holdings Limited (the “**Company**” or “**Swissco**”, and together with its subsidiaries, the “**Group**”) wishes to announce that its wholly-owned subsidiary, Swissco International Pte. Ltd, (“**Swissco International**”) had on 7 February 2012 divested 2,000,000 ordinary shares (“**Divested Shares**”) in the capital of Swiber Holdings Limited (“**Swiber Holdings**”) at an average price of \$0.7145 per share in the open market (the “**Divestment**”). The Divested Shares represent 0.39% of the total issued share capital of Swiber Holdings.

Following the Divestment, Swissco’s equity interest in Swiber Holdings decreased from 5.33% to 4.94%. The total number of ordinary shares in the capital of Swiber Holdings held by Swissco International following the Divestment is 25,000,000 shares. Swissco (through Swissco International) had ceased to be substantial shareholders of Swiber Holdings after the Divestment.

2. RATIONALE FOR DIVESTMENT AND UTILISATION OF PROCEEDS

The Divestment provides the Company with an opportunity to partially realise the value of its investments and to use the proceeds from the Divestment amounting to approximately S\$1.43 million to fund the fleet renewal and expansion program of its core business. The net book value of the Divested Shares was approximately S\$2.02 million as at 31 December 2010. As such, the proceeds represent a loss of approximately S\$0.59 million to the net book value of the Divested Shares as at 31 December 2010.

3. RELATIVE FIGURES UNDER RULE 1006 OF THE CATALIST RULE

The relative figures of the Divestment computed on the relevant bases set out in Rule 1006(a) to (e) of Section B: Rules of Catalist of the Listing Manual of the Singapore Exchange Securities Trading Limited are as follows:

Rule 1006	Bases	FY2010 (Audited)	9M2011 (Unaudited)
(a)	Net asset value of assets to be disposed of, as compared with the Group's net asset value. This basis is not applicable to an acquisition of assets	1.96%	1.11%
(b)	Net profits attributable to the assets disposed of, as compared with net profits of the Group	11.24% ⁽¹⁾	12.63% ⁽²⁾
(c)	The aggregate value of the consideration given or received, compared with the Company's market capitalisation	1.27% ⁽³⁾	1.27% ⁽³⁾
(d)	The number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue	Not applicable	Not applicable
(e)	The aggregate volume or amount of proven and probable reserves to be disposed of, compared with the aggregate of the Group's proven and probable reserves.	Not applicable	Not applicable

Notes:-

- (1) Based on the Group's audited financial statements announcement for the financial year ended 31 December 2010, the loss before income tax, minority interest and extraordinary items amounted to approximately S\$5.26 million and the net loss attributable to the Divestment was approximately S\$0.59 million. The net loss attributable to the Divestment was a result of the difference in the consideration of the Divested Shares vis-à-vis the net book value of the said shares as at 31 December 2010. The net book value of the Divested Shares refers to the book value of the shares less fair value loss as at 31 December 2010.
- (2) Based on the Group's unaudited financial statements announcement for the nine months ended 30 September 2011, the profit before income tax, minority interest and extraordinary items amounted to approximately S\$3.24 million and the net profit attributable to the Divestment was approximately S\$0.41 million. The net profit attributable to the Divestment was a result of the difference in the consideration of the Divested Shares vis-à-vis the net book value of the said shares as at 30 September 2011. The net book value of the Divested Shares refers to the book value of the shares less fair value loss as at 30 September 2011.
- (3) Calculated based on the proceeds from the Divestment of S\$1.43 million and the Company's market capitalisation of approximately S\$112.27 million as of 6 February 2011, being the last market day preceding the Divestment.

As the relative figures under Rule 1006 (a) to (e) of the Catalist Rules exceed 5% but is lower than 50%, the Divestment constitutes a Discloseable Transaction as defined in Chapter 10 of the Catalist Rules.

4. FINANCIAL EFFECTS OF THE DIVESTMENT

The financial effects of the Divestment on the Group set out herein are for **illustrative purposes only** and do not reflect the future financial results of the Group.

The proforma financial effects in this section are based on the audited financial statements of the Group for the latest announced financial year ended 31 December 2010.

4.1 Net Tangible Assets (“NTA”)

For illustrative purposes only, based on the audited consolidated balance sheet of the Group as at 31 December 2010 and assuming that on 31 December 2010, the Divestment was completed, the financial effects of the Divestment on the NTA of the Group as at 31 December 2010 are as follows:

	Before the Divestment	After the Divestment
NTA of the Group at 31 December 2010 (S\$'000)	103,232	102,641
Number of issued shares of the Group	431,823,169	431,823,169
NTA per share (cents)	23.91	23.77

4.2 Loss per share

For illustrative purposes only, based on the audited consolidated income statement of the Group for the financial year ended 31 December 2010 and assuming that on 1 January 2010, the Divestment was completed, the financial effects of the Divestment on the Loss of the Group for the financial year ended 31 December 2010 are as follows:

	Before the Divestment	After the Divestment
Net profit attributable to equity holders of the Company for FY2010 (S\$'000)	15,489	15,489
Less: Negative goodwill	(20,371)	(20,371)
Less: Loss attributable from the Divestment	-	(591)
Less: Fair value loss recognised	-	(140) ⁽¹⁾
Net Loss attributable to equity holders of the Company for FY2010 (S\$'000)	(4,882)	(5,613)
Weighted average number of ordinary shares	411,696,702	411,696,702
Basic loss per share (cents)	(1.19)	(1.36)

Note:-

- (1) Fair value loss of S\$140,000 in respect of the Divestment Shares was previously recognised under other reserves in FY2010.

5. INTERESTS OF THE DIRECTORS AND THE CONTROLLING SHAREHOLDERS

None of the Directors or controlling Shareholders of the Company (other than in its capacity as directors or shareholder of the Company) has any interest, direct or indirect, in the Divestment.

6. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors (including those who may have delegated detailed supervision 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 no material facts have been omitted from this announcement. Where any information has been extracted from published or otherwise publicly available sources, the sole responsibility of the Directors has been to ensure through reasonable enquires that such information is accurately reflected or reproduced in this announcement. The Directors jointly and severally accept responsibility accordingly.

By Order of the Board

Kang Hwee Meng
Executive Director and Chief Executive Officer
10 February 2012

This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, Collins Stewart Pte. Limited, for compliance with the relevant rules of the SGX-ST. Collins Stewart Pte. Limited has not independently verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

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