



SWISSCO

Company Registration No: 200404711D

SWISSCO HOLDINGS LIMITED

(formerly known as C2O Holdings Limited)

UNAUDITED FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE 2ND QUARTER AND HALF YEAR ENDED 30 JUNE 2012

This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, Canaccord Genuity Singapore Pte. Ltd.(formerly known as Collins Stewart Pte. Limited), for compliance with the relevant rules of the SGX-ST. Canaccord Genuity Singapore Pte. Ltd. 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.

The contact person for the Sponsor is Mr Mark Zhou, Senior Manager, Canaccord Genuity Singapore Pte. Ltd. at 77 Robinson Road #21-02 Singapore 068896, Telephone: (65) 6854 6160.

PART I INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR ANNOUNCEMENTS

The Board of Directors of Swissco Holdings Limited is pleased to announce the unaudited consolidated results of the Group for the 2nd quarter (“2Q2012”) and half year ended 30 June 2012 (“1H2012”).

1 (a) (i) A statement of comprehensive income for the group together with a comparative statement for the corresponding period of the immediately preceding financial year.

Consolidated Statement of Comprehensive Income

| | GROUP Unaudited 2Q2012 (\$'000) | GROUP Unaudited 2Q2011 (\$'000) | Inc/ (Decr) % | GROUP Unaudited 1H2012 (\$'000) | GROUP Unaudited 1H2011 (\$'000) | Inc/ (Decr) % |
|---|--|--|------------------------------|--|--|------------------------------|
| Sales | 21,630 | 11,833 | 82.8 | 42,297 | 18,845 | 124.4 |
| Cost of sales | (14,113) | (6,856) | 105.8 | (31,762) | (13,653) | 132.6 |
| Gross profit | 7,517 | 4,977 | 51.0 | 10,535 | 5,192 | 102.9 |
| Other income | 102 | 25 | 308.0 | 162 | 54 | 200.0 |
| Other (losses)/gain – net | (15) | 39 | n.m. | (52) | 431 | n.m. |
| Less: Expenses | | | | | | |
| Administrative | (2,747) | (2,127) | 29.1 | (3,904) | (3,356) | 16.3 |
| Finance | (568) | (808) | (29.7) | (1,392) | (1,533) | (9.2) |
| Share of (loss)/profit of an associated company | - | (31) | n.m. | - | 47 | n.m. |
| Share of (loss)/profit of joint ventures | (238) | (313) | (24.0) | 1,051 | (618) | n.m. |
| Profit before tax | 4,051 | 1,762 | 129.9 | 6,400 | 217 | 2,849.3 |
| Income tax credit/(expense) | 187 | (506) | n.m. | 124 | (724) | n.m. |
| Profit/(Loss), net of tax | 4,238 | 1,256 | 237.4 | 6,524 | (507) | n.m. |

Other Comprehensive Income/(Loss):

| | | | | | | |
|--|----------------|----------------|--------------|--------------|----------------|-------------|
| Currency translation differences arising from consolidation | 169 | (95) | n.m. | 47 | (180) | n.m. |
| Financial Assets, available for sale – fair value (loss)/gain | (2,625) | (2,430) | 8.0 | 700 | (7,695) | n.m. |
| – reclassification on disposal | - | - | | 735 | - | n.m. |
| Other Comprehensive (Loss)/Income, Net of Tax | (2,456) | (2,525) | (2.7) | 1,482 | (7,875) | n.m. |
| Total Comprehensive Income/(Loss) Attributable to Equity Holders of the Company | 1,782 | (1,269) | n.m. | 8,006 | (8,382) | n.m. |

n.m. - not meaningful

1 (a) (ii) The total comprehensive income/(loss) attributable to equity holders of the Company include the following credits/(charges):-

| | GROUP Unaudited 2Q2012 (\$'000) | GROUP Unaudited 2Q2011 (\$'000) | Inc/ (Decr) % | GROUP Unaudited 1H2012 (\$'000) | GROUP Unaudited 1H2011 (\$'000) | Inc/ (Decr) % |
|--|--|--|------------------------------|--|--|------------------------------|
| Depreciation | (2,352) | (2,390) | (1.6) | (4,507) | (4,917) | (8.3) |
| Allowance for impairment on trade and other receivables | (1,321) | (736) | 79.5 | (1,288) | (312) | 312.8 |
| Interest expense | (564) | (635) | (11.2) | (1,384) | (1,360) | 1.8 |
| Interest income | 90 | 25 | 260.0 | 104 | 51 | 103.9 |
| Foreign exchange losses | (56) | (237) | (76.4) | (409) | (241) | 69.7 |
| Net (loss)/gain on disposal of property, plant and equipment | (44) | 223 | n.m. | 1,034 | 198 | 422.2 |
| Loss on disposal of financial assets available for sale | - | - | - | (735) | - | n.m. |
| Amortization of deferred income | - | 17 | n.m. | - | 447 | n.m. |
| Amortization of facility fee | (55) | - | n.m. | (55) | - | n.m. |
| Overprovision of income tax in prior years | 525 | - | n.m. | 625 | 37 | 1,589.2 |
| Acquisition related costs | - | - | - | - | (518) | n.m. |

n.m. - not meaningful

1 (b) (i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

| | GROUP Unaudited As at 30/06/2012 (\$'000) | GROUP Audited As at 31/12/2011 (\$'000) | COMPANY Unaudited As at 30/06/2012 (\$'000) | COMPANY Audited As at 31/12/2011 (\$'000) |
|---|--|--|--|--|
| ASSETS | | | | |
| Current assets | | | | |
| Cash and cash equivalents | 19,244 | 27,864 | 1,312 | 978 |
| Financial assets, available-for- sale | 14,125 | 14,445 | - | - |
| Trade and other receivables | 24,131 | 17,895 | 11,040 | 12,838 |
| Inventories | 177 | 162 | - | - |
| Other current assets | 26,937 | 15,945 | 18 | 23 |
| Non-current assets classified as held for sale | 7,120 | - | - | - |
| | <u>91,734</u> | <u>76,311</u> | <u>12,370</u> | <u>13,839</u> |
| Non-current assets | | | | |
| Other receivables | 11,063 | 13,132 | 11,063 | 13,132 |
| Investment in subsidiaries | - | - | 177,937 | 177,937 |
| Investment in joint ventures | 3,447 | 2,454 | 50 | 50 |
| Property, plant and equipment | 132,780 | 132,431 | - | - |
| Other non-current assets | 12,434 | - | - | - |
| | <u>159,724</u> | <u>148,017</u> | <u>189,050</u> | <u>191,119</u> |
| Total assets | <u>251,458</u> | <u>224,328</u> | <u>201,420</u> | <u>204,958</u> |
| LIABILITIES | | | | |
| Current liabilities | | | | |
| Trade and other payables | 35,825 | 26,194 | 87,558 | 78,218 |
| Borrowings | 51,065 | 55,990 | 19,047 | 26,284 |
| Current income tax liabilities | 962 | 1,295 | - | 1 |
| | <u>87,852</u> | <u>83,479</u> | <u>106,605</u> | <u>104,503</u> |
| Non-current liabilities | | | | |
| Other payables | 14,526 | - | - | - |
| Borrowings | 41,153 | 39,551 | 11,873 | 16,251 |
| Deferred income tax liabilities | 2,204 | 2,204 | - | - |
| | <u>57,883</u> | <u>41,755</u> | <u>11,873</u> | <u>16,251</u> |
| Total liabilities | <u>145,735</u> | <u>125,234</u> | <u>118,478</u> | <u>120,754</u> |
| NET ASSETS | <u>105,723</u> | <u>99,094</u> | <u>82,942</u> | <u>84,204</u> |
| EQUITY | | | | |
| Capital and reserves attributable to equity holders of the Company | | | | |
| Share capital | 91,998 | 91,681 | 91,998 | 91,681 |
| Other reserves | (13,714) | (14,801) | - | 395 |
| Retained earnings/(accumulated losses) | 27,439 | 22,214 | (9,056) | (7,872) |
| Total equity | <u>105,723</u> | <u>99,094</u> | <u>82,942</u> | <u>84,204</u> |

1(b) (ii) In relation to the aggregate amount of the group's borrowings and debt securities, specify the following as at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year: (a) the amount repayable in one year or less, or on demand; (b) the amount repayable after one year;

Amount repayable in one year or less, or on demand

| As at 30/06/2012 | | As at 31/12/2011 | |
|-------------------------|------------------|-------------------------|------------------|
| Secured | Unsecured | Secured | Unsecured |
| (\$'000) | (\$'000) | (\$'000) | (\$'000) |
| 42,066 | 8,999 | 44,468 | 11,522 |

Amount repayable after one year

| As at 30/06/2012 | | As at 31/12/2011 | |
|-------------------------|------------------|-------------------------|------------------|
| Secured | Unsecured | Secured | Unsecured |
| (\$'000) | (\$'000) | (\$'000) | (\$'000) |
| 39,321 | 1,832 | 36,793 | 2,758 |

Details of any collateral

The Group's borrowings were secured by the pledge of the Group's leasehold properties, certain vessels and financial assets, available for sale.

1 (c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

| | GROUP Unaudited 1H2012 (\$'000) | GROUP Unaudited 1H2011 (\$'000) |
|---|--|--|
| Cash flows from operating activities | | |
| Net profit/(loss) | 6,524 | (507) |
| Adjustments for: | | |
| Income tax (credit)/expense | (124) | 724 |
| Share of profit of an associated company | - | (47) |
| Share of (profit)/loss of joint ventures | (1,051) | 618 |
| Amortization of deferred gain | - | (447) |
| Depreciation of property, plant and equipment | 4,507 | 4,917 |
| Interest expense | 1,384 | 1,360 |
| Interest income | (104) | (51) |
| Loss on disposal of financial assets, available for sale | 735 | - |
| Gain on disposal of property, plant & equipment | (1,034) | (198) |
| Operating cash flows before changes in working capital | 10,837 | 6,369 |
| Changes in working capital: | | |
| Trade and other receivables | 2,293 | (394) |
| Inventories | (15) | (122) |
| Other assets | (20,590) | (2,900) |
| Financial assets, at fair value through profit and loss | (409) | - |
| Trade and other payables | 23,672 | 2,225 |
| Restricted cash ⁽¹⁾ | (5,524) | - |
| Net cash flows generated from operations before tax | 10,264 | 5,178 |
| Income tax paid | (205) | (739) |
| Net cash flows generated from operating activities | 10,059 | 4,439 |
| Cash flows from investing activities | | |
| Interest received | 104 | 51 |
| Loan to joint venture | - | (1,843) |
| Repayment of loan from joint venture | 2,069 | - |
| Proceeds from disposal of financial assets, available for sale | 1,429 | - |
| Proceeds from disposal of property, plant and equipment | 5,819 | 9,810 |
| Purchases and construction of property, plant and equipment | (27,651) | (3,785) |
| Net cash flows (used in)/generated from investing activities | (18,230) | 4,233 |
| Cash flows from financing activities | | |
| Interest paid | (1,384) | (1,360) |
| Proceeds from issuance of ordinary shares | 317 | - |
| Proceeds from borrowings | 25,325 | 59,467 |
| Repayment of borrowings | (28,619) | (75,701) |
| Repayment of finance lease liabilities | (29) | (8) |
| Dividends paid to equity holders of the Company | (1,299) | - |
| Net cash flows used in financing activities | (5,689) | (17,602) |
| Net decrease in cash and cash equivalents | (13,860) | (8,930) |
| Cash and cash equivalents, beginning balance | 27,864 | 17,802 |
| Effects of currency translation on cash and cash equivalents | (284) | (58) |
| Cash and cash equivalents, ending balance⁽¹⁾ | 13,720 | 8,814 |

Note:-

- (1) For purposes of presenting the cash flow statements, cash and cash equivalents comprise the following:

| | Group | |
|---|--|--|
| | As at 30/06/2012 (\$'000) | As at 30/06/2011 (\$'000) |
| Cash and bank balances | 19,244 | 8,814 |
| Bank deposits pledged* | (5,524) | - |
| Cash and cash equivalents per cash flow statements | 13,720 | 8,814 |

*Deposits pledged to the bank as security for issuance of performance guarantees to a customer.

1 (d) (i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

| Group (\$'000) | Share Capital | Other Reserves | Retained Earnings / (Accumulated Losses) | Total Equity |
|---|----------------------|-----------------------|---|---------------------|
| Previous Year: | | | | |
| As at 01/01/2011 | 91,681 | (2,482) | 14,033 | 103,232 |
| Total comprehensive income for the period | - | (5,350) | (1,763) | (7,113) |
| As at 31/03/2011 | 91,681 | (7,832) | 12,270 | 96,119 |
| Total comprehensive income for the period | - | (2,525) | 1,256 | (1,269) |
| As at 30/06/2011 | 91,681 | (10,357) | 13,526 | 94,850 |
| Current Year: | | | | |
| As at 01/01/2012 | 91,681 | (14,801) | 22,214 | 99,094 |
| Total comprehensive income for the period | - | 3,938 | 2,286 | 6,224 |
| As at 31/03/2012 | 91,681 | (10,863) | 24,500 | 105,318 |
| Performance share plan – issue of new shares | 317 | (317) | - | - |
| Performance share plan – value of employee services | - | (78) | - | (78) |
| Dividend relating to 2011 paid | - | - | (1,299) | (1,299) |
| Total comprehensive income for the period | - | (2,456) | 4,238 | 1,782 |
| As at 30/06/2012 | 91,998 | (13,714) | 27,439 | 105,723 |
| Company (\$'000) | | | | |
| | Share Capital | Other Reserves | Retained Earnings / (Accumulated Losses) | Total Equity |
| Previous Year: | | | | |
| As at 01/01/2011 | 91,681 | - | (11,121) | 80,560 |
| Total comprehensive income for the period | - | - | (1,235) | (1,235) |
| As at 31/03/2011 | 91,681 | - | (12,356) | 79,325 |
| Total comprehensive income for the period | - | - | (887) | (887) |
| As at 30/06/2011 | 91,681 | - | (13,243) | 78,438 |
| Current Year: | | | | |
| As at 01/01/2012 | 91,681 | 395 | (7,872) | 84,204 |
| Total comprehensive income for the period | - | - | 956 | 956 |
| As at 31/03/2012 | 91,681 | 395 | (6,916) | 85,160 |
| Performance share plan – issue of new shares | 317 | (317) | - | - |
| Performance share plan – value of employee services | - | (78) | - | (78) |
| Dividend relating to 2011 paid | - | - | (1,299) | (1,299) |
| Total comprehensive income for the period | - | - | (841) | (841) |
| As at 30/06/2012 | 91,998 | - | (9,056) | 82,942 |

1 (d) (ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

Changes in the Company's share capital

The movement in the Company's issued and fully paid-up share capital from 1 April 2012 to 30 June 2012 was as follows:

Issued share capital

| | No. of Shares | Share capital (S\$'000) |
|--|--------------------------|------------------------------------|
| At 1 April 2012 | 431,823,169 | 91,681 |
| Issue of shares under the Performance Share Plan | 1,075,196 | 317 |
| At 30 June 2012 | 432,898,365 | 91,998 |

On 2 May 2012, the Company issued 1,075,196 new ordinary shares pursuant to Swissco Holdings Performance Share Plan, at an exercise price of 29.5 cents per share, amounting to \$317,183.

1(d) (iii) Total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

| | As at 30/06/2012 | As at 31/12/2011 |
|---|-----------------------------|-----------------------------|
| Total number of issued shares (excluding treasury shares) | 432,898,365 | 431,823,169 |

The Company did not have any treasury shares as at 30 June 2012 and 31 December 2011.

1(d) (iv) A statement showing all sales, transfers, disposals, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable.

2. Please state whether the figures have been audited or reviewed, and if so which auditing standard or practice has been followed.

The figures are not required to be audited and have not been reviewed by the Company's auditors.

3. If the figures have been audited or reviewed, please provide a statement on whether there are any qualifications or emphasis of matter.

Not applicable.

4. Please state whether the same accounting policies and method of computation as the issuer's most recently audited financial statements have been followed.

The Group has applied the same accounting policies and methods of computation in the preparation of the financial information for the current period as the last audited financial statements for the period ended 31 December 2011, except for the adoption of the new financial reporting standards and amendments that are effective for the current period. The effect of the adoption of these standards and amendments was not material to the Group's results.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

See item 4 above.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

| | GROUP 2Q2012 | GROUP 2Q2011 | GROUP 1H2012 | GROUP 1H2011 |
|--|-------------------------|-------------------------|-------------------------|-------------------------|
| Earnings per share (cents) based on:- | | | | |
| a) weighted average number of ordinary shares on issue | 0.98 | 0.29 | 1.51 | (0.12) |
| b) a fully diluted basis | 0.98 | 0.29 | 1.51 | (0.12) |

Weighted average ordinary shares for calculation of:-

| | | | | |
|--|-------------|-------------|-------------|-------------|
| a) weighted average number of ordinary shares on issue | 432,177,629 | 431,823,169 | 432,177,629 | 431,823,169 |
| b) a fully diluted basis | 432,177,629 | 431,823,169 | 432,177,629 | 431,823,169 |

7. Net asset value (for the issuer and group) per ordinary share based on total number of issued shares excluding treasury shares of the issuer at the end of the:-

- (a) current financial period reported on; and
(b) immediately preceding financial year.

| | GROUP As at 30/06/2012 | GROUP As at 31/12/2011 | COMPANY As at 30/06/2012 | COMPANY As at 31/12/2011 |
|--|---------------------------------------|---------------------------------------|---|---|
| Net asset value per share (cents) ⁽¹⁾ | 24.42 | 22.95 | 19.16 | 19.50 |

Note:-

- (1) Based on share capital of 432,898,365 ordinary shares as at 30 June 2012 (30 June 2011: 431,823,169 ordinary shares).

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Revenue

| Business Segments | 2Q2012 (\$'million) | 2Q2011 (\$'million) | 1H2012 (\$'million) | 1H2011 (\$'million) |
|----------------------|------------------------|------------------------|------------------------|------------------------|
| Vessel Chartering | 10.9 | 11.1 | 19.1 | 17.5 |
| Ship Repair | 1.3 | 0.7 | 2.8 | 1.3 |
| Maritime Services | 9.4 | - | 20.4 | - |
| Total Revenue | 21.6 | 11.8 | 42.3 | 18.8 |

2Q2012 vs. 2Q2011

Total revenue increased by \$9.8 million or 82.8%, from \$11.8 million in 2Q2011 to \$21.6 million in 2Q2012, due to higher activities and revenue contribution from the ship repair and maritime services segments.

Revenue from vessel chartering registered a marginal decrease of \$0.2 million, from \$11.1 million in 2Q2011 to \$10.9 million in 2Q2012, due to decrease in revenue from out-port-limit ("OPL") services of \$0.9 million in 2Q2012 which was partially offset by an increase in revenue from the charter of offshore support vessels ("OSVs") of \$0.7 million.

Revenue from ship repair increased by \$0.6 million, from \$0.7 million in 2Q2011 to \$1.3 million in 2Q2012, due to more and higher value repair and maintenance jobs.

Revenue of \$9.4 million from maritime services was due to the delivery of a vessel in 2Q2012.

Cost of sales increased by \$7.2 million, from \$6.9 million in 2Q2011 to \$14.1 million in 2Q2012. This was due to an increase in maritime services and ship repair activities which was partially offset by a decrease in cost of sales for the vessel chartering segment as a result of the passing-on of certain operating costs to the charterers of our vessels.

Administrative expenses increased by \$0.6 million, from \$2.1 million in 2Q2011 to \$2.7 million in 2Q2012. This was mainly due to increased headcount to support the maritime services business and higher provision for impairment of trade receivables in 2Q2012.

Finance expenses decreased by \$0.2 million, from \$0.8 million in 2Q2011 to \$0.6 million in 2Q2012, due to lower borrowings in 2Q2012 compared to 2Q2011.

Share of loss of joint venture. The Group's 50% owned joint venture Hadi International Marine Services Pte Ltd incurred losses amounting to \$0.2 million in 2Q2012 as compared to \$0.3 million in 2Q2011, due to higher contribution from vessel chartering operations in 2Q2012.

Profit before tax increased by \$2.3 million, from \$1.8 million in 2Q2011 to \$4.1 million in 2Q2012, due to higher contributions from our ship repair and maritime services segments.

Income tax credit – The Group provided for corporate tax expense of \$0.3 million in 2Q2012 and wrote back an overprovision of prior year's corporate tax expense of \$0.5 million.

1H2012 vs. 1H2011

Total revenue increased by \$23.5 million or 124.4%, from \$18.8 million in 1H2011 to \$42.3 million in 1H2012, due to higher revenue generated by all 3 business segments.

Revenue from vessel chartering increased by \$1.6 million, from \$17.5 million in 1H2011 to \$19.1 million in 1H2012, due mainly to higher fleet utilization rates.

Revenue from ship repair increased by \$1.5 million, from \$1.3 million in 1H2011 to \$2.8 million in 1H2012, due to more and higher value repair and maintenance jobs completed in 1H2012.

Revenue of \$20.4 million from maritime services was due to the delivery of vessels in 1H2012.

Cost of sales increased by \$18.1 million or 132.6%, from \$13.7 million in 1H2011 to \$31.8 million in 1H2012. The increase was in line with higher revenue recorded from the three business segments.

Other (losses)/gains-net decreased by \$0.5 million, due mainly to the absence of a \$0.4 million deferred gain recognised in 1H2011 in relation to the sale of a vessel to PT Swisso Indonesia, an associated company which our Group has 49% interest in.

Administrative expenses increased by \$0.6 million, from \$3.3 million in 1H2011 to \$3.9 million in 1H2012, due mainly to increased headcount to support the maritime services segment and higher provision for impairment of trade receivables in 2Q2012.

Finance expenses decreased by \$0.1 million, from \$1.5 million in 1H2011 to \$1.4 million in 1H2012, due to lower borrowings in 1H2012 compared to 1H2011.

Share of profit of joint venture increased by \$1.7 million, from a loss of \$0.6 million in 1H2011 to a profit of \$1.1 million in 1H2012. This was due to a one-off gain from disposal of a vessel in 1H2012. The joint venture, Hadi International Marine Services Pte Ltd, continues to incur operating losses due to high ship repair and maintenance costs in the Middle East.

Profit before tax increased by \$6.2 million, from \$0.2 million in 1H2011 to \$6.4 million in 1H2012, due to higher contributions from all business segments.

Income tax credit – The Group provided for corporate tax expense of \$0.3 million in 2Q2012 and wrote back an overprovision of prior year's corporate tax expense of \$0.5 million.

Consolidated Balance Sheet

Assets

Total assets increased by \$27.2 million, from \$224.3 million as at 31 December 2011 to \$251.5 million as at 30 June 2012. This was due mainly to an increase in trade and other receivables in line with higher revenue, increase in other current assets due to higher progress payments made for vessels-under-construction that were contracted for sale as well as for fleet expansion. These payments were funded by progress payments received from customers and bank borrowings.

Liabilities

Total liabilities increased by \$20.5 million, from \$125.2 million as at 31 December 2011 to \$145.7 million as at 30 June 2012. This was due mainly to an increase in trade and other payables in line with higher activities of the businesses, as well as an increase in other payables due to progress payments received from customers for vessels-under-construction that were contracted for sale.

Share Capital and Reserves

Total equity increased by \$6.6 million, from \$99.1 million as at 31 December 2011 to \$105.7 million as at 30 June 2012, due mainly to an increase in retained earnings in 1H2012.

Cash Flow Statement

The Group generated \$10.8 million from its operating activities before working capital movement. Working capital movement included mainly increase in other assets of \$20.6 million, increase in trade and other payables of \$23.7 million and restricted cash of \$5.5 million. After working capital movement and tax payments, the Group generated \$10.1 million from its operating activities. Increase in other assets represented progress payments to shipyards for ship building contracts that were earmarked for sale and whereas increase in trade and other payables represented progress payments received from customers for these contracts. Restricted cash were in relation to cash received from these customers that will be released for use after the delivery of such vessels.

Net cash used in investing activities of \$18.2 million was due mainly to cash outflow of \$27.7 million arising from progress payments for the construction of vessels ordered by the Group which was partially offset by cash inflow of \$9.3 million comprising proceeds from the (i) disposal of financial assets available for sale; (ii) disposal of a vessel; and (iii) partial repayment of loan by our middle-east joint venture.

Net cash used in financing activities for 1H2012 of \$5.7 million was due mainly to net loan repayment of \$3.3 million, dividend payment of \$1.3 million and interest payment of \$1.4 million.

As a result of the above, the Group recorded a decrease in cash and cash equivalents of \$13.9 million in 1H2012.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

Not applicable. The Group has not disclosed any forecast or prospect statements to its shareholders previously.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

The Group's maritime service segment is expected to further contribute to the Group's earnings for FY2012. The Group will focus on the completion of vessels-under-construction for prompt delivery to customers.

The Group is also committed to growing its vessel chartering business with the construction of 8 new vessels with better specifications under its fleet renewal program (5 anchor handling tugs, 1 workboat and 2 crew boats). These will continue to be funded by bank borrowings and proceeds from the disposal of older vessels. These new vessels are expected to be delivered throughout FY2013.

11. Dividend

(a) Current Financial Period Reported On

No.

(b) Corresponding Period of the Immediately Preceding Financial Year

No.

(c) Date payable

Not applicable.

(d) Book closure date

Not applicable.

12. If no dividend has been declared (recommended), a statement to that effect.

The directors do not recommend the payment of a dividend for the current financial period.

13. If the group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group does not have a general mandate from shareholders for interested person transactions pursuant to Rule 920(1)(a)(ii).

There was no interested person transaction during the half year ended 30 June 2012.

14. Confirmation by the Board on financial results pursuant to Rule 705(5) of the Catalist Rules

We, Robert Chua Swee Chong and Kang Hwee Meng, being directors of Swissco Holdings Limited (the “Company”), do hereby confirm for and on behalf of the Board of Directors of the Company that, to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the unaudited financial results for the second quarter and half year ended 30 June 2012 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Robert Chua Swee Chong
Executive Chairman

Kang Hwee Meng
Chief Executive Officer

14 August 2012