



SWISSCO

Company Registration No: 200404711D

SWISSCO HOLDINGS LIMITED

**UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE SECOND QUARTER AND HALF YEAR ENDED 30 JUNE 2014**

**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 ("2Q2014") and half year ended 30 June 2014 ("1H2014").

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

**Consolidated Statement of Comprehensive Income**

	<b>GROUP Unaudited 2Q2014 (\$'000)</b>	<b>GROUP Unaudited 2Q2013 (\$'000)</b>	<b>Inc/ (Decr) %</b>	<b>GROUP Unaudited 1H2014 (\$'000)</b>	<b>GROUP Unaudited 1H2013 (\$'000)</b>	<b>Inc/ (Decr) %</b>
Sales	11,186	10,424	7.3	24,919	21,644	15.1
Cost of sales	(7,224)	(6,341)	13.9	(14,714)	(14,913)	(1.3)
Gross profit	3,962	4,083	(3.0)	10,205	6,731	51.6
Other income	751	73	928.8	851	1,650	(48.4)
Other gains/(losses) – net	141	(531)	n.m.	269	(170)	n.m.
<b>Less: Expenses</b>						
Administrative	(1,275)	(1,204)	5.9	(2,941)	(3,015)	(2.5)
Acquisition related cost *	(672)	-	n.m.	(672)	-	n.m.
Finance	(531)	(468)	13.5	(1,249)	(1,082)	15.4
Share of (loss)/profit of joint ventures	(98)	291	n.m.	(237)	168	n.m.
<b>Profit before tax</b>	2,278	2,244	1.5	6,226	4,282	45.4
Income tax expense	(291)	(202)	44.1	(494)	(433)	14.1
<b>Profit, net of tax</b>	1,987	2,042	(2.7)	5,732	3,849	48.9
<b><u>Other Comprehensive Income/(Loss):</u></b>						
Items that may be reclassified subsequently to profit or loss:						
Currency translation differences arising from consolidation	9	127	(92.9)	(114)	249	n.m.
Financial assets, available for sale						
– fair value (loss)/gain	(2,688)	1,108	n.m.	(2,688)	2,625	n.m.
– reclassification on disposal	-	437	n.m.	-	584	n.m.
<b>Other Comprehensive Income, Net of Tax</b>	(2,679)	1,672	n.m.	(2,802)	3,458	n.m.
<b>Total Comprehensive (Loss)/Income Attributable to Equity Holders of the Company</b>	(692)	3,714	n.m.	2,930	7,307	(59.9)

Note: \* Cost in relation to acquisition of Scott and English Energy Pte. Ltd.

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

	<b>GROUP Unaudited 2Q2014 (\$'000)</b>	<b>GROUP Unaudited 2Q2013 (\$'000)</b>	<b>Inc/ (Decr) %</b>	<b>GROUP Unaudited 1H2014 (\$'000)</b>	<b>GROUP Unaudited 1H2013 (\$'000)</b>	<b>Inc/ (Decr) %</b>
Depreciation	(2,771)	(2,363)	17.3	(5,340)	(4,352)	22.7
Write back of/(allowance for) impairment on trade and other receivables	10	184	(94.6)	(86)	(227)	(62.1)
Bad debt written off	(5)	(77)	(93.5)	(5)	(77)	(93.5)
Interest income	18	57	(68.4)	99	82	20.7
Interest expense	(531)	(468)	13.5	(1,249)	(1,082)	15.4
Foreign exchange (losses)/gains	(183)	(244)	(25.0)	15	(178)	n.m.
Net gain on disposal of property, plant and equipment	(7)	150	n.m	81	592	(86.3)
Net gain on disposal of non-current asset held for sale	331	-	-	173	-	n.m.
Amortisation of facility fee	(100)	(7)	1,328.0	(127)	(148)	(14.2)
Under provision of income tax in prior years	-	-	-	-	(70)	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.**

	<b>GROUP Unaudited As at 30/06/2014 (\$'000)</b>	<b>GROUP Audited As at 31/12/2013 (\$'000)</b>	<b>COMPANY Unaudited As at 30/06/2014 (\$'000)</b>	<b>COMPANY Audited As at 31/12/2013 (\$'000)</b>
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	14,198	6,533	1,797	248
Financial assets, available-for- sale	12,208	14,896	-	-
Trade and other receivables	17,915	31,001	9,145	8,650
Inventories	207	58	-	-
Other current assets <sup>(1)</sup>	48,601	39,316	48	54
	<u>93,129</u>	<u>91,804</u>	<u>10,990</u>	<u>8,952</u>
Non-current assets classified as held for sale	-	6,562	-	-
	<u>93,129</u>	<u>98,366</u>	<u>10,990</u>	<u>8,952</u>
<b>Non-current assets</b>				
Other receivables	-	357	-	357
Other non-current assets	1,666	1,681	-	-
Investment in subsidiaries	-	-	177,987	177,987
Investment in joint ventures	1,269	1,529	50	50
Property, plant and equipment	194,375	175,060	-	-
	<u>197,310</u>	<u>178,627</u>	<u>178,037</u>	<u>178,394</u>
<b>Total assets</b>	<u>290,439</u>	<u>276,993</u>	<u>189,027</u>	<u>187,346</u>
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Trade and other payables	28,666	32,790	75,378	75,001
Borrowings	73,172	57,459	7,435	6,802
Current income tax liabilities	1,667	2,725	-	-
	<u>103,505</u>	<u>92,974</u>	<u>82,813</u>	<u>81,803</u>
<b>Non-current liabilities</b>				
Other payables	1,666	1,687	-	-
Borrowings	44,368	40,302	6,441	2,400
Deferred income tax liabilities	1,961	2,204	-	-
	<u>47,995</u>	<u>44,193</u>	<u>6,441</u>	<u>2,400</u>
<b>Total liabilities</b>	<u>151,500</u>	<u>137,167</u>	<u>89,254</u>	<u>84,203</u>
<b>NET ASSETS</b>	<u>138,939</u>	<u>139,826</u>	<u>99,773</u>	<u>103,143</u>
<b>EQUITY</b>				
<b>Capital and reserves attributable to equity holders of the Company</b>				
Share capital	93,182	92,672	93,182	92,672
Other reserves	(12,635)	(9,865)	222	190
Retained earnings	58,392	57,019	6,369	10,281
<b>Total equity</b>	<u>138,939</u>	<u>139,826</u>	<u>99,773</u>	<u>103,143</u>

**Note<sup>(1)</sup>:** Other current assets as at 30 June 2014 include \$44.5 million (31 December 2013: \$31.0 million) of progress payments to shipyards for vessels under construction that are contracted for sale.

**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>As at 30/06/2014</b>		<b>As at 31/12/2013</b>	
<b>Secured</b>	<b>Unsecured</b>	<b>Secured</b>	<b>Unsecured</b>
<b>(\$'000)</b>	<b>(\$'000)</b>	<b>(\$'000)</b>	<b>(\$'000)</b>
63,569	9,603	49,050	8,409

**(b) the amount repayable after one year;**

<b>As at 30/06/2014</b>		<b>As at 31/12/2013</b>	
<b>Secured</b>	<b>Unsecured</b>	<b>Secured</b>	<b>Unsecured</b>
<b>(\$'000)</b>	<b>(\$'000)</b>	<b>(\$'000)</b>	<b>(\$'000)</b>
44,368	-	40,302	-

#### **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.**

	<b>GROUP</b> <b>Unaudited</b> <b>1H2014</b> <b>(\$'000)</b>	<b>GROUP</b> <b>Unaudited</b> <b>1H2013</b> <b>(\$'000)</b>
<b>Cash flows from operating activities</b>		
Net profit	5,732	3,849
Adjustments for:		
Income tax expense	494	433
Share of loss/(profit) of joint ventures	237	(168)
Depreciation of property, plant and equipment	5,340	4,352
Interest expense	1,249	1,082
Interest income	(99)	(82)
Dividend income	(672)	-
Performance share and share option expense	66	106
Loss on disposal of financial assets, available for sale	-	584
Gain on disposal of non-current asset held for sale	(173)	-
Gain on disposal of property, plant & equipment	(81)	(592)
Operating cash flows before changes in working capital	12,093	9,564
Changes in working capital:		
Trade and other receivables	13,086	309
Inventories	(149)	(174)
Other assets	(9,270)	(3,084)
Trade and other payables	(4,145)	(3,559)
Net cash flows generated from operations before tax	11,615	3,056
Income tax paid	(1,795)	(2,417)
<b>Net cash flows generated from operating activities</b>	<b>9,820</b>	<b>639</b>
<b>Cash flows from investing activities</b>		
Interest received	99	82
Repayment of loan from joint venture	357	1,871
Dividend received	672	-
Proceeds from disposal of financial assets, available for sale	-	1,144
Proceeds from disposal of property, plant and equipment	9,439	11,979
Purchases and construction of property, plant and equipment	(27,279)	(34,449)
<b>Net cash flows used in investing activities</b>	<b>(16,712)</b>	<b>(19,373)</b>
<b>Cash flows from financing activities</b>		
Interest paid	(1,249)	(1,082)
Proceeds from issuance of ordinary shares	476	529
Proceeds from borrowings	56,904	23,721
Repayment of borrowings	(37,125)	(24,202)
Dividends paid to equity holders of the Company	(4,359)	(3,472)
<b>Net cash flows generated from/(used in) financing activities</b>	<b>14,647</b>	<b>(4,506)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	7,755	(23,240)
Cash and cash equivalents, beginning balance	6,533	35,111
Effects of currency translation on cash and cash equivalents	(90)	(163)
<b>Cash and cash equivalents, ending balance</b>	<b>14,198</b>	<b>11,708</b>

**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
<b>Previous Year:</b>				
<b>As at 01/01/2013</b>	<b>91,998</b>	<b>(12,449)</b>	<b>37,302</b>	<b>116,851</b>
Performance share plan – value of employee services	-	40	-	40
Employee share option plan – value of employee services	-	36	-	36
Total comprehensive income for the period	-	1,786	1,807	3,593
<b>As at 31/03/2013</b>	<b>91,998</b>	<b>(10,587)</b>	<b>39,109</b>	<b>120,520</b>
Performance share plan – issue of new shares	317	(317)	-	-
Employee share option plan – issue of new shares	268	(56)	-	212
Employee share option plan – value of employee services	-	30	-	30
Dividend relating to 2012 paid	-	-	(3,472)	(3,472)
Total comprehensive income for the period	-	1,672	2,042	3,714
<b>As at 30/06/2013</b>	<b>92,583</b>	<b>(9,258)</b>	<b>37,679</b>	<b>121,004</b>
<b>Current Year:</b>				
<b>As at 01/01/2014</b>	<b>92,672</b>	<b>(9,865)</b>	<b>57,019</b>	<b>139,826</b>
Employee share option plan – value of employee services	-	45	-	45
Total comprehensive (loss)/income for the period	-	(123)	3,745	3,622
<b>As at 31/03/2014</b>	<b>92,672</b>	<b>(9,943)</b>	<b>60,764</b>	<b>143,493</b>
Employee share option plan – issue of new shares	510	(34)	-	476
Employee share option plan – value of employee services	-	21	-	21
Dividend relating to 2013 paid	-	-	(4,359)	(4,359)
Total comprehensive(loss)/ income for the period	-	(2,679)	1,987	(692)
<b>As at 30/06/2014</b>	<b>93,182</b>	<b>(12,635)</b>	<b>58,392</b>	<b>138,939</b>

Company (\$'000)	Share Capital	Other Reserves	Retained Earnings / (Accumulated Losses)	Total Equity
<b>Previous Year:</b>				
<b>As at 01/01/2013</b>	<b>91,998</b>	<b>360</b>	<b>7,457</b>	<b>99,815</b>
Performance share plan – value of employee services	-	40	-	40
Employee share option plan – value of employee services	-	36	-	36
Total comprehensive income for the period	-	-	242	242
<b>As at 31/03/2013</b>	<b>91,998</b>	<b>436</b>	<b>7,699</b>	<b>100,133</b>
Performance share plan – issue of new shares	317	(317)	-	-
Employee share option plan – issue of new shares	268	(56)	-	212
Employee share option plan – value of employee services	-	30	-	30
Dividend relating to 2012 paid	-	-	(3,472)	(3,472)
Total comprehensive income for the period	-	-	265	265
<b>As at 30/06/2013</b>	<b>92,583</b>	<b>93</b>	<b>4,492</b>	<b>97,168</b>
<b>Current Year:</b>				
<b>As at 01/01/2014</b>	<b>92,672</b>	<b>190</b>	<b>10,281</b>	<b>103,143</b>
Employee share option plan – value of employee services	-	45	-	45
Total comprehensive income for the period	-	-	360	360
<b>As at 31/03/2014</b>	<b>92,672</b>	<b>235</b>	<b>10,641</b>	<b>103,548</b>
Employee share option plan – issue of new shares	510	(34)	-	476
Employee share option plan – value of employee services	-	21	-	21
Dividend relating to 2013 paid	-	-	(4,359)	(4,359)
Total comprehensive income for the period	-	-	87	87
<b>As at 30/06/2014</b>	<b>93,182</b>	<b>222</b>	<b>6,369</b>	<b>99,773</b>

**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 2014 to 30 June 2014 were as follows:

#### **Issued share capital**

	No. of Shares	Share capital (\$S'000)
At 1 April 2014	435,373,565	92,672
Issue of shares from the exercise of Share Option Scheme	1,925,000	510
At 30 June 2014	<u>437,298,565</u>	<u>93,182</u>

On 30 April 2014, the Company issued 525,000 new ordinary shares pursuant to exercise of options under Employee Share Option Scheme, at an exercise price of 20.2 cents per share, amounting to \$134,000.

On 19 May 2014, the Company issued 100,000 and 1,300,000 new ordinary shares pursuant to exercise of options under Employee Share Option Scheme, at an exercise price of 20.2 and 26.9 cents per share respectively, amounting to \$376,000.

There were unexercised options for 4,000,000 of unissued ordinary shares as at 30 June 2014 (30 June 2013: 4,450,000)

The share capital of the Company as at 30 June 2014 is 437,298,565 ordinary shares (excluding treasury shares) [30 June 2013: 435,023,565 ordinary shares (excluding treasury shares)].

The Company does not have any treasury shares.

**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.**

	<b>As at 30/06/2014</b>	<b>As at 31/12/2013</b>
Total number of issued shares (excluding treasury shares)	437,298,565	435,373,565

The Company did not have any treasury shares as at 30 June 2014 and 31 December 2013 respectively.

**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 in 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 financial year ended 31 December 2013, 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.**

Earnings per share (cents) based on:-

- a) weighted average number of ordinary shares on issue
- b) a fully diluted basis

<b>GROUP 2Q2014</b>	<b>GROUP 2Q2013</b>	<b>GROUP 1H2014</b>	<b>GROUP 1H2013</b>
0.455	0.456	1.315	0.874
0.455	0.456	1.314	0.874

Weighted average ordinary shares for calculation of:-

- a) weighted average number of ordinary shares on issue
- b) a fully diluted basis

436,371,642	448,122,355	435,875,361	440,552,145
436,371,642	448,122,355	436,300,345	440,552,145

**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.**

Net asset value per share (cents)<sup>(1)</sup>

<b>GROUP As at 30/06/2014</b>	<b>GROUP As at 31/12/2013</b>	<b>COMPANY As at 30/06/2014</b>	<b>COMPANY As at 31/12/2013</b>
31.77	32.12	22.82	23.69

**Note:-**

- (1) Based on share capital of 437,298,565 ordinary shares as at 30 June 2014 and 435,373,565 as at 31 December 2013 respectively.

**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**

<b>(\$' million)</b>	<b>2Q2014</b>	<b>2Q2013</b>	<b>1H2014</b>	<b>1H2013</b>
Vessel Chartering	10.2	9.7	22.5	18.7
Ship Repair	1.0	0.6	2.0	1.6
Maritime Services	0.0	0.1	0.4	1.3
<b>Total Revenue</b>	<b>11.2</b>	<b>10.4</b>	<b>24.9</b>	<b>21.6</b>

**2Q2014 vs. 2Q2013**

**The Group's sales** for 2Q2014 increased from \$10.4 million to \$11.2 million due to higher revenue from the chartering and ship repair business segments.

Increased fleet size and higher average charter rate contributed to higher chartering and the Ship Repair business also completed more repair jobs for third party vessels in 2Q2014. Maritime Services segment did not register any revenue as deliveries of vessels are expected in the 2H2014.

**Cost of sales** for 2Q2014 was higher at \$7.2 million compared to \$6.3 million in 2Q2013 due to higher fuel and depreciation costs.

**Other income** of \$0.8 million comprises mainly dividend from quoted investment.

**Other gains-net** of \$0.1 million for 2Q2014 comprises \$0.3 million gain on disposal of non-current asset held for sale offset by \$0.2 million of foreign exchange losses.

**Finance expenses** increased by \$0.1 million due to higher borrowings in 2Q2014 compared to 2Q2013.

**Share of loss of joint venture.** The Group's 50% owned joint venture Hadi International Marine Services Pte Ltd incurred a loss due mainly to higher repair and maintenance costs.

**Income tax expense**– The Group's \$0.3 million of corporate tax expense for 2Q2014 comprises mainly corporate taxes and withholding tax incurred during the period. Compared to 2Q2013, higher taxes were the result of higher charter revenue from foreign-flagged vessels that do not enjoy tax exemption.

### **1H2014 vs. 1H2013**

**Group revenue** for 1H2014 increased 15.1% to \$24.9 million due mainly to higher revenue from the vessel chartering segment. The increased fleet size (1H2014: 33 vessels; 1H2013: 31 vessels) and higher average charter rate contributed to higher charter revenue.

**Cost of sales for 1H2014** remained comparable to 1H 2013 despite higher revenue due to higher charter rates secured for newly delivered vessels. These higher value vessels are of higher specifications that commanded higher charter rates.

**Other income** of \$0.9 million was lower due to the forfeiture of \$1.2 million deposit received for the purchase of a vessel from the Group's fleet from a buyer who failed to complete the purchase in 1H2013.

**Other gain/(losses)-net** of \$0.3 million comprises gain on disposal of asset held for sale whereas the loss in 1H2013 was due to the \$0.2 million of foreign exchange losses.

**Finance expenses** increased by \$0.2 million due to higher borrowings in 1H2014 to fund the vessel expansion program.

**Share of loss joint venture** of 0.2 million compared to a profit of 0.2 million in 1H2013 as the joint venture incurred higher repair and maintenance costs.

**Income tax expense** – The Group's \$0.5 million of corporate tax expense for 1H2014 comprises mainly corporate taxes and withholding tax incurred during the period. Higher taxes in 1H2014 were the result of higher charter revenue from foreign-flagged vessels that do not enjoy tax exemption.

### **Consolidated Balance Sheet**

#### **Current assets**

Total current assets decreased from \$98.4 million to \$93.1 million due mainly to financial assets available for sale and trade and other receivables offset by higher cash and cash equivalent and other current assets. Lower financial assets available for sale were due to lower market price of the quoted investment held. Lower trade and other receivables were due to payment received from a customer for the delivery of a vessel before year end.

Other current asset increased by \$9.3 million (23.6%) to \$49.3 million mainly due to increased progress payments to ship yards for vessels under-construction that are contracted for sale with expected delivery within the next 12 months.

## **Non-current assets**

Property, plant and equipment increased by \$19.3 million due mainly to progress payments for vessels under construction.

## **Liabilities**

Trade and other payables decreased by \$4.1 million (12.5%) due mainly to payment of expenses that were accrued in 2013.

Additional bank borrowings were drawn down to fund the fleet expansion program.

## **Share Capital and Reserves**

Total equity decreased from \$139.8 million as at 31 December 2013 to \$139.6 million as at 30 June 2014 due mainly dividend paid partially offset by increase in retained earnings in 1H2014.

## **Cash Flow Statement**

The Group generated \$12.1 million from its operating activities before working capital movement. Working capital movement includes mainly decrease in trade and other receivables of \$13.1 million, increase in other assets of \$9.3 million and decrease in trade and other payables of \$4.1 million. After working capital movement and tax payments of \$1.8 million, the Group generated \$9.8 million from its operating activities. Increase in other assets represents progress payments to shipyards for ship building contracts that are earmarked for sale.

Investing activities included cash outflow of \$27.3 million of progress payments for the construction of vessels ordered by the Group partially offset by inflow of \$9.4 million comprising proceeds from disposal of property, plant and equipment.

Net cash generated from financing activities for 1H2014 of approximately \$14.7 million was due mainly to net loan drawn down of \$19.8 million, \$4.4 million dividend payment and \$1.3 million interest payment.

As a result of the above, there was a net increase in cash and cash equivalents of \$7.8 million for the 1H2014.

## **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 is committed to grow its vessel chartering business with construction of new and better specification vessels under its fleet renewal program. Vessels under construction include five anchor handling tugs, one utility vessel, three crew boats and one accommodation vessel. Three vessels are scheduled for delivery in 2H2014 and these will continue to be funded by bank borrowings and older vessels will be disposed when opportunity arises to partially fund these new builds.

During 1H2014, the Group disposed two vessels and took delivery of two anchor handling and supply tugs maintaining our total fleet at thirty-three vessels as at 30 June 2014.

The Group's maritime service segment registered lower revenue for 1H2014 as scheduled projects under this segment are expected to be completed and recognized only in the second half of 2014.

On 30 July 2014, the Group has completed the acquisition of Scott and English Energy Pte Ltd (“S&E”). S&E is in the business of owning and chartering mobile offshore drilling units and service rigs to support the oil and gas corporations in their exploration and production activities. S&E currently jointly owns 4 rigs, 3 are working in Mexico and the 4<sup>th</sup> are under-going refurbishment and upon completion will be deployed in the middle-east. These rigs have secured charter contracts ranging from 4 to 5 years and will contribute to the Group’s profit.

**11. If a decision regarding dividend has been made:-**

**(a) Whether an interim (final) ordinary dividend has been declared (recommended); and**

None.

**(b)(i) Amount per share**

Not applicable.

**(b)(ii) Previous corresponding period**

None.

**(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).**

Not applicable.

**(d) The date the dividend is payable.**

Not applicable.

**(e) The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined.**

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 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 period ended 30 June 2014.

**14. Negative confirmation pursuant to Rule 705(5).**

We, Tan Fuh Gih and Alex Yeo Kian Teong, 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 2014 to be false or misleading in any material aspect.

**BY ORDER OF THE BOARD**

Tan Fuh Gih  
Executive Chairman

Alex Yeo Kian Teong  
Chief Executive Officer

8 August 2014