

SWISSCO INTERNATIONAL LIMITED

Company Registration No.: 200401051D

PROPOSED PLACEMENT OF 29,000,000 NEW ORDINARY SHARES IN THE CAPITAL OF SWISSCO INTERNATIONAL LIMITED

The Directors of Swissco International Limited (the "Company") are pleased to announce that the Company proposes to raise additional capital by way of a proposed placement (the "Placement") of 29,000,000 new ordinary shares (the "Placement Shares") in the capital of the Company at S\$0.355 per Placement Share.

In order to facilitate the Placement, the Company has requested CIMB-GK Securities Pte. Ltd., as placement agent for the Company (the "Placement Agent") to place 29,000,000 Placement Shares. The Placement Agent has agreed to subscribe and pay and/or procure subscribers and payment for the Placement Shares pursuant to a placement agreement (the "Placement Agreement") entered into between the Company and the Placement Agent on 27 March 2006. Pursuant to the Placement Agreement, the Placement Agent has agreed to subscribe or procure placees for the Placement Shares at a price of S\$0.355 per Placement Share (the "Placement Price").

The issue of and placement for the Placement Shares is conditional upon, *inter alia*, the completion of the sale of Placement Shares taking place under the Placement Agreement as well as all the necessary approvals being granted by the Singapore Exchange Securities Trading Limited ("SGX-ST") for the listing and quotation of the Placement Shares on the Singapore Exchange Securities Trading Limited Dealing and Automated Quotation System ("SGX-SESDAQ") of SGX-ST.

The Placement Shares are being issued pursuant to the general mandate granted to the Directors of the Company to issue shares passed by way of ordinary resolution at the Annual General Meeting of the Company held on 29 April 2005. The Placement Shares, when allotted and issued, will rank *pari passu* in all respects with the existing Shares and will represent approximately 19.8 per cent of the issued share capital of the Company as at the date of this Announcement.

The Placement Price of S\$0.355 per Placement Share represents a discount of approximately 7.1 per cent from the weighted average price of the shares of the Company of S\$0.382 as traded on the SGX-SESDAQ on 24 March 2006 (the market day preceding the date on which the Placement Agreement was signed).

In connection with the Placement, the Company will pay to the Placement Agent a commission of 3 per cent of the Placement Price for each Placement Share.

When completed, the Placement will increase the existing issued ordinary share capital of the Company by approximately 19.8 per cent from 146,692,925 shares as at the date of this Announcement to 175,692,925 shares. Based on the unaudited financial statements of the Group as at 31 December 2005, the Group's unaudited net tangible assets per share as at 31 December 2005 was 21.75 cents. After adjusting for the issue of the Placement Shares, the Group's unaudited net tangible assets per share, as at 31 December 2005, would be 23.79 cents.

An offer information statement, which complies as to form and content with the Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005, will be lodged by the Company with the Monetary Authority of Singapore and the SGX-ST on 27 March 2006.

The net proceeds from the Placement, after deducting expenses pertaining to the Placement, are estimated to be approximately S\$9.9 million. The net proceeds will be used as follows:-

- (a) approximately S\$8.0 million will be used to purchase new vessels for fleet expansion; and
- (b) the balance of the net proceeds will be used for general and corporate working capital requirements.

None of the Placement Shares will be placed by the Company with any persons or groups of persons as set out under Rule 812 of the SGX-ST Listing Manual.

Save as disclosed, none of the Directors or substantial shareholders of the Company has any interest, direct or indirect, in the Placement.

By Order of the Board

Tan Ching Chek and Lo Swee Oi
Joint Company Secretaries
Dated: 27 March 2006