



**SWISSCO HOLDINGS LIMITED**  
Company Registration No: 200404711D

**UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE THIRD QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2015**

**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 3rd quarter ("3Q2015") and nine months ended 30 September 2015 ("9M2015").

The functional currency and reporting currency of the Group changed from Singapore dollars to United States dollars ("US\$") with effect from 1 October 2014. Accordingly, the consolidated financial statements of the Group for the applicable comparative period were translated and presented in US\$. All references to "\$" shall refer to "US\$".

The change in functional and reporting currency was determined on the basis that the US\$ better reflects the current and prospective economic substance of the underlying transactions and circumstances of the Group.

**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**

Note	GROUP	GROUP	Increase/ (Decrease) %	GROUP	GROUP	Increase/ (Decrease) %	
	Unaudited 3Q2015 \$'000	Unaudited 3Q2014 \$'000		Unaudited 9M2015 \$'000	Unaudited 9M2014 \$'000		
	Revenue	10,434	28,191	(63.0)	47,885	28,191	69.9
	Cost of sales	(3,430)	(19,932)	(82.8)	(10,827)	(19,932)	(45.7)
	<b>Gross profit</b>	<b>7,004</b>	<b>8,259</b>	(15.2)	<b>37,058</b>	<b>8,259</b>	N/M
	Other income	527	10	N/M	796	10	N/M
	Other gains/(losses), net	6,071	220	N/M	11,241	(10)	N/M
	Administrative expenses	(2,487)	(2,021)	23.1	(7,678)	(3,666)	N/M
	Other expenses	(7,767)	(1,625)	N/M	(21,568)	(1,629)	N/M
	<b>Results from operating activities</b>	<b>3,348</b>	<b>4,843</b>	(30.9)	<b>19,849</b>	<b>2,964</b>	N/M
	Finance income	702	463	51.6	2,098	1,382	51.8
	Finance costs	(2,883)	(733)	N/M	(8,841)	(1,437)	N/M
	Share of profits of associated companies and joint ventures	10,700	3,901	N/M	34,265	13,310	N/M
	<b>Profit before income tax</b>	<b>11,867</b>	<b>8,474</b>	40.0	<b>47,371</b>	<b>16,219</b>	N/M
	Income tax expense	(689)	(416)	65.6	(1,126)	(416)	N/M
	<b>Profit after income tax</b>	<b>11,178</b>	<b>8,058</b>	38.7	<b>46,245</b>	<b>15,803</b>	N/M
	<b>Other comprehensive income:</b>						
	Items that may be reclassified subsequently to profit or loss:						
	Currency translation differences arising from consolidation	(197)	523	N/M	(257)	21	N/M
	Available-for-sale financial assets						
	– fair value loss	-	(1,232)	N/M	-	(1,232)	N/M
	Other comprehensive income/(loss), net of tax	(197)	(709)	(72.2)	(257)	(1,211)	(78.8)
	<b>Total comprehensive income attributable to equity holders of the Company</b>	<b>10,981</b>	<b>7,349</b>	49.4	<b>45,988</b>	<b>14,592</b>	N/M

N/M: Not Meaningful

Please see note 8 for explanation on the income statement review

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

	GROUP Unaudited 3Q2015 \$'000	GROUP Unaudited 3Q2014 \$'000	Increase/ (Decrease) %	GROUP Unaudited 9M2015 \$'000	GROUP Unaudited 9M2014 \$'000	Increase/ (Decrease) %
<u>Other gains/(losses), net</u>						
Foreign exchange gain/(loss)	6,406	193	N/M	8,389	(37)	N/M
(Loss)/gain on disposal of property, plant and equipment	(335)	27	N/M	2,950	27	N/M
Loss on disposal of available-for-sale financial assets	-	-	N/M	(98)	-	N/M
	<u>6,071</u>	<u>220</u>	N/M	<u>11,241</u>	<u>(10)</u>	N/M
<u>Other expenses</u>						
Depreciation of property, plant and equipment	(6,234)	(1,800)	N/M	(18,743)	(1,804)	N/M
Amortisation of intangible assets	(158)	-	N/M	(473)	-	N/M
Write-back/(allowance) of impairment loss on trade receivables	-	175	N/M	(205)	175	N/M
Impairment loss on available-for-sale financial assets	(871)	-	N/M	(1,643)	-	N/M
Others	(504)	-	N/M	(504)	-	N/M
	<u>(7,767)</u>	<u>(1,625)</u>	N/M	<u>(21,568)</u>	<u>(1,629)</u>	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 30/09/2015 \$'000	GROUP Audited 31/12/2014 \$'000	COMPANY Unaudited 30/09/2015 \$'000	COMPANY Audited 31/12/2014 \$'000
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	49,480	38,633	9,159	3,800
Available-for-sale financial assets	1,243	3,899	-	-
Trade and other receivables	17,301	21,505	44,965	75,041
Inventories	84	62	-	-
Other current assets	18,240	10,512	480	73
	<u>86,348</u>	<u>74,611</u>	<u>54,604</u>	<u>78,914</u>
<b>Non-current assets</b>				
Subsidiaries	-	-	437,184	437,184
Associated companies	41,013	27,600	-	-
Joint ventures	93,432	88,439	39	39
Property, plant and equipment	342,152	354,218	8	-
Intangible assets	385	832	-	-
	<u>476,982</u>	<u>471,089</u>	<u>437,231</u>	<u>437,223</u>
<b>Total assets</b>	<u>563,330</u>	<u>545,700</u>	<u>491,835</u>	<u>516,137</u>
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Trade and other payables	30,088	39,993	41,635	49,273
Borrowings	74,064	71,792	1,500	5,028
Derivatives	-	-	9	657
Current income tax liabilities	598	374	-	-
	<u>104,750</u>	<u>112,159</u>	<u>43,144</u>	<u>54,958</u>
<b>Non-current liabilities</b>				
Borrowings	164,623	176,405	71,619	77,843
Deferred income tax liabilities	3,181	2,829	-	-
	<u>167,804</u>	<u>179,234</u>	<u>71,619</u>	<u>77,843</u>
<b>Total liabilities</b>	<u>272,554</u>	<u>291,393</u>	<u>114,763</u>	<u>132,801</u>
<b>NET ASSETS</b>	<u><b>290,776</b></u>	<u><b>254,307</b></u>	<u><b>377,072</b></u>	<u><b>383,336</b></u>
<b>EQUITY</b>				
<b>Capital and reserves attributable to equity holders of the Company</b>				
Share capital*	188,518	188,152	371,222	370,856
Redeemable exchangeable preference shares**	36,750	36,750	-	-
Other reserves	474	658	279	206
Retained earnings	65,034	28,747	5,571	12,274
<b>TOTAL EQUITY</b>	<u><b>290,776</b></u>	<u><b>254,307</b></u>	<u><b>377,072</b></u>	<u><b>383,336</b></u>

\* In accordance to the Financial Reporting Standards on accounting for a Very Substantial Acquisition ("VSA"), the share capital of the Group represents the share capital of the subsidiary, Scott and English Energy Pte Ltd ("Scott and English")

\*\* Redeemable exchangeable preference shares issued by certain subsidiaries

Please see note 8 for explanation on the statement of financial position review

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;

Group As at 30/09/2015	
Secured	Unsecured
\$'000	\$'000
62,564	11,500

Group As at 31/12/2014	
Secured	Unsecured
\$'000	\$'000
61,121	10,671

(b) the amount repayable after one year;

Group As at 30/09/2015	
Secured	Unsecured
\$'000	\$'000
95,542	69,081

Group As at 31/12/2014	
Secured	Unsecured
\$'000	\$'000
102,226	74,179

#### Details of any collateral

The Group's bank borrowings were secured by the pledge of the Group's leasehold properties, rigs and certain vessels.

**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 Unaudited 9M2015 \$'000</b>	<b>GROUP Unaudited 9M2014 \$'000</b>
<b>Cash flows from operating activities</b>		
Profit before income tax	47,371	16,219
Adjustments for:		
Share of profits of associated companies and joint ventures	(34,265)	(13,310)
Depreciation of property, plant and equipment	18,743	1,804
Amortisation of intangible assets	473	-
Finance costs	8,841	1,437
Interest income	(2,098)	(1,382)
Share option expense	73	15
Performance share expense	366	-
Loss on disposal of available-for-sale financial assets	98	-
Impairment loss on available-for-sale financial assets	1,643	-
Gain on disposal of property, plant and equipment	(2,950)	(27)
Unrealised foreign exchange gain	(6,569)	-
Operating cash flows before changes in working capital	<u>31,726</u>	<u>4,756</u>
Changes in working capital:		
Trade and other receivables	4,204	(15,695)
Inventories	(22)	8
Other current assets	(5,845)	11,195
Trade and other payables	(10,749)	15,392
Net cash flows generated from operations	<u>19,314</u>	<u>15,656</u>
Income tax paid	(529)	(530)
<b>Net cash flows generated from operating activities</b>	<b><u>18,785</u></b>	<b><u>15,126</u></b>
<b>Cash flows from investing activities</b>		
Interest received	215	1,382
Loan to a joint venture	(1,640)	-
Repayment from a joint venture	17,500	3,506
Loan to associated companies	-	(22,235)
Proceeds from disposal of property, plant and equipment	30,084	-
Purchase of property, plant and equipment	(33,862)	(138,304)
Purchase of Intangible assets	(26)	-
Proceeds from sale of available-for-sale financial assets	708	-
Restricted cash	1,335	-
Net cash received from reverse acquisition	-	9,609
<b>Net cash flows from/(used in) investing activities</b>	<b><u>14,314</u></b>	<b><u>(146,042)</u></b>
<b>Cash flows from financing activities</b>		
Interest paid	(7,489)	(1,437)
Proceeds from bank borrowings	92,240	161,963
Repayment of bank borrowings	(95,542)	(2,916)
Proceeds from issuance of ordinary shares	-	239
Dividends paid to shareholders of the Company	(9,958)	-
<b>Net cash flows (used in)/from financing activities</b>	<b><u>(20,749)</u></b>	<b><u>157,849</u></b>
<b>Net increase in cash and cash equivalents</b>	<b>12,350</b>	<b>26,933</b>
Cash and cash equivalents at beginning of financial period	37,298	773
Effects of currency translation on cash and cash equivalents	(168)	(106)
<b>Cash and cash equivalents at end of financial period</b>	<b><u>49,480</u></b>	<b><u>27,600</u></b>

*Please note that it is not meaningful to present the quarter to quarter cash flows this year due to the VSA completed in July 2014.*

*Please see note 8 for explanation on the statement of cash flows review*

**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 capitalization issues and distributions to shareholders, together with comparative statement for the corresponding period of the immediately preceding financial year.**

<b>Group</b>	<b>Share capital</b>	<b>Redeemable exchangeable preference shares</b>	<b>Other reserves</b>	<b>Retained earnings</b>	<b>Total equity</b>
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>As at 01/01/2015</b>	<b>188,152</b>	<b>36,750</b>	<b>658</b>	<b>28,747</b>	<b>254,307</b>
Profit for the period	-	-	-	21,876	21,876
Currency translation differences arising from consolidation	-	-	(140)	-	(140)
Total comprehensive (loss)/income for the period	-	-	(140)	21,876	21,736
Employee share option plan - value of employee services	-	-	51	-	51
Total contribution by and distribution to owners	-	-	51	-	51
<b>As at 31/03/2015</b>	<b>188,152</b>	<b>36,750</b>	<b>569</b>	<b>50,623</b>	<b>276,094</b>
Profit for the period	-	-	-	13,191	13,191
Currency translation differences arising from consolidation	-	-	80	-	80
Total comprehensive income for the period	-	-	80	13,191	13,271
Performance share plan - issue of new shares	366	-	-	-	366
Employee share option plan - value of employee services	-	-	22	-	22
Dividend paid for 2014	-	-	-	(9,958)	(9,958)
Total contribution by and distribution to owners	366	-	22	(9,958)	(9,570)
<b>As at 30/06/2015</b>	<b>188,518</b>	<b>36,750</b>	<b>671</b>	<b>53,856</b>	<b>279,795</b>
Profit for the period	-	-	-	11,178	11,178
Currency translation differences arising from consolidation	-	-	(197)	-	(197)
Total comprehensive (loss)/income for the period	-	-	(197)	11,178	10,981
<b>As at 30/09/2015</b>	<b>188,518</b>	<b>36,750</b>	<b>474</b>	<b>65,034</b>	<b>290,776</b>
<b>As at 01/01/2014</b>	<b>30,419</b>	<b>-</b>	<b>(283)</b>	<b>12,839</b>	<b>42,975</b>
Profit for the period	-	-	-	4,146	4,146
Currency translation differences arising from consolidation	-	-	(261)	-	(261)
Total comprehensive (loss)/income for the period	-	-	(261)	4,146	3,885
<b>As at 31/03/2014</b>	<b>30,419</b>	<b>-</b>	<b>(544)</b>	<b>16,985</b>	<b>46,860</b>
Profit for the period	-	-	-	3,599	3,599
Total comprehensive income for the period	-	-	-	3,599	3,599
<b>As at 30/06/2014</b>	<b>30,419</b>	<b>-</b>	<b>(544)</b>	<b>20,584</b>	<b>50,459</b>
Profit for the period	-	-	-	8,058	8,058
Fair value loss on available-for-sale financial assets	-	-	(1,232)	-	(1,232)
Currency translation differences arising from consolidation	-	-	523	-	523
Total comprehensive (loss)/ income for the period	-	-	(709)	8,058	7,349
Reverse acquisition of Scott and English	158,055	-	-	-	158,055
Employee share option plan - issue of new shares	239	-	(15)	-	224
Total contribution by and distribution to owners	158,294	-	(15)	-	158,279
<b>As at 30/09/2014</b>	<b>188,713</b>	<b>-</b>	<b>(1,268)</b>	<b>28,642</b>	<b>216,087</b>

<u>Company</u>	<u>Share capital</u>	<u>Other reserves</u>	<u>Retained earnings</u>	<u>Total equity</u>
	\$'000	\$'000	\$'000	\$'000
<b>As at 01/01/2015</b>	<b>370,856</b>	<b>206</b>	<b>12,274</b>	<b>383,336</b>
Profit for the period	-	-	4,054	4,054
Total comprehensive income for the period	-	-	4,054	4,054
Employee share option plan – value of employee services	-	51	-	51
Total contribution by and distribution to owners	-	51	-	51
<b>As at 31/03/2015</b>	<b>370,856</b>	<b>257</b>	<b>16,328</b>	<b>387,441</b>
Loss for the period	-	-	(3,466)	(3,466)
Total comprehensive loss for the period	-	-	(3,466)	(3,466)
Performance share plan - issue new shares	366	-	-	366
Employee share option plan – value of employee services	-	22	-	22
Dividend paid for 2014	-	-	(9,958)	(9,958)
Total contribution by and distribution to owners	366	22	(9,958)	(9,570)
<b>As at 30/06/2015</b>	<b>371,222</b>	<b>279</b>	<b>2,904</b>	<b>374,405</b>
Profit for the period	-	-	2,667	2,667
Total comprehensive income for the period	-	-	2,667	2,667
<b>As at 30/09/2015</b>	<b>371,222</b>	<b>279</b>	<b>5,571</b>	<b>377,072</b>
<b>As at 01/01/2014</b>	<b>75,941</b>	<b>(2,657)</b>	<b>8,252</b>	<b>81,536</b>
Profit for the period	-	-	283	283
Translation differences arising from change in functional to presentation currency	-	(493)	-	(493)
Total comprehensive (loss)/income for the period	-	(493)	283	(210)
Employee share option plan – value of employee services	-	35	-	35
Total contribution by and distribution to owners	-	35	-	35
<b>As at 31/03/2014</b>	<b>75,941</b>	<b>(3,115)</b>	<b>8,535</b>	<b>81,361</b>
Profit for the period	-	-	68	68
Translation differences arising from change in functional to presentation currency	-	1,585	-	1,585
Total comprehensive income for the period	-	1,585	68	1,653
Employee share option plan – issue of new shares	409	(27)	-	382
Employee share option plan – value of employee services	-	17	-	17
Dividend paid for 2013	-	-	(3,492)	(3,492)
Total contribution by and distribution to owners	409	(10)	(3,492)	(3,093)
<b>As at 30/06/2014</b>	<b>76,350</b>	<b>(1,540)</b>	<b>5,111</b>	<b>79,921</b>
Loss for the period	-	-	(1,281)	(1,281)
Translation differences arising from change in functional to presentation currency	-	(1,526)	-	(1,526)
Total comprehensive loss for the period	-	(1,526)	(1,281)	(2,807)
Issuance of shares to acquire Scott & English	223,933	-	-	223,933
Employee share option plan - issue of new shares	306	(105)	-	201
Total contribution by and distribution to owners	224,239	(105)	-	224,134
<b>As at 30/09/2014</b>	<b>300,589</b>	<b>(3,171)</b>	<b>3,830</b>	<b>301,248</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.**

There was no change in the Company's issued and fully paid-up share capital from 1 July 2015 to 30 September 2015.

There were unexercised options for 962,000 (based on consolidated shares) of unissued ordinary shares as at 30 September 2015 [30 September 2014: 1,662,000 (based on consolidated 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 30/09/2015</b>	<b>As at 31/12/2014</b>
Total number of issued shares (excluding treasury shares)	672,448,704	671,430,704

The Company did not have any treasury shares as at 30 September 2015 and 31 December 2014.

**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 have not been audited or 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.**

Except as disclosed under item 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period as those applied for the audited financial statements for the financial year ended 31 December 2014.

**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.**

In the current financial period, the Group adopted all the applicable new and revised Singapore Financial Reporting Standards ("FRSs") and related Interpretations ("INT FRSs") that are relevant to its operations and effective for annual periods beginning on or after 1 January 2015. The adoption of these new/revised FRSs and INT FRSs does not result in changes to the Group's accounting policies and has no material effect on the financial statements.

**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 (US cents) based on:-

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

<b>GROUP 3Q2015</b>	<b>GROUP 3Q2014</b>	<b>GROUP 9M2015</b>	<b>GROUP 9M2014</b>
1.66	1.34	6.88	3.15
1.54	1.34	6.38	3.15

Weighted average ordinary shares for calculation of:-

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

672,448,704	599,940,491	671,986,316	502,107,976
724,883,604	600,149,910	724,421,216	502,317,395



**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.

	<b>GROUP As at 30/09/2015</b>	<b>GROUP As at 31/12/2014</b>	<b>COMPANY As at 30/09/2015</b>	<b>COMPANY As at 31/12/2014</b>
Net asset value per ordinary share (US cents)	37.78	32.40	56.07	57.09

The Group and Company's net asset value is calculated based on 672,448,704 (31 Dec 2014: 671,430,704) ordinary shares issued as at 30 September 2015.

**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.

**Income Statement Review**  
**Financial period ended 30 September 2015**

**Revenue**

(\$' million)

Drilling

Offshore Support Vessels ("OSV")

**Total Revenue**

<b>Group 3Q2015</b>	<b>Group 3Q2014</b>	<b>Group 9M2015</b>	<b>Group 9M2014</b>
5.2	-	26.9	-
5.2	28.2	21.0	28.2
<b>10.4</b>	<b>28.2</b>	<b>47.9</b>	<b>28.2</b>

In accordance with the requirements of the Financial Reporting Standards, the consolidated financial statements were prepared as a continuation of Scott and English's financial statements. The results for the quarter and nine months ended 30 September 2015 comprised contributions from Scott and English's drilling segment, service assets segment as well as the OSV segment, while the results for the comparative quarter and nine months ended 30 September 2014 comprised contributions from Scott and English's drilling segment and 2 months' results (August & September 2014) from OSV segment.

The Group's drilling segment currently owns two rigs and jointly owns another seven rigs. Two wholly-owned rigs commenced charter with effect from 30 September 2014 and contributed \$26.9 million of charter revenue in 9M2015 and \$5.2 million in 3Q2015. One of the wholly-owned rigs was off-hire in this quarter.

OSV revenue was derived from a total fleet of 37 vessels for the period ended 30 September 2015. Revenue from the OSV segment was \$5.2 million for 3Q2015 (3Q2014: \$28.2 million) and \$21.0 million for 9M2015 (9M2014: \$28.2 million). The decrease in revenue was mainly due to lower average day rates and lower utilisation rates, in particular spot charter activities, during the period. In addition, there was also no maritime project completed in 3Q2015 as compared to 3Q2014.

**Cost of sales** for 3Q2015 and 9M2015 comprised mainly maintenance, crew and fuel costs.

**Other gains/(losses), net** comprised mainly net gain or loss on disposal of vessels, and net foreign exchange gain arising mainly from Singapore Dollar financial liabilities due to the strengthening of the United States dollar against the Singapore dollar.

Loss on disposal of vessels amounted to \$0.3 million in 3Q2015 (3Q2014: gain on disposal of vessels of \$0.03 million) and net gain on disposal of vessels amounted \$3.0 million in 9M2015 (9M2014: \$0.03 million).

Net foreign exchange gain in 3Q2015 amounted to \$6.4 million (3Q2014: \$0.2 million), while net foreign exchange gain in 9M2015 amounted to \$8.4 million (9M2014: net foreign exchange loss of \$0.04 million).

**Administrative expenses** comprised mainly staff costs and other general administrative expenses.

**Other expenses** comprised mainly depreciation charges of \$6.2 million for 3Q2015 (3Q2014: \$1.8 million) and \$18.7 million for 9M2015 (9M2014: \$1.8 million), and impairment loss on available-for-sale financial assets of \$0.9 million for 3Q2015 (3Q2014: Nil) and \$1.6 million for 9M2015 (9M2014: Nil).

**Finance costs** relate mainly to interest on bank borrowings, interest on bonds, interest on shareholders' loans and corporate guarantee fees payable to a joint venture partner for the provision of corporate guarantee to the banks. The increase in finance costs from \$0.7 million in 3Q2014 to \$2.9 million in 3Q2015 and from \$1.4 million in 9M2014 to \$8.8 million in 9M2015 was mainly due to financing costs for two rigs acquired on 30 September 2014 and interest on bonds issued in October 2014.

**Share of profits of associated companies and joint ventures** – Commencement of charters for two drilling rigs in 3Q2014, one accommodation rig in 1Q2015 and another accommodation rig in 2Q2015, contributed to the share of profits of associated companies and joint ventures of \$10.7 million in 3Q2015 (3Q2014: \$3.9 million) and \$34.3 million in 9M2015 (9M2014: \$13.3 million).

## **Statement of Financial Position Review**

### **Current assets**

The Group's current assets as at 30 September 2015 amounted to \$86.3 million, an increase of \$11.7 million from \$74.6 million as at 31 December 2014. The increase was mainly due to higher cash and cash equivalents arising from loan repayment from a joint venture and proceeds received from disposal of four vessels. Other current assets increased due to advance payments to shipbuilders, offset by lower trade and other receivables.

### **Non-current assets**

The Group's non-current assets as at 30 September 2015 amounted to \$477.0 million as compared to \$471.1 million as at 31 December 2014, an increase of \$5.9 million. This was mainly due to the share of results of associated companies and joint ventures for the period ended 30 September 2015, offset by the repayment of loan by a joint venture.

### **Liabilities**

The Group's total liabilities decreased by \$18.8 million to \$272.6 million as at 30 September 2015. The decrease was mainly due to lower trade and other payables, loan repayments and translation gain on Singapore Dollar denominated financial liabilities.

As at 30 September 2015, the Group is in a net current liabilities position of \$18.4 million (31 December 2014: \$37.5 million). The Group manages its working capital requirements using short term borrowings. The Group expects to be able to rollover its short term borrowings and together with positive cash flows from its operations, to meet its obligations as and when they fall due.

## **Statement of Cash Flows Review**

Net cash inflow generated from operating activities amounted to \$18.8 million for 9M2015.

Net cash inflow from investing activities amounted to \$14.3 million for 9M2015. This was attributable to proceeds on disposal of four vessels of \$30.1 million, sale of the available-for-sale financial assets of \$0.7 million, release of restricted cash of \$1.3 million and loan repayment from a joint venture of \$17.5 million. This was partially offset by cash outflows from the purchase of property, a service rig and four vessels amounting to \$33.9 million and loan to a joint venture of \$1.6 million.

Net cash outflow from financing activities amounted to \$20.7 million for 9M2015. This was attributable to proceeds of \$92.2 million from loans drawn down to fund the acquisition of property and vessels, and the repayment of borrowings of \$95.5 million, interest payments of \$7.5 million and dividend paid to shareholders of approximately \$10.0 million for year 2014.

As a result of the above, there was a net increase in cash and cash equivalents of \$12.4 million for the 9M2015.

Net gearing as at 30 September 2015 was 0.65 times (31 December 2014: 0.82 times).

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

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 global oil and gas (“O&G”) industry is facing a challenging time and the recovery is expected to be slow. Oil prices are expected to be volatile and O&G companies are experiencing contracts termination and reduction in day rates. Two of our rigs had their contracts ended recently, and we shall continue to procure contracts for our drilling rigs.

The Group’s Offshore Support Vessel division will continue to step up its marketing activities to increase its utilisation rates and explore new geographical markets including Middle East, Africa and India.

**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.**

Not applicable.

**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 disclosable under Rule 920(1)(a)(ii) for the period ended 30 September 2015.

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

We, Lim How Teck and Tan Fuh Gih, 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 third quarter and nine months ended 30 September 2015 to be false or misleading in any material aspect.

**15. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).**

Undertakings under Rule 720(1) Appendix 7.7 have been obtained from all directors and executive officers.

**BY ORDER OF THE BOARD**

Lim How Teck  
Chairman

Tan Fuh Gih  
Executive Director

9 November 2015