



SWISSCO HOLDINGS LIMITED

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

CLARIFICATION ANNOUNCEMENT ON THE NEWS ARTICLE PUBLISHED IN THE STRAITS TIMES

The board of directors (the “**Board**”) of Swissco Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to the news article published in The Straits Times on 25 October 2016 titled “*Swissco board, note holders clash again*”.

The Company wishes to make the following clarifications:

1. The Group is not scrapping all seven of its rigs

The Group intends to scrap four drilling rigs, that is, two wholly-owned rigs and two 50%-owned rigs. There are no plans to scrap the three rigs which the Group co-owns with Ezion Investments Pte Ltd (“Ezion”) on a 50%:50% basis that are on bareboat charter. The Group continues discussion with Ezion on the management of these three rigs.

2. No write down of debt

The Group is not seeking to “write down some \$255 million of bank debt owed”. The Group’s proposed plan involves reducing debt through asset sales and conversion of debt to equity.

3. The Group’s Fleet

Under the proposed plan, the Group’s fleet will comprise three drilling rigs co-owned with Ezion, three (3) service assets and thirty-five (35) offshore support vessels. The Group is also in discussions with its bank creditors on the disposal of certain of the offshore support vessels.

4. Directors’ fees

The directors’ fees did not go up from US\$76,000 in 2014 to US\$468,000 in 2015. Directors’ fees were S\$488,927 and S\$460,000 for FY2014 and FY2015 respectively.

BY ORDER OF THE BOARD

Tan Ching Chek
Company Secretary
25 October 2016