



SWISSCO HOLDINGS LIMITED

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

NOTIFICATION OF CREDITORS ACTIONS

The board of directors (the “**Board**”) of Swissco Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) referred to the announcement of its third quarter results made on 14 November 2016.

The Board wishes to update shareholders on further developments relating to actions taken by creditors or persons purporting to be creditors of the Group.

A. Statutory demands and notice of dispute

The Board wishes to announce that the Company’s subsidiary, Scott and English Energy Pte Ltd (“**S&E**”) received on 9 and 10 November 2016 three statutory demands pursuant to Section 254(2)(a) of the Companies Act (Cap. 50) (the “**Statutory Demands**”) from Ezion Investments Pte Ltd (“**Ezion**”).

The Statutory Demands relate to claims arising from various joint ventures entered into between S&E and Ezion for the ownership and management of certain rigs.

Under the Statutory Demands, Ezion has asserted that it is owed the sums of US\$236,695.94, US\$151,335.63, and US\$134,081.31 being corporate guarantee fees allegedly due from S&E to Ezion for procuring certain corporate guarantees in respect of liabilities of the joint ventures. Ezion stated that unless the sums are paid, secured, or compounded to its satisfaction within 3 weeks of the dates of the Statutory Demands, it will be entitled to rely on Section 254(2)(a) of the Companies Act (Cap. 50) in relation to an application to Court for S&E to be wound up.

S&E’s position is that the alleged corporate guarantee fees are not due and payable to Ezion. Further and in the alternative, S&E considers that it has counterclaims against Ezion and that these counterclaims outweigh and fully set off any amounts in relation to the alleged corporate guarantee fees that may be due to Ezion (which is denied).

The Group is in the process of taking further legal advice on Ezion’s claims and S&E’s counterclaims, and will provide further updates in due course.

B. Notice of dispute and proposal from holders of redeemable exchangeable preference shares

The Group has received two letters dated 10 November 2016 (the “**Letters**”) from certain holders of Redeemable Exchangeable Preference Shares (“**REPS**”) in two of its group companies, S&E Offshore Investments Pte. Ltd. and S&E Offshore Investments 2 Pte. Ltd.

The Letters alleged that there has been a breach of the Joint Venture Agreements dated 10 October 2014 arising from the Group’s decision to scrap certain rigs as well as disputes and legal proceedings commenced by X-Drill Holdings Inc, as announced by the Company on 12 October 2016, 25 October 2016, and 3 November 2016.

The letters further alleged that pursuant to the events stated above, a “Liquidation Event” has arisen pursuant to which S&E Offshore Investments Pte. Ltd. and S&E Offshore Investments 2 Pte. Ltd. are required to redeem outstanding REPS at a contractually stipulated price plus a redemption premium of 35% per annum, and that the Company is further required to repay any such outstanding sums due and owing by S&E Offshore Investments Pte. Ltd. and S&E Offshore Investments 2 Pte. Ltd. as if it were the principal debtor.

The Letters further contained a proposal that the said 35% redemption premium may be waived for a period of 3 months from the date of the Letters, in consideration of S&E Offshore Investments Pte. Ltd. and S&E Offshore Investments 2 Pte. Ltd. redeeming forthwith all outstanding REPS.

The Group is taking legal advice on the matters stated in the Letters and will update shareholders of further developments in due course.

BY ORDER OF THE BOARD

Tan Ching Chek
Company Secretary
17 November 2016