



SWISSCO

**SWISSCO HOLDINGS LIMITED
(JUDICIAL MANAGERS APPOINTED BY COURT)**

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

PROPOSED DISPOSALS OF (I) ALL THE ISSUED AND PAID-UP ORDINARY SHARES IN THE CAPITAL OF SOPL (AS DEFINED HEREIN) AND SM LOG (AS DEFINED HEREIN); (II) 49.0% OF THE ISSUED AND PAID-UP ORDINARY SHARES IN THE CAPITAL OF SW MARINE (M) SDN. BHD.; AND (III) UP TO 25 VESSELS OWNED BY SOPL, SMPL, SSSPL, SAPL AND SM LOG, (AS DEFINED HEREIN)

1. INTRODUCTION

1.1. The Judicial Managers (the "**Judicial Managers**") of Swissco Holdings Limited (Judicial Managers Appointed by Court) (the "**Company**", and together with its subsidiaries, the "**Group**") wish to announce that the following wholly-owned subsidiaries of the Company have on, 6 December 2018 entered into a master sale and purchase agreement (the "**MSPA**") with Allianz Middle East Inc (the "**Purchaser**"):

- (a) Swissco International Pte. Ltd. ("**SIPL**");
- (b) Swissco Maritime Pte. Ltd. ("**SMPL**");
- (c) Swissco Ship Services Pte. Ltd. ("**SSSPL**");
- (d) Swissco Asia Pte. Ltd. ("**SAPL**");
- (e) Singapore Marine Logistics Pte. Ltd. ("**SM Log**"),
- (f) Swissco Offshore Pte. Ltd. (Judicial Managers appointed by Court) ("**SOPL**"),

(SIPL, SMPL, SSSPL, SAPL, SM Log and SOPL shall collectively be referred to as the "**Vendors**", and each a "**Vendor**"),

in relation to the proposed disposal of a substantial part of its offshore support vessels division (the "**OSV Division**"), which comprises the following:

- (i) all of the issued and paid-up ordinary shares in the capital of SOPL and SM Log held by SIPL;
- (ii) 49,000 ordinary shares (representing 49.0% of the issued and paid-up capital of SW Marine (M) Sdn. Bhd. held by SIPL ("**SWM Malaysia**");
- (iii) the vessels owned by SOPL, SMPL, SSSPL, SAPL and SM Log (collectively, the "**Vessel Owners**") set out at Schedule 1 of this Announcement ("**Sale Vessels**"); and
- (iv) the additional vessels owned by the relevant Vessel Owners set out in Part 5 of Schedule 1 of this Announcement, which are subject to the Put Option (as defined below) ("**Additional Vessels**").

Paragraphs 1.1(i) and (ii) shall collectively be referred to as the "**Share Disposal**", and Paragraphs 1.1(iii) and (iv) shall collectively be referred to as the "**Vessels Disposal**". The Share Disposal and Vessels Disposal shall hereinafter collectively referred to as the "**MSPA Proposed Disposals**". Further details of the MSPA Proposed Disposals are set out in paragraph 2 below.

1.2 In addition, the Judicial Managers wish to announce that the following memorandum of agreements have been entered into by the relevant Vessel Owners:

- (a) SAPL has on 4 December 2018 entered into a memorandum of agreement (the "**Sapphire MOA**") with PT, Newport Marine Services (the "**Sapphire Purchaser**") in relation to the proposed disposal by SOPL of the vessel known as "Swissco Sapphire" as set out in Part 5 of Schedule 1 of this Announcement ("**Swissco Sapphire**") ("**Sapphire Disposal**"); and
- (b) SSSPL has on 27 November 2018 entered into a memorandum of agreement (the "**Pearl MOA**") with Bonaire Holdings Pte Ltd (the "**Pearl Purchaser**") in relation to the proposed disposal by SOPL of the vessel known as "Swissco Pearl" as set out in Part 5 of Schedule 1 of this Announcement ("**Swissco Pearl**") ("**Pearl Disposal**");

2. THE MSPA PROPOSED DISPOSALS

2.1. Information on SOPL, SM Log and SW Malaysia

(a) SOPL

SOPL was incorporated in Singapore on 29 October 1975 and has, at the date of this announcement, an issued and paid-up capital of S\$20,000,000.00. SOPL was put under judicial management pursuant to the orders granted by the Singapore High Court on 21 April 2017.

The principal activity of SOPL is the business of owning and operating ships and particulars of the ships owned by SOPL as at the date of this announcement are set out at Schedule 1 of this announcement. Further, SOPL has leased the properties at (i) 58/60 Penjuru Lane, Singapore 609214; and (ii) 21 Tuas Road, Singapore 638489 from JTC Corporation (collectively, the "**JTC Properties**"). As at the date of this Announcement, the JTC Properties have been mortgaged in favour of a lender as security for SOPL's obligations under a banking facility extended.

(b) SM Log

SM Log was incorporated in Singapore on 12 September 1998 and has, at the date of this announcement, an issued and paid-up capital of S\$500,000.00.

The principal activity of SM Log is the business of owning and operating ships. SM Log is the owner of a barge known as SMLOG 180 ("**SMLog 180**") which is also one of the vessels stated at Schedule 1 of this Announcement.

SM Log is also engaged in the ship repair and maintenance business of the Group.

(c) SW Malaysia

SW Malaysia was incorporated in Malaysia on 9 August 2006 and has, at the date of this announcement, an issued and paid-up capital of RM100,000.00.

The principal activity of SW Malaysia is the business of of tendering and procuring for contract works to oil and gas industries.

2.2. Put Option for the Additional Vessels

Pursuant to the terms of the MSPA, the Purchaser has granted the relevant Vessel Owners an option to require the Purchaser to purchase all or any of the Additional Vessels, which shall be

determined by the relevant Vessel Owners at their discretion (“**Put Option**”). The Put Option may only be exercised at any time from the date of the MSPA up to 15 January 2019 (unless otherwise agreed in writing between the parties) (“**Exercise Period**”).

The Put Option may be exercised on more than one occasion by the relevant Vessel Owners by serving an exercise notice during the Exercise Period stating, *inter alia*, the relevant Additional Vessel which shall be subject to the Put Option, and the consideration attributable to the relevant Additional Vessels as set out in Part 5 of Schedule 1 of this Announcement, and the corresponding upward adjustments to the Consideration (as defined below).

2.3. **Removal of Swissco Supplier from the Sale Vessels**

Parties have also agreed under the MSPA that the vessel owned by SOPL in Part 4 of Schedule 1 of this Announcement bearing the name “Swissco Supplier” (“**Swissco Supplier**”) shall be removed from the Sale Vessels in the event that it is not redelivered to the United Arab Emirates by 31 December 2018.

In the event Swissco Supplier is removed from the Sale Vessels, the Consideration (as defined below) will be reduced by US\$1,010,985, being the amount attributed to Swissco Supplier in the MSPA.

2.4. **Information on the Vessels**

The respective details of the Sale Vessels and the Additional Vessels (assuming the Put Option is exercised in respect of all the Additional Vessels) forming part of the Vessels Disposal are set out in Schedule 1 of this Announcement (the “**Vessels**”). The Vessels are being sold on an “as-is-where-is” basis.

Historically, the fleet of offshore support vessels (OSVs), tugs and barges of the Group, which are the subject of the Proposed Disposals (as defined below), have provided a range of offshore chartering services to the marine, offshore oil and gas and civil construction industries. As at the date of this Announcement, only 3 of the 25 Vessels proposed to be disposed of are on charter. The remainder of the Vessels are not under charter and are minimally utilised or unutilised by the Group.

Additionally, 15 of the 25 Vessels set out in Part 1, Part 3 and Part 5 are currently mortgaged in favour of financial institutions to secure the obligations of certain Vendors under various loan and/or credit facilities extended by such institutions (“**Mortgaged Vessels**”). The proceeds from the Proposed Disposals (as defined below) will be used in part to reduce the Group’s liabilities to such institutions.

2.5. **Information on the Purchaser**

The Purchaser is a company incorporated in Saint Vincent and the Grenadines, and is an affiliate of Allianz Middle East Ship Management L.L.C., a company incorporated in the United Arab Emirates. Allianz Middle East Ship Management L.L.C. is a marine contractor in the business of providing marine vessels, offshore logistics and other petroleum services to the Oil & Gas industry and offshore construction industry. As far as the Company is aware, the Purchaser is not in any way related to the Group, the directors or any of the substantial shareholders of the Company.

2.6. **Consideration under the MSPA**

2.6.1 The aggregate consideration for the Share Disposal and the Sale Vessels is US\$20,500,000 (“**Consideration**”), assuming the Put Option is not exercised in respect of the Additional Vessels, and Swissco Supplier is not removed from the Sale Vessels as set out in Paragraph 2.3 above.

If Swissco Supplier is removed from the Sale Vessels as set out in Paragraph 2.3 above, the Consideration will be reduced to US\$19,489,015.

If the Put Option is fully exercised in respect of all the Additional Vessels, the additional consideration for the Additional Vessels is US\$8,500,000 (“**Additional Consideration**”).

2.6.2 The Consideration was arrived at on a willing-buyer willing-seller basis, taking into account:

- (a) the financial circumstances of the Group;
- (b) the overall downturn in the offshore support vessel market as a result of weak oil prices, decreasing charter rates, delayed or cancelled projects, global market developments as well as the reduced demand for offshore support vessels following the oversupply of such vessels in the market; and
- (c) the third party liabilities of the Group’s OSV Division.

2.7. **Payment of Consideration**

2.7.1 The Consideration shall be paid by the Purchaser in cash in the following manner:

- (i) upon the execution of the MSPA, a deposit of US\$500,000 which has been paid to the Vendors’ solicitors who shall hold the deposit as stakeholder and which shall be applied towards partial satisfaction of the Consideration upon Completion (“**Deposit**”);
- (ii) US\$3,000,000 to be paid on Completion (“**Completion Payment**”); and
- (iii) commencing from the date falling 120 calendar days from Completion and subject to the terms of the MSPA, the remaining sum of US\$17,000,000 (“**Remaining Sum**”) shall be paid by the Purchaser over a period of 12 months by way of 11 equal monthly payments of US\$1,416,667 per month and a final payment of US\$1,416,663 for the last month, with each monthly payment to be paid on the last day of each monthly period (“**Monthly Payments**”).

2.7.2 In the event there is a reduction in the Consideration due to the removal of Swissco Supplier from the Sale Vessels as set out in Paragraph 2.3 above, or if additional consideration is payable by the Purchaser pursuant to the Put Option in respect of the Additional Vessel(s), the Remaining Sum payable shall be correspondingly adjusted in respect of the Monthly Payments.

2.7.4 If the Monthly Payments are not made on the due date for such payments, the Purchaser shall pay default interest of 6% per annum calculated on a daily basis from the respective date on which all monthly payments is due until payment thereof.

2.7.5 In the event that Completion does not occur:

- (a) where the Purchaser is the defaulting party, the Deposit, shall be released to the Vendors (in addition to and without prejudice to all other rights or remedies available to the Vendors, including the right to claim damages); or
- (b) where one or more of the Vendors is the defaulting party, the Deposit, shall be released to the Purchaser.

2.8. **Conditions Precedent**

Completion of the MSPA Proposed Disposals pursuant to the terms of the MSPA is conditional upon the fulfilment of, *inter alia*, the following conditions being satisfied or waived:

- (a) the approval of the creditors of SOPL at a meeting summoned under Section 227M of the Companies Act (“**SOPL Creditors’ Meeting**”);
- (b) sanction by the High Court of Singapore of the scheme of arrangements in respect of SOPL and SM Log under Section 210 of the Companies Act on terms which include the compromise of the tax liabilities of SOPL (contingent or otherwise);

- (c) the entry into creditor settlement agreements between the relevant Vendor and the secured lenders of the Vendors setting out, *inter alia*:
 - (i) in principle approval from United Overseas Bank (“**UOB**”) to discharge the mortgages over the JTC Properties (to the extent such lease in respect of the relevant JTC Property remains in existence) as soon as reasonably practicable after the date of payment of the last Monthly Payment (“**Final Payment Date**”), conditional upon agreed amounts outstanding under the bank facilities for the JTC Properties being repaid under the a creditor settlement agreement proposed to be entered into between UOB and SOPL;
 - (ii) in principle approval from the mortgagees of the Mortgaged Vessels for the discharge of the existing mortgages over the Mortgaged Vessels for the purposes of Completion; and
 - (iii) in principle approval from mortgagees of Mortgaged Vessels for the imposition of new mortgages, with such new mortgages to be discharged as soon as reasonably practicable after the Final Payment Date, conditional upon agreed amounts outstanding under the bank facilities for the Mortgaged Vessels being repaid under the respective creditor settlement agreement(s) to be entered between the respective Vendor and lender, and provided that the new mortgages shall be limited to the amounts owed under the respective mortgagee under their respective creditor settlement agreement(s) in respect of such Mortgaged Vessel.

2.9. Completion

Subject to the terms of the MSPA, Completion is intended to take place on the 10th business day after the fulfilment of the last of the conditions precedent under the MSPA (or such other date as the Parties may mutually agree in writing) (“**Completion Date**”). If Completion does not take place on the Completion Date, Completion shall be postponed to a day falling 5 business days after the Completion Date (“**Subsequent Completion Date**”). If Completion does not take place on the Subsequent Completion Date, the party not in default shall be entitled to (a) terminate the MSPA without liability (b) effect Completion so far as practicable (c) fix a new date for Completion (not being more than 5 business days after the Subsequent Completion Date). If the party not in default does not take any of the aforementioned action, then the MSPA shall terminate and the parties shall have no claims against each other.

In the event that any of the conditions precedent in the MSPA (including those in paragraph 2.9 above) are not fulfilled or is in reasonable determination of the Vendors not capable of being fulfilled on or before 28 February 2019 or such other date as the parties may mutually agree in writing (“**Long-Stop Date**”), the MSPA (other than the surviving provisions) shall lapse and cease to have further effect and all obligations and liabilities of the parties shall cease and determine and parties shall not have any claim against the other party or any member of the group, including for any antecedent breach of the MSPA and the Deposit shall be released by the Vendors’ solicitors to the Purchaser.

3. PROPOSED DISPOSAL OF SWISSCO SAPPHIRE AND SWISSCO PEARL

3.1 The Sapphire Disposal

3.1.1 The salient terms of the proposed disposal of Swissco Sapphire are as follows:

- (a) Swissco Sapphire will be sold to the Sapphire Purchaser on an “as-is-where-is” basis with the Sapphire Purchaser having inspected and accepted the Swissco Sapphire’s classification records.
- (b) The consideration for the Sapphire Disposal shall be US\$830,000 (“**Sapphire Consideration**”), which will be satisfied in cash. The consideration was arrived at on a

willing-buyer willing-seller basis, having regard to the factors set out in Paragraph 2.6.2 of this announcement.

- (c) As security for the fulfilment of the Sapphire MOA, the Sapphire Purchaser shall place a deposit of 10% of the Sapphire Consideration with an escrow agent.
- (d) The balance of the Sapphire Consideration shall be paid in full free of bank charges to an escrow account within 3 banking days after the Notice of Readiness has been given, which shall be tendered on or before 15 January 2019, and in any event before delivery of the vessel.

3.2 **Swissco Pearl**

3.2.1 The salient terms of the proposed disposal of Swissco Pearl are as follows:

- (a) Swissco Pearl will be sold to the Pearl Purchaser on an “as-is-where-is” basis with the Sapphire Pearl having inspected the Swissco Pearl’s classification records.
- (b) The consideration for the Pearl Disposal shall be US\$3,650,000 (“**Pearl Consideration**”), which will be satisfied in cash. The consideration was arrived at on a willing-buyer willing-seller basis, having regard to the factors set out in Paragraph 2.6.2 of this announcement.
- (c) As security for the fulfilment of the Pearl MOA, the Pearl Purchaser has placed a deposit of 5% of the Pearl Consideration with SOPL. The deposit is non-refundable, and SSSPL, upon receipt of the deposit, shall be immediately entitled to use and/or apply the deposit for certain works to be carried out on Swissco Pearl to, *inter alia*, lift her laid up status.
- (d) The balance of the Pearl Consideration shall be paid in full free of bank charges to an escrow account within 3 banking days after the Notice of Readiness has been given, which is expected to be on 14 December 2018, and in any event before delivery of the vessel.

3.3 Accordingly, SOPL will not be exercising its Put Option under the MSPA in respect of Swissco Sapphire and Swissco Pearl.

The Sapphire Disposal and the Pearl Disposal shall hereinafter, together with the MSPA Proposed Disposals (assuming that the Put Option is exercised in respect of Swissco Garnet and Swissco Onyx), be collectively referred to as the “**Proposed Disposals**”).

4. **RATIONALE FOR THE PROPOSED DISPOSALS AND USE OF PROCEEDS**

4.1. The Proposed Disposals are in line with the purposes of the judicial management, being, amongst others:

- (a) a more advantageous realisation of the Group’s assets than would be effected by a winding up;
- (b) the survival of the Group, or the whole or part of their undertaking, as a going concern; and
- (c) the approval under Section 210 of a compromise or arrangement between SOPL and its creditors.

4.2. The Judicial Managers are of the view that the Proposed Disposals will help to reduce the Group’s liabilities in view of the net cash inflow therefrom. In particular, the net proceeds from the Aggregated Consideration will be used to repay the agreed amounts outstanding under the bank facilities in respect of the Mortgaged Vessels, including Swissco Sapphire and Swissco Pearl.

5. RELATIVE FIGURES COMPUTED ON THE BASES SET OUT IN RULE 1006 IN RELATION TO THE PROPOSED DISPOSALS

The relative figures computed on the applicable bases set out in Rule 1006 of the Listing Manual of the SGX-ST (the "**Listing Manual**") in respect of the Proposed Disposals on a consolidated basis, based on the latest announced unaudited consolidated financial statements of the Group for the nine (9) months ended 30 September 2016 (being the latest announced consolidated accounts of the Group) ("**9MFY2016**"), are set out below:

Rule	Bases of computation	Relative figure
1006(a)	Net asset value of assets being disposed of, compared with the Group's net asset value ⁽¹⁾⁽²⁾⁽³⁾	-86.7%
1006(b)	Net profits/(loss) attributable to the assets disposed of, compared with the Group's net profits/(loss) ⁽⁴⁾	26.9%
1006(c)	Aggregate value of consideration received, compared with the Company's market capitalisation based on the total number of issued shares excluding treasury shares ⁽⁵⁾	115.2%
1006(d)	The number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue	Not applicable
1006(e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the group's provide and probable reserves. This basis is applicable to a disposal of mineral, oil and gas assets by a mineral, oil and gas company, but not to an acquisition of such assets	Not applicable

Notes:

- (1) Based on the aggregate net asset value of the assets comprised in the Proposed Disposals of approximately US\$21.1 million as of 30 September 2016; and the Group's net liability value of approximately US\$24.3 million as of 30 September 2016. Please also refer to Note (2) below.
- (2) The aggregate net asset value of the Proposed Disposals has been calculated based on the following assumptions:
 - (a) Vessels which have been sold or for which an agreement has been entered into for its sale or repossessed by the financial institution (i.e. (1) Coral Knight, (2) Swissco Venus, Selat Goodman, Selat Topman, Selat Hope and Swissco Opal, and (3) Swissco Summit as announced on 13 April 2017, 18 July 2017 and 6 June 2018 respectively) are not part of the Proposed Disposals; and
 - (b) the schemes of arrangement under Section 210 of the Companies Act in relation to SOPL and SM Log have not taken place, and as such, assets and liabilities intended to be excluded from the Proposed Disposals have not yet been carved out or ringfenced for these purposes.
- (3) The Proposed Disposals have a net asset value, while the Group has a net liability value as at 30 September 2016. It is neither meaningful or appropriate to compare the net asset value of the Proposed Disposals against the net liabilities of the Group to determine if the 20% threshold is exceeded under Rule 1006(a) of the Listing Manual.
- (4) Based on the aggregate net loss attributable to the assets comprised in the Proposed Disposals of approximately US\$56.9 million and the Group's net loss before tax of US\$211.4 million as of 30 September 2016.
- (5) Based on the aggregated consideration of approximately US\$30.5 million ("**Aggregated Consideration**"), which is derived from (1) the Consideration under the MSPA (assuming Swissco

Supplier is not removed from the Sale Vessels) of approximately US\$20.5 million, (2) the Additional Consideration payable by the Purchaser for the exercise of the Put Option in respect of Swissco Garnet and Swissco Onyx of approximately US\$5.52 million, and (3) the consideration for the Sapphire Disposal and Pearl Disposal of approximately US\$0.83 million and US\$3.65 million respectively, and the market capitalisation of the Company of approximately S\$36.4 million (which is equivalent to approximately US\$26.5 million based on the exchange rate of US\$1:S\$1.374) as at the Last Full Trading Day. The market capitalisation is determined by multiplying the 675,050,104 issued shares in the Company by S\$0.0539, being the weighted average price of the Company's shares transacted on the Last Full Trading Day.

As the relative figures under Rules 1006(b) and 1006(c) for the Proposed Disposals exceeds 20%, the Proposed Disposals would constitute a major transaction under Chapter 10 of the Listing Manual and is subject to the approval of the Shareholders, unless the requirement for such Shareholders' approval is waived by SGX-ST.

6. RECEIPT OF SGX-ST'S WAIVER OF THE REQUIREMENT TO OBTAIN SHAREHOLDERS' APPROVAL IN RESPECT OF THE PROPOSED DISPOSALS

- 6.1 As announced by the Company on 9 October 2018 (the "**9 October Announcement**"), the Company had on 13 September 2018 submitted an application to the SGX-ST to seek, *inter alia*, a waiver of the requirement under Rule 1014(2) of the Listing Manual to obtain approval of the Shareholders in respect of the Proposed Disposals (as defined in the 9 October Announcement), on an aggregated basis or otherwise.
- 6.2 As further set out in the 9 October Announcement, the SGX-ST on 8 October 2018 informed the Company that it had no objection to the Company's application for a waiver with regard to compliance with Rule 1014(2) of the Listing Manual, regardless of whether the transactions are aggregated for the purpose of Rule 1005 of the Listing Manual, subject to the conditions as set out in the 9 October Announcement (the "**Waiver**")
- 6.3 As the SGX-ST has granted the Waiver to the Company, the Company will not be convening an extraordinary general meeting under Rule 1014(2) of the Listing Manual to seek Shareholders' approval for the Proposed Disposals and accordingly, will not be dispatching a circular to Shareholders in relation thereto.

7. FINANCIAL EFFECTS OF THE PROPOSED DISPOSALS

7.1. Net tangible assets ("NTA") per share and earnings per share ("EPS")

The proforma financial effects of the Proposed Disposals on the NTA per share and the EPS set out below are for illustrative purposes only and should not be taken as an indication of the actual future financial performance or position of the Group following the Proposed Disposals, nor a projection of the future financial performance or position of the Group after completion of the Proposed Disposals.

The proforma financial effects of the Proposed Disposals (on a consolidated basis) set out below are for illustrative purposes only and are presented based on both (i) the Company's consolidated audited financial statements for the financial year ended 31 December 2015 ("**FY2015**"), and (ii) the Company's consolidated unaudited financial statements for 9M2016 and the following assumptions:

- (a) in respect of (i) above, that the Proposed Disposals had been completed on 31 December 2015 for the purposes of the financial effect on the net tangible asset ("**NTA**") per share of the Group;
- (b) in respect of (ii) above, that the Proposed Disposals had been completed on 30 September 2016 for the purposes of the financial effect on the NTA per share of the Group;
- (c) in respect of (i) above, that the Proposed Disposals had been completed on 1 January 2015 for the purposes of the financial effect on the earnings per shares ("**EPS**") of the Group; and

- (d) in respect of (ii) above, that the Proposed Disposals had been completed on 1 January 2016 for the purposes of the financial effect on the EPS of the Group.

7.1.1. NTA

(a) **NTA per share (based on FY2015)**

	Before the Proposed Disposals	After the Proposed Disposals
NTA (US\$'000)	275,484	246,449 ⁽¹⁾
Number of issued shares	672,448,704	672,448,704
NTA per share (US\$)	0.410	0.366

(b) **NTA per share (as at end of 9M2016)**

	Before the Proposed Disposals	After the Proposed Disposals
NTA (US\$'000)	(24,347)	(14,964) ⁽²⁾
Number of issued shares	675,050,104	675,050,104
NTA per share (US\$)	(0.036)	(0.022)

Notes:

- (1) This is computed based on the NTA of the Group of approximately US\$275.5 million as at 31 December 2015 less the NTA of the shares and Vessels being disposed of of approximately US\$59.5 million as at 31 December 2015, plus the Aggregated Consideration for the Proposed Disposals of approximately US\$30.5 million.
- (2) This is computed based on the NTA of the Group of approximately (US\$24.3 million) as at 30 September 2016 less the NTA of the shares and Vessels being disposed of of approximately US\$21.1 million as at 30 September 2016, plus the Aggregated Consideration for the Proposed Disposals of approximately US\$30.5 million. As the latest available consolidated accounts are the unaudited accounts as at 30 September 2016, NTA calculations after the Proposed Disposals have been as at 30 September 2016.

7.1.2. EPS

(a) **EPS (based on FY2015)**

	Before the Proposed Disposals	After the Proposed Disposals
Net profit/(loss) after tax (US\$'000)⁽¹⁾	31,169 ⁽¹⁾	18,683 ⁽²⁾
Weighted average number of issued shares	672,448,704	672,448,704
EPS (US\$)	0.046	0.028

(b) **EPS (based on 9M2016)**

	Before the Proposed Disposals	After the Proposed Disposals
Net profit/(loss) after tax (US\$'000)⁽³⁾	(300,021) ⁽³⁾	(227,874) ⁽⁴⁾
Weighted average number of issued shares	675,050,104	675,050,104
EPS (US\$)	(0.444)	(0.338)

Notes:

- (1) Net profit/(loss) after tax is calculated based on the net profit/(loss) for FY2015 attributable to owners of the Company.
- (2) This is computed based on the net profit/(loss) after tax less the aggregate net profit/(loss) after tax attributable from the shares and Vessels being disposed of as at 31 December 2015 of approximately (US\$13.5 million), the Aggregated Consideration for the Proposed Disposals of approximately US\$30.5 million and the net profit/(loss) arising from the Proposed Disposals as at 31 December 2015 of approximately (US\$56.5 million).
- (3) Net profit/(loss) after tax is calculated based on the net profit/(loss) for 9M2016 attributable to owners of the Company.
- (4) This is computed based on the net profit/(loss) after tax less the aggregate net profit/(loss) after tax attributable from the shares and Vessels being disposed of as at 30 September 2016 of approximately (US\$57.3 million), the Aggregated Consideration for the Proposed Disposals of approximately US\$30.5 million and the net profit/(loss) arising from the Proposed Disposals as at 30 September 2016 of approximately (US\$15.7 million).

7.2. Value of the Assets comprised in the Proposed Disposals / Loss on Disposal

The aggregate net book value and the net tangible asset value of the assets comprised in the Proposal Disposals was approximately US\$46.2 million and US\$21.1 million, respectively, based on the latest unaudited consolidated accounts of the Company as at 30 September 2016.

For illustrative purposes, based on the aggregate net book value of the shares and Vessels being disposed of as at 30 September 2016, of approximately US\$46.2 million and the Aggregated Consideration for the Proposed Disposals of approximately US\$30.5 million, it is expected that the Proposed Disposals will result in an aggregate estimated net loss of approximately US\$15.7 million.

8. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

To the best of the knowledge of the Judicial Managers, none of the directors or controlling shareholders of the Company have any direct or indirect interest in the Proposed Disposals, save for their shareholdings in the Company.

9. SERVICE CONTRACT

No person is proposed to be appointed as a director of the Company in connection with the Proposed Disposals. Accordingly, no service contract for such appointment is proposed to be entered into between the Company and any such person.

10. INSPECTION OF DOCUMENTS

A copy of the MSPA, the Sapphire MOA and the Pearl MOA will be made available for inspection during normal business hours at the Company's registered office at 21 Tuas Road, Singapore 638489 for a period of three (3) months from the date of this announcement.

Ee Meng Yen Angela
Joint and Several Judicial Manager
7 December 2018

Schedule 1

DETAILS OF THE VESSELS

Part 1 - Mortgaged Vessels owned by SAPL, SMPL and SSSPL

Vessel Owner	Vessel Name	Vessel IMO No.	Vessel Type	Class	Flag
SAPL	Swissco Superior	9465631	AHT	Bureau Veritas	Singapore
SMPL	Swissco Searcher	9515589	Utility tug	DNVGL	Singapore
SMPL	Swissco Server	9515577	Utility tug	DNVGL	Singapore
SSSPL	Swissco Jupiter 1	9690781	Workboat	A.B.S.	Singapore
SSSPL	Swissco Singapore	9577719	AHT	Bureau Veritas	Singapore
SSSPL	Swissco Supporter	9495997	Workboat	A.B.S.	Singapore
SSSPL	Swissco Ruby	9690119	AHTS	Bureau Veritas	Singapore
SSSPL	Swissco Sunrise	9570321	Shallow water multicat	Bureau Veritas	Singapore

Part 2 - Vessels Free from Mortgage owned by SAPL and SM Log

Vessel Owner	Vessel Name	Vessel IMO No.	Vessel Type	Class	Flag
SAPL	Swissco 55	n/a	Barge	Bureau Veritas	Singapore
SAPL	Swissco Sentosa	9393890	Utility tug	DNVGL	Singapore
SAPL	Swissco Swift	9550450	AHT	Bureau Veritas	Singapore
SM Log	SMLog 180	n/a	Barge	Bureau Veritas	Singapore

Part 3 - Mortgaged Vessels owned by SOPL

Vessel Owner	Vessel Name	Vessel IMO No.	Vessel Type	Class	Flag
SOPL	Swissco Panther	9717931	Crew boat	A.B.S.	Panama
SOPL	Swissco Topaz	9684328	AHT	Bureau Veritas	Singapore
SOPL	Swissco 48	9375226	Workboat	A.B.S.	Singapore
SOPL	Swissco Neptune	9676979	Workboat	Bureau Veritas	Singapore

Part 4 - Vessels Free from Mortgage owned by SOPL

Vessel Owner	Vessel Name	Vessel IMO No.	Vessel Type	Class	Flag
SOPL	Swissco 282	n/a	Barge	Bureau Veritas	Singapore
SOPL	Swissco Supplier	9397078	AHT	Bureau Veritas	Singapore
SOPL	Swissco Seal	9558438	Crew boat	Bureau Veritas	Panama
SOPL	Swissco Surf	9436288	Utility tug	Bureau Veritas	Singapore
SOPL	Swissco Synergy	9616474	MPV	Bureau Veritas	Singapore

Part 5 – Additional Vessels

Vessel Owner	Vessel Name	Vessel IMO No.	Vessel Type	Class	Flag	Encumbrance	Additional Consideration for each Additional Sale Vessel
SAPL	Swissco Sapphire	9425291	AHT	Bureau Veritas	Singapore	Existing Mortgage	US\$280,000.00
SOPL	Swissco Garnet	9752187	AHT	Bureau Veritas	Singapore	Free from mortgage	US\$1,200,000.00
SOPL	Swissco Onyx	9715115	AHTS	Bureau Veritas	Singapore	Existing mortgage	US\$4,320,000.00
SSSPL	Swissco Pearl	9704257	AHTS	Bureau Veritas	Singapore	Existing mortgage	US\$2,700,000.00