



**SWISSCO**

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

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

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**(1) EXTENSION OF THE PUT OPTION EXERCISE PERIOD UNDER THE MSPA (2) UPDATE ON THE PROPOSED DISPOSAL OF SWISSCO SUPPLIER UNDER THE MSPA AND (3) PROPOSED DISPOSAL OF SWISSCO ONYX**

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**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**") refers to the announcement made on 7 December 2018 in relation to the MSPA Proposed Disposals, the Sapphire Disposal and the Pearl Disposal ("**Disposal Announcement**").

Unless the context requires otherwise, capitalised terms used herein shall bear the same meanings ascribed thereto in the Disposal Announcement.

**2. EXTENSION OF THE PUT OPTION EXERCISE PERIOD UNDER THE MSPA**

As set out in the Disposal Announcement, the Purchaser had granted the relevant Vessel Owners the Put Option over the Additional Sale Vessels, which may be exercised at any time from the date of the MSPA up to 15 January 2019 (unless otherwise agreed in writing between the parties). The Judicial Managers wish to announce that the parties to the MSPA had on 15 January 2019 entered into an amendment agreement to the MSPA ("**Amendment Agreement**") to extend the Exercise Period of the Put Option from 15 January 2019 to 31 January 2019 (unless otherwise agreed in writing between the parties).

**3. SWISSCO SUPPLIER AND CONSIDERATION UNDER THE MSPA**

- 3.1 As set out in paragraph 2.3 of the Disposal Announcement, the Parties to the MSPA had agreed under the MSPA that Swissco Supplier shall be removed from the Sale Vessels in the event it is not redelivered to the United Arab Emirates by 31 December 2018.

- 3.2 The Judicial Managers wish to update the shareholders of the Company that on 14 December 2018, Swissco Supplier was redelivered to the United Arab Emirates in accordance with the terms of the MSPA. Accordingly, Swissco Supplier will remain in the Sale Vessels, and the Consideration under the MSPA (assuming the Put Option is exercised in respect of Swissco Garnet only) will be US\$21,700,000.

**4. PROPOSED DISPOSAL OF SWISSCO ONYX**

- 4.1 The Judicial Managers wish to announce that on 15 January 2019, SOPL entered into a memorandum of agreement with Metico Marketing Pte Ltd (the "**Onyx Purchaser**") (the "**Onyx MOA**") in relation to the proposed disposal by SOPL of the vessel known as "Swissco Onyx" as

set out in Part 5 of Schedule 1 of the Disposal Announcement ("**Swissco Onyx**") ("**Onyx Disposal**").

4.2 The salient terms of the proposed disposal of Swissco Onyx under the Onyx MOA are as follows:

- (a) Swissco Onyx will be sold to the Onyx Purchaser on an "as-is-where-is" basis with the Onyx Purchaser having inspected and accepted the vessel's classification records.
- (b) The consideration for the Onyx Disposal shall be US\$5,010,000 ("**Onyx Consideration**"), which will be satisfied in cash. The consideration was arrived at on a willing-buyer willing-seller basis, taking into account (i) the financial circumstances of the Group, (ii) the overall downturn in the offshore support vessel market as a result of weak oil prices, decreasing charter rates, delayed or cancelled global market developments as well as the reduced demand for offshore support vessels following the oversupply of such vessels in the market and (iii) the third party liabilities of the Group's OSV Division.
- (c) As security for the fulfilment of the Onyx MOA, the Onyx Purchaser shall place a deposit of 10% of the Onyx Consideration with a deposit agent.
- (d) The balance of the Onyx Consideration shall be paid in full free of bank charges to a deposit account with the deposit agent within 7 banking days after the Notice of Readiness has been given (with such notice to be given before 8 February 2019) and in any event before delivery of the vessel.

4.3 In view of the Onyx Disposal, SOPL will not be exercising its Put Option under the MSPA in respect of Swissco Onyx.

## 5. RATIONALE FOR THE ONYX DISPOSAL AND USE OF PROCEEDS

5.1. The Onyx Disposal is 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.

5.2. The Judicial Managers are of the view that the Onyx Disposal will help to reduce the Group's liabilities in view of the net cash inflow therefrom. In particular, the net proceeds from the Onyx Disposal will be used to partially repay the amounts outstanding under the bank facilities in respect of Swissco Onyx.

## 6. RELATIVE FIGURES COMPUTED ON THE BASES SET OUT IN RULE 1006 IN RELATION TO THE ONYX DISPOSAL

6.1 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 Onyx Disposal 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 <sup>(1)</sup>                                                                                                                                                                                                         | (12.5)%         |
| 1006(b) | Net profits/(loss) attributable to the assets disposed of, compared with the Group's net profits/(loss) <sup>(2)</sup>                                                                                                                                                                                        | (0.1)%          |
| 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 <sup>(3)</sup>                                                                                                                              | 18.9%           |
| 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 net book value of Swissco Onyx of approximately US\$11.5 million as of 30 September 2016 and after taking into account the outstanding amounts under the banking facilities in respect of Swissco Onyx of approximately US\$6.3 million as of 30 September 2016.
- (2) Based on the net profit attributable to Swissco Onyx of approximately US\$0.2 million and the Group's net loss after tax of US\$300.0 million as of 30 September 2016.
- (3) Based on the Onyx Consideration of approximately US\$5.01 million 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.

6.2 As the relative figure under Rule 1006(c) for the Onyx Disposal exceeds 5% but falls below 20%, the Onyx Disposal would constitute a discloseable transaction under Chapter 10 of the Listing Manual. Further, as the relative figures under Rule 1006(a) and (b) are negative, a consultation with the SGX-ST is required pursuant to Rule 1007(2).

**7. CONSULTATION WITH SGX-ST AND RECEIPT OF SGX-ST'S WAIVER IN RELATION TO THE PROPOSED DISPOSAL OF CERTAIN ASSETS OF THE COMPANY**

7.1 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), which includes the disposal of Swissco Onyx, on an aggregated basis or otherwise.

7.2 As set out in the 9 October Announcement, one of the grounds for which the Waiver was sought was the fact that the Group has a negative net asset value as at 30 September 2016 (being the latest announced unaudited financial statements of the Group) and net loss (after tax) of US\$300.0 million for the 9-month period ending 30 September 2016, which meant that the relative figures computed based on Rules 1006(a) and (b) of the Listing Manual will be negative for any Proposed Disposal, thereby necessitating a consultation with the SGX-ST and/or specific Shareholders' approval.

- 7.3 The SGX-ST had 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**").
- 7.4 The SGX-ST had also advised, *inter alia*, that the Judicial Managers shall make an announcement via SGXNET immediately upon signing any agreement in respect of any disposal of the Assets (as defined in the 9 October Announcement), which includes Swissco Onyx, providing the information required under Rule 1010 of the Listing Manual in each case.

## 8. FINANCIAL EFFECTS OF THE ONYX DISPOSAL

### 8.1. Net tangible assets ("**NTA**") per share and earnings per share ("**EPS**")

*The proforma financial effects of the Onyx Disposal 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 Onyx Disposal, nor a projection of the future financial performance or position of the Group after completion of the Onyx Disposal.*

The proforma financial effects of the Onyx Disposal (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 Onyx Disposal 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 Onyx Disposal 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 Onyx Disposal 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 Onyx Disposal had been completed on 1 January 2016 for the purposes of the financial effect on the EPS of the Group.

#### 8.1.1. NTA

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

|                                | <b>Before the Onyx Disposal</b> | <b>After the Onyx Disposal</b> |
|--------------------------------|---------------------------------|--------------------------------|
| <b>NTA (US\$'000)</b>          | 275,484                         | 270,946 <sup>(1)</sup>         |
| <b>Number of issued shares</b> | 672,448,704                     | 672,448,704                    |
| <b>NTA per share (US\$)</b>    | 0.410                           | 0.403                          |

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

|  | <b>Before the Onyx Disposal</b> | <b>After the Onyx Disposal</b> |
|--|---------------------------------|--------------------------------|
|--|---------------------------------|--------------------------------|

|                                |             |                         |
|--------------------------------|-------------|-------------------------|
| <b>NTA (US\$'000)</b>          | (24,347)    | (29,586) <sup>(2)</sup> |
| <b>Number of issued shares</b> | 675,050,104 | 675,050,104             |
| <b>NTA per share (US\$)</b>    | (0.036)     | (0.044)                 |

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 Swissco Onyx of approximately US\$4.5 million as at 31 December 2015, plus the net proceeds arising from the Onyx Disposal of approximately US\$5.01 million as at 31 December 2015.
- (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 Swissco Onyx of approximately US\$5.2 million as at 30 September 2016. As the latest available consolidated accounts are the unaudited accounts as at 30 September 2016, NTA calculations of the Onyx Disposal have been as at 30 September 2016.

8.1.2. EPS

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

|                                                             | <b>Before the Onyx Disposal</b> | <b>After the Onyx Disposal</b> |
|-------------------------------------------------------------|---------------------------------|--------------------------------|
| <b>Net profit/(loss) after tax (US\$'000)<sup>(1)</sup></b> | 31,169 <sup>(1)</sup>           | 29,433 <sup>(2)</sup>          |
| <b>Weighted average number of issued shares</b>             | 672,448,704                     | 672,448,704                    |
| <b>EPS (US\$)</b>                                           | 0.046                           | 0.044                          |

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

|                                                             | <b>Before the Onyx Disposal</b> | <b>After the Onyx Disposal</b> |
|-------------------------------------------------------------|---------------------------------|--------------------------------|
| <b>Net profit/(loss) after tax (US\$'000)<sup>(3)</sup></b> | (300,021) <sup>(3)</sup>        | (301,754) <sup>(4)</sup>       |
| <b>Weighted average number of issued shares</b>             | 675,050,104                     | 675,050,104                    |
| <b>EPS (US\$)</b>                                           | (0.444)                         | (0.447)                        |

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 book value of Swissco Onyx as at 31 December 2015 of approximately (US\$12.1 million), and the net proceeds arising from the Onyx Disposal of US\$5.01 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 book value of Swissco Onyx as at 30 September 2016 of approximately US\$11.5 million and the net proceeds arising from the Onyx Disposal of US\$5.01 million.

## **8.2. Loss on Disposal**

For illustrative purposes, based on the aggregate net book value of Swissco Onyx as at 30 September 2016, of approximately US\$11.5 million and the net proceeds arising from the Onyx Disposal of approximately US\$5.01 million, it is expected that the Onyx Disposal will result in an aggregate estimated net loss of approximately US\$6.5 million.

## **9. 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 Onyx Disposal, save for their shareholdings in the Company.

## **10. 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.

## **11. INSPECTION OF DOCUMENTS**

A copy of the Amendment Agreement and the Onyx 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  
17 January 2019