

## **Seaspan to invest up to US\$200 million in Swiber Group**

- *NYSE-listed Seaspan inks binding term sheet for 80% of Swiber's enlarged capital and new preference shares in subsidiary Equatoriale Energy*
- *Swiber to diversify into power business and restructure debt under deal terms*

**Singapore, 3 October 2018** – Swiber Holdings Limited (“Swiber”) today announced that Seaspan Corporation (“Seaspan”), one of the world’s largest owners and operators of containerships, has agreed to a proposed US\$200 million deal that could pave the way for Swiber’s recovery.

Seaspan, an NYSE-listed company and Swiber, the SGX mainboard listed offshore construction and services group, signed a binding term sheet on 3 October 2018, which is subject to definitive agreements being entered into on mutually agreed terms. Under the terms, Seaspan proposes to invest up to US\$200 million in two stages. The first stage is an initial US\$20 million in cash for new ordinary shares in Swiber which will give it control of 80% of Swiber’s enlarged share capital, taking into account shares to be issued to unsecured creditors under a debt restructuring scheme.

The remaining US\$180 million will be invested by way of subscription of new preference shares to be issued by Swiber’s wholly-owned subsidiary, Equatoriale Energy Pte. Ltd. This will be subject to Swiber meeting certain milestones relating to the development of a US\$1 billion LNG-to-power project in Vietnam.

The proposed transaction is subject to, among others, creditor, shareholder and regulatory approvals.

It is intended that the US\$20 million will be used towards funding the development of the Vietnam power project, while the remaining US\$180 million will be deployed to fund the construction,

Swiber Holdings Limited  
(Judicial Managers Appointed)  
Co Reg No. 200414721N

12 International Business Park, Swiber@IBP #01-05 Singapore 609920  
Tel: +65 6505 0800 Fax: +65 6505 0802  
[www.swiber.com](http://www.swiber.com)

operation and maintenance of the power project and/or such other purposes as may be agreed between Swiber and Seaspan.

Swiber will be required to restructure all debts and liabilities by converting them into new Swiber shares (for unsecured debts) or secured redeemable convertible bonds for secured creditors.

Judicial Manager Bob Yap, who is also Head of Advisory at KPMG in Singapore, said: “The conventional oil and gas sector has faced difficult conditions in recent years. However, with growing demand for power in Southeast Asia, there are substantial opportunities for companies to develop clean energy solutions such as power generated from LNG. Against this backdrop, we are delighted that a reputable and established company like Seaspan has chosen to invest in Swiber. We believe that this deal offers a step forward in reviving Swiber as a going concern, and delivering a positive outcome for creditors and shareholders.”

Mr Yap added that Swiber’s Executive Chairman Raymond Goh and his team, in efforts to diversify the Group’s business, have spent the last three years focussing on LNG-to-power opportunities in the region.

Seaspan President and Chief Executive Officer Mr Bing Chen said: “We are excited to partner with Swiber. Together, with Swiber’s operational and engineering capabilities, Seaspan’s leading maritime asset management platform, and our Chairman David Sokol’s energy-related expertise, we will unlock substantial value.”

Seaspan, listed on the New York Stock Exchange, is a leading independent owner and operator of containerships with industry leading ship management services. It charters vessels primarily on long term, fixed rate, time charters to the world’s largest container shipping liners including Maersk, COSCO, K-Line, MOL and ANL Singapore. Seaspan has offices in Hong Kong, Canada, India, United States, and Marshall Islands.

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Its operating fleet consists of 112 containerships with a total capacity of more than 900,000 TEU. Last year, it reported revenue of US\$831.3 million and net earnings of US\$175.2 million.

– The End –

#### **Media Contacts**

##### **Catherine Ong Associates**

**Catherine Ong**  
|phone (65) 6327 6088  
|mobile (65) 9697 0007 | email: [cath@catherineong.com](mailto:cath@catherineong.com)

**Farhan Zohri**  
|phone (65) 6327 6089  
|mobile (65) 8318 9665 | email: [farhan@catherineong.com](mailto:farhan@catherineong.com)