



Ezion Holdings Limited

EZION HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 199904364E)

ANNOUNCEMENT IN RELATION TO POSH TERASEA PTE. LTD.

The Board of Directors of Ezion Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to PACC Offshore Services Holdings Ltd’s (“**PACC**”) announcement dated 19 September 2019 in relation to an event of default (“**Event of Default**”) having occurred under a loan facility granted to POSH Terasea Pte Ltd (“**POSH Terasea**”). The loan facility (comprising ship financing loans and a revolving credit facility) is extended by a financial institution (the “**Lender**”).

POSH Terasea is a 50:50 joint venture between TeraSea Pte. Ltd. (“**TeraSea**”) and PACC and TeraSea is a 50:50 joint venture between the Company and Seabridge Marine Services Ltd. POSH Terasea is being managed by PACC. The Company’s effective interest in POSH Terasea is 25.0 per cent.

POSH Terasea has been operating in market conditions that have seen prolonged weakness and remain very challenging due to, amongst other things, the uncertainty in the oil prices that has affected the national oil companies and multinational oil majors’ capital expenditure in exploration and drilling.

The Company has been informed that the outstanding amount of the loan facility from the Lender is approximately US\$27.6 million as at 17 September 2019 and that the Lender has declared that all of the relevant outstanding amounts (including accrued interest) under the loan to be payable.

The Company has also been informed that the Event of Default may trigger cross defaults in other obligations of POSH Terasea (the “**Cross Defaults**”). To the best of the Company’s knowledge based on the last information provided by POSH Terasea, the total amount due, arising from the Event of Default and Cross Defaults are approximately US\$34,216,000.

The Company wishes to confirm that the Event of Default and Cross Defaults do not have any material impact to the Group.

The Company will keep its shareholders informed of any further developments and make the necessary announcements.

Although the Company’s shares are currently under voluntary suspension, shareholders, noteholders and potential investors of the Company are advised to read this announcement and any further announcements by the Company carefully. Shareholders and noteholders of the Company are advised to refrain from taking any action in respect of their securities in the Company which may be prejudicial to their interests and to exercise caution when dealing in the securities of the Company. Shareholders should consult their stockbrokers, bank managers, solicitors or other professional advisors they have any doubt about the actions they should take.

By Order of the Board

Goon Fook Wye Paul
Company Secretary
20 September 2019