



## ***Ezion Holdings Limited***

### **EZION HOLDINGS LIMITED**

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

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### **MATERIAL VARIANCES BETWEEN THE AUDITED FINANCIAL STATEMENTS AND THE UNAUDITED FINANCIAL RESULTS ANNOUNCEMENT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019**

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The Board of Directors (the "**Board**") of Ezion Holdings Limited (the "**Company**" and together with its subsidiaries, the "**Group**") refers to the unaudited financial results announcement for the financial period from 1 January 2019 to 31 December 2019 ("**FY2019**") released via SGXNET on 2 March 2020 (the "**Announcement**").

Pursuant to Rule 704(6) of the listing manual of the Singapore Exchange Securities Trading Limited, the Board wishes to inform that subsequent to the release of the Announcement, certain adjustments have been made to the Group and Company's statement of financial position for FY2019 in the audited financial statements incorporated in the annual report as released by the Company on 10 June 2020 (the "**Audited Results**").

The details and explanation of the adjustments are as follows:

#### **Statement of Financial Position**

	<b>Announcement</b>	<b>Audited Results</b>	<b>Change</b>	<b>Change</b>	<b>Note</b>
	USD'000	USD'000	USD'000	%	
<b>(A) Group</b>					
Non-Current Liabilities	26,426	24,473	(1,953)	7.4	A
Current Liabilities	1,722,882	1,724,835	1,953	0.1	A
<b>(B) Company</b>					
Non-Current Assets	461,357	352,315	(109,042)	23.6	B
Current Assets	35,507	80,476	44,969	126.0	C
Non-Current Liabilities	2,771	818	(1,953)	70.5	D
Current Liabilities	1,623,286	1,626,309	3,023	0.2	E
Total Equity	(1,129,193)	(1,194,336)	65,143	5.8	F

#### **Notes:**

- A. Reclassification of other payables of US\$1,953,000 from Non-Current Liabilities to Current Liabilities. The other payables relate to interest payable of debt securities and should have been reclassified to Current Liabilities following the classification of debt securities as current liabilities. The reclassifications do not have any impact on the consolidated income statement of the Group.

B. The decrease was due to the following:

- Further impairment of investment in subsidiaries and loans to subsidiaries of US\$37,655,000 and US\$3,598,000 respectively. The further impairment was made following further discussions with the auditors as certain assumptions were adjusted following the impairment of the subsidiaries' vessels.
- Further impairment of investment in joint ventures and loans to joint ventures of US\$88,000 and US\$18,993,000 respectively. The impairment losses were recorded at the Group level and was omitted from the Company level in the Announcement.
- Reclassification of credit balance of loans to subsidiaries of US\$1,070,000 in Non-Current Assets to other payables in Current Liabilities. Certain intercompany credit balances were identified subsequent to the Announcement and hence reclassified.
- Reclassification of loans to subsidiaries of US\$49,778,000 in Non-Current Assets to trade receivables (US\$8,778,000) and other current assets (US\$41,000,000) in Current Assets. Certain loans to subsidiaries were identified as intercompany trade receivables and other receivables subsequent to the Announcement and hence, reclassified.

C. The increase was due to the following:

- Further impairment loss of intercompany trade receivables and intercompany other current assets of US\$4,809,000. The further impairment was made following further discussions with the auditors as certain assumptions were adjusted following the impairment of the subsidiaries' vessels.
- Reclassification of loans to subsidiaries of US\$49,778,000 in Non-Current Assets to trade receivables (US\$8,778,000) and other current assets (US\$41,000,000) in Current Assets as mentioned in Note B above.

D. As a result of Note A above.

E. The increase was due to the following:

- As a result of Note A above; and
- Reclassification of credit balance of loans to subsidiaries of US\$1,070,000 in Non-Current Assets to other payables in Current Liabilities as mentioned in Note B above.

F. As a result of net impairment loss of US\$65,143,000 due to Note B and Note C above.

The adjustments made to the Company level does not have any impact on the Group's consolidated income statement and other comprehensive income or statements of financial position as the losses were already included at the Group's consolidated income statement prior to the adjustments or eliminated at the Group's consolidated income statement.

Although the Company's shares are currently under voluntary suspension, shareholders, securityholders and investors are advised to read this announcement and any past and future announcements by the Company carefully when dealing with the shares and securities of the Company. Shareholders, securityholder, and investors should consult their stockbrokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take or when dealing with their shares or securities of the Company.

By Order of the Board

Goon Fook Wye Paul  
Company Secretary  
10 June 2020