



Ezion Holdings Limited

EZION HOLDINGS LIMITED

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

DIVESTMENTS OF 50% SHAREHOLDINGS IN WHOLLY-OWNED SUBSIDIARIES

The Board of Directors (the “**Directors**”) of Ezion Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce that that the Company has entered into a share purchase agreement with Sea Explorer Ltd (“**Sea Explorer**”), a wholly-owned entity of the Company’s Malaysian business partner in the offshore and marine sector, pursuant to which Sea Explorer shall purchase, and the Company shall sell, the Company’s 50% shareholding in Teras Conquest 8 Pte Ltd (“**TC8**”) and Teras Lyza Pte Ltd (“**TLyza**”) (the “**Divestments**”).

Sea Explorer is a company incorporated under the laws of Labuan, Malaysia and its principal activities are investment and provision of marine support activities.

The Group is of the view that the Divestments will enhance its strategic business relationship with its Malaysian partner and enable the Group to improve the efficient use of its capital and cash flow whilst enabling the Group to maintain full commercial and operational control of the assets.

The consideration for the Divestments was US\$10 million in cash and will be subject to an adjustment of up to 120% (or another percentage to be agreed), based on a purchase price allocation to be carried by an accounting firm to be jointly appointed by the Company and Sea Explorer.

The sales consideration was arrived at after arm’s length negotiations, on a “willing buyer and willing seller” basis taking into account, amongst other factors, the value of the net tangible assets and expected future income of TC8 and TLyza. The Divestments does not cross 5% of any of the thresholds set out in Rule 1006 of the Listing Manual, and is hence a non-disclosable transaction for the purposes of Chapter 10 of the Listing Manual.

The estimated aggregate carrying value of the 50% equity in TC8 and TLyza as at 30 June 2017 is approximately US\$625,000. The Divestments are not expected to have a material impact on the earnings per share and the net tangible assets per share of the Company for the financial year ending 31 December 2017.

None of the Directors or substantial shareholders of the Company has any interest, direct or indirect, in the above transaction, save for their shareholdings in the Company.

BY ORDER OF THE BOARD

Cheah Boon Pin
Company Secretary
10 August 2017