



1. Proposal under the Proposed Scheme of Arrangement:
 - a. **Option A:** 10% in cash*, 20% in shares @ S\$0.0387 per share
 - b. **Option B:** Conversion of entire sum to convertible perpetual securities (the “**Scheme Convertible Perpetuals**”)
2. Part of the Sustainable Debts of US\$482.3m (the “**Assigned Debts**”) to be assigned to Yinson Eden Pte Ltd (the “**Subscriber**”) which will be capitalised into ordinary shares of Ezion at S\$0.0317 per share.
3. Remaining debts of **US\$402.7m** to be retained and restructured on a bilateral basis with the Major Secured Lenders.
4. The Subscriber to place a deposit of US\$20m which shall be on-lent by the Major Secured Lenders to the Company as interim working capital (the “**Interim Funding Arrangement**”); with Major Secured Lenders to grant RCF on a dollar-for-dollar basis. Total of **US\$40m** available for use by the Group. The Subscriber to subscribe US\$20m of Convertible Notes, the proceeds of which shall be utilised to repay the Interim Funding Arrangement.
5. Major Secured Lenders have granted the Subscriber the Proposed Option to Purchase to purchase the Option Assets at an agreed purchase consideration should the Proposed Scheme of Arrangement / EGM fails.
6. In total, the Investor’s overall investment is US\$170m in return for a shareholding of ~63.46% (US\$103m as consideration for the Assigned Debts, US\$47m as cash injection into the Company and US\$20m in the form of Convertible Notes).

*includes 2% in cash payable within 1 year from the date of payment of the Upfront Cash Payment

Figures are as at 30 September 2019



About the Proposed Scheme of Arrangement

1. Unsustainable bank debts

2. Refinancing Series A: 0.25 per cent, non-convertible bonds due 2024. (ISIN: SG7OG1000000)

3. Refinancing Series B: 0.25 per cent, convertible bonds due 2023. (ISIN: SG38F9000006)

4. Refinancing Series C: 0.25 per cent, non-convertible bonds due 2027. (ISIN: SG7OG2000009)

Each Scheme Creditor may elect to receive **either** Option A or Option B in compromise of the debt owing to them by the Company:



Option A

10% Cash Payment (*2% payment is deferred[^]*)
20% Shares (issued at S\$0.0387 per share)

Option B

100% Conversion into Convertible Perpetual Securities

- Coupon rates of 0.25% p.a.
- Step-up Coupon of 0.5% p.a. per year after 10 years
- Conversion period of 5 years
- Conversion price of S\$0.139

Illustration

A: **S\$25,000** total cash pay-out and **S\$50,000** equivalent of shares issued at **S\$0.0387** per share, for every S\$250,000 debts held

B: **S\$250,000** worth of Perpetual Securities, for every S\$250,000 debts held

- Coupon rates of 0.25%
- Step-up Coupon of 0.5% p.a. per year after 10 years
- Conversion period of 5 years
- Conversion price of S\$0.139 per share

If you have any more questions, please contact us at ezion_scheme@RSMsingapore.sg or +65 67151398.

[^] 2% in cash payable within 1 year from the date of payment of the Upfront Cash Payment.