Ezion Holdings Limited

Second Informal Securitiesholders Meeting

2 October 2017

Important Notes

- This informal meeting is being convened for the purpose of providing the Group's securitiesholders with an update on the developments of the refinancing proposal with the Company's lenders since the first informal meeting, and to present the refinancing proposal for the Securities to the Securitiesholders for their consideration.

Kindly note that:

- The informal meeting is not intended to and does not amount to a meeting under or in connection with the Trust Deed relating to the securities;

- The informal meeting has been called solely for the dissemination of information and no decisions or voting will be made at the informal meeting;

- The informal meeting is private and confidential and will be held on an entirely without prejudice basis; and

- In addition to securitiesholders on the records of The Central Depository (Pte) Limited who presently are recognised as securitiesholders under the terms of the Trust Deed and the securities, there may be persons holding the underlying beneficial interest who may also attend the informal meeting, and the reason why these persons have been allowed to attend is not in recognition of their status as securitiesholders but solely as a practical measure to facilitate the dissemination of information to such persons whom nominee securitiesholders having rights may take instructions from.

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- Certain statements in this presentation may constitute forward looking statements. Forward looking statements include statements concerning plans, objectives, goals, strategies, future events or performance, and underlying assumptions and other statements, which are other than statements of historical facts. The words “believe,” “anticipate,” “intend,” “estimate,” “forecast,” “project,” “plan,” “potential,” “may,” “should,” “expect,” “pending” and similar expressions identify forward looking statements.

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Meeting Protocol

Without prejudice

Informal meeting

No recording and photo taking

Identification for Q&A

Presentation by Ezion:

Refresher of Company Background

Ezion Group Background

- Ezion Holdings Limited ("Ezion"), together with its subsidiaries (the "Group"), specialise in the operation of its fleet to support the offshore energy markets (oil & gas and windfarms).
- Ezion has purposefully focused on liftboats as a niche in the offshore sector, particularly in Asia.
- It supports mainly the production and maintenance activities of the oil & gas value chain, which generates recurring revenue as compared to the project-driven nature of the exploration and developmental phase.
- The group has also successfully diversified into the offshore windfarm sector in China and Europe.

Key Operating Space

Exploration and drilling	Field development	Production	Maintenance	Decommissioning
▪ Liftboats are not used for drilling wells	▪ Construction support ▪ Accommodation	▪ Production services e.g. wireline ▪ Accommodation	▪ Workhours e.g. coiled tubing ▪ Enhanced oil recovery ▪ Modification and repairs ▪ Accommodation	▪ Decommissioning support ▪ Accommodation

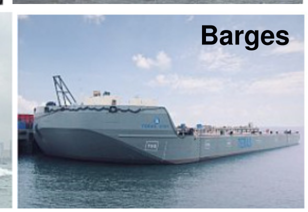
Fleet of Vessels (including JV assets)

14*

* Including 2 liftboats pending delivery

20

45



Fleet of Vessels – Liftboats

* Including JV assets and including 2 liftboats pending delivery,

- Liftboats are Jack-up Rigs with Self-Propulsion capabilities.
- A liftboat's stable work platform enhances productivity and safety standards.
- Liftboats offer a very cost-effective solution to operators:
  a) Liftboats can move on its own from location to location without a towing / anchor handling tug.
  b) For jobs that require repositioning of the vessel around the Oil & Gas field, Liftboats enable operators to utilise only one vessel instead of multiple vessels.
  c) Liftboats are multi-functional and can replace the requirement for a few different types of vessels (towing tugs, accommodation barges and crewboats)
  d) Liftboats are designed to operate under all-weather conditions and can thus allow offshore operations to continue in harsh weather conditions (thereby reducing downtime / risks).

- Ezion owns and operates one of the most advanced fleet of Liftboats in the world.
- With a leg length of at least 320 feet, Ezion is able to serve most platforms in the Asia Pacific region.

Strong Fundamentals

1 Liftboats

Ezion is the largest Liftboat operator in Asia.

It runs one of the most advanced fleet of Liftboats in the world.

With a leg length of at least 320 feet, Ezion is able to serve most platforms in the Asia Pacific region.

2 Defensive Segment in Value Chain

Although activity among the customers is currently low, production and maintenance requirements are expected to pick up from 2018 onwards, especially in shallow water wells.

3 Established track record

It has an established track record of serving a diverse customer base comprising National Oil Companies, Multi-National Oil Majors and leading Energy Groups.

Operates in wide region including West Africa, North Sea, Middle East, South India, China and South East Asia.

4 Offshore wind industry

The Group has successfully diversified into offshore wind industry to pursue new streams of revenue.

5 Conversion Capability

Capability to improve utilisation of rigs which are underutilised due to over-capacity in the market through conversion to accommodation rigs or Mobile Offshore Production Units.

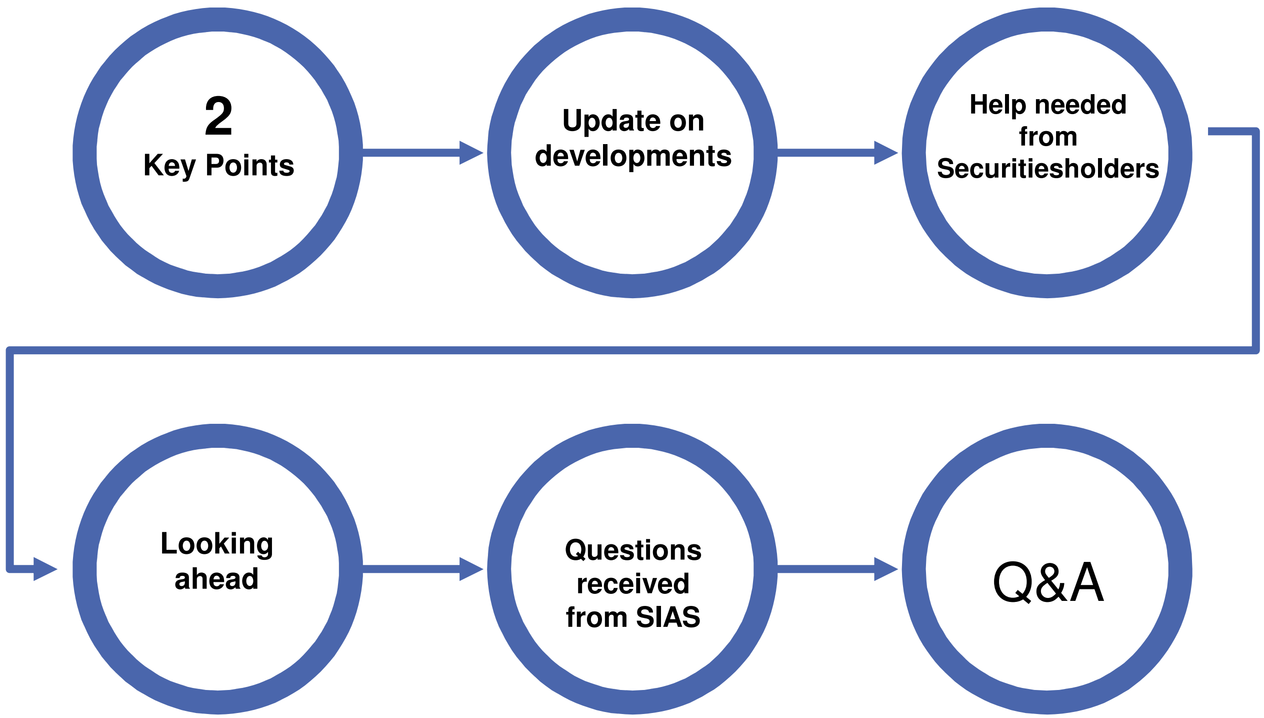
6 Technology

Ezion is the only Liftboat Operator with state-of-the-art in-house simulator.

It facilitates project planning and crew training.

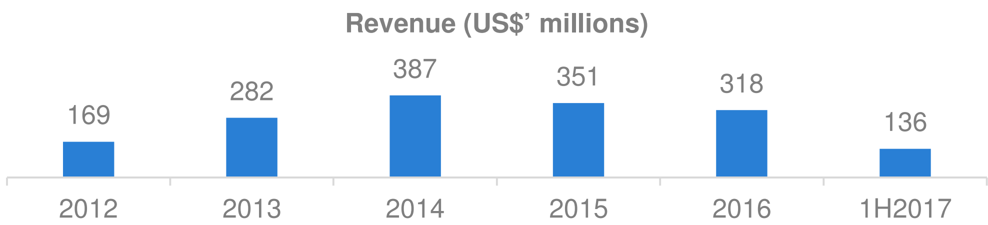

Presentation by RSM

Presentation by RSM



2 KEY POINTS

1 The Group is Viable



	Highlights (Extracted from CashFlow Statements)		FY2016 US$m	1H2017 US$m	Last 18 Months US$m
1	Net cash generated from operating activities		146	24	170
2	Net Amounts Paid to Lenders		(177)	(79)	(256)
3	Amounts Paid to MTN Holders		(26)	(13)	(39)
4	Total amounts paid for PPE		(50)	(32)	(82)
	Total net amounts paid to lenders, MTN holders and purchases of PPE	*(2)+(3)+(4)*	(253)	(124)	(377)
	Net cash after repayments, borrowings & purchase of PPE	*(1)+(2)+(3)+(4)*	**(107)**	**(100)**	**(207)**

Revenue has declined due to reduced charter rates and utilisation rates.

However, despite the current depressed market, the Group generated revenue of US$136 million in 1H2017.

There is still positive cashflow from operations.

The Group's cashflow from operating activities of US$170 million was insufficient to meet the financial obligations to lenders and capital expenditure, resulting in a net outflow of US$207 million.

The Group is seeking support to refinance the existing debts to better match the cashflows of the Group.

2 The Group owes US$2 Billion

1. Liabilities were manageable in 2012 - 2015 with strong operating cashflows.
2. Due to prolonged downturn of industry, the operating cashflows have decreased significantly.
3. There is a need to refinance liabilities and to bring it back to a sustainable level.

	FY2012 US$'000	%	FY2013 US$'000	%	FY2014 US$'000	%	FY2015 US$'000	%	FY2016 US$'000	%	1H2017 US$'000	%
Net Cash from Operating Activities	93,743		155,459		213,549		203,849		145,690		23,657	
Total Liabilities	**650,097**		**1,183,583**		**1,707,918**		**1,721,545**		**1,607,661**		**1,566,248**	
Lenders	*472,462*	*73%*	*875,119*	*74%*	*1,180,512*	*69%*	*1,226,355*	*71%*	*1,119,122*	*70%*	*1,058,602*	*68%*
MTNs	*177,635*	*27%*	*308,464*	*26%*	*527,406*	*31%*	*495,190*	*29%*	*488,539*	*30%*	*507,646*	*32%*

Add: Vessel loans for the 2 liftboats to be delivered	112,500
Add: New working capital line to be extended by Lenders	100,000
Add: Loans undertaken by Joint Venture Companies	280,751
Total liabilities to be managed	**2,059,499**

Capital Structure

Secured Lenders	**US$1.3 billion**
Unsecured Lenders/Creditors	**US$568 million**
Perpetual Securitiesholders	**US$116 million** *(S$150 million)*
Shareholders' Fund *(excluding perpetual securities)*	**US$1.18 billion**

**As at 30 June 2017*


Update on Developments

Update on discussion with Potential Investors

1. The Group has met with several interested potential investors, including funds and strategic investors

2. A strategic investor is keen to work with the Company but would like to see the refinancing of lenders and MTN completed first.

3. “White knight” investors are not to the advantage of existing stakeholders at this stage

   - General view is that the amount of liabilities of the Group is too high and needs to be reduced significantly through some form of haircut.

   - Their approach to investing will depend on the outcome of the refinancing.

Refinancing Needs to be Completed First

Refinancing Needs to be Completed First

Key objective set by Management: Preserve Value for ALL stakeholders.

1. Management would like to have all stakeholders work together to avoid / minimise the adverse impact of any action on any one group of stakeholders unnecessarily.

2. Management is focusing on generating strong cash flows to reduce the liabilities to a sustainable level within the next 6 to 7 years with all stakeholders' help.

3. Management would like to complete the refinancing on terms which are in the Company's and all its stakeholders' best interests, before further discussions with the potential investors.

When Refinancing is Completed

1. Lenders will provide new working capital to help the Group fund the deployment of vessels over the next one year, after which cash flows are expected to be stronger.

2. Investors' funds will boost the capital base of the Group and should provide confidence to the investing public and therefore hopefully the share price.

3. The exercise of existing warrants by the shareholders will enhance the cash position of the Group.

Benefits to the Securitiesholders:

- ✓ Cashflows generated over the next few years and funds raised will provide more monies to the Group that will be useful for the eventual redemption of the bonds.

- ✓ Securitiesholders who convert their bonds into equity in the Company should benefit.

Refinancing by Lenders

The Group is awaiting final approval from the Lenders for a 6-year refinancing proposal with the following key terms:

1. **Minimal fixed principal repayments** over the next 6 years

2. **Substantial reduction in interest rates** – reduction of interest costs by up to US$30 million per annum

    - Stapled warrants attached to portion of loans if they agree to interest rates below cost of funds

3. **Additional working capital line** of up to **US$100 million**

Condition Precedent: Securitiesholders of ALL series (003 to 008) to give approval for the CSE terms.


Help Needed from
Securitiesholders

Key Features of Proposal to Securitiesholders (Series 003 to 007)

The Group needs time to generate cash flows to bring down the debts to a sustainable level **without a haircut** and would like the support of the Securitiesholders on the following proposal:

	Option A (New Series A)	Option B (New Series B)
Principal	In Full	In Full
Tenure	7 years	6 years
Coupon Rates	0.25% p.a.	0.25% p.a.
Redemption Premium	5%	-
Conversion Rights	No	Yes
Conversion Amount	N.A.	In Tranches of S$50k
Conversion Pricing	N.A.	• Initial conversion price at VWAP 6 months • Conversion price to be re-set every 3 months based on VWAP of the past 3 months • Subject to a minimum conversion price (initial conversion price)
Conversion Period	N.A.	Anytime within first 5 years
Covenants	To be Lifted	To be Lifted

Key Features of Proposal to Securitiesholders (Series 008)

The Group needs to complete the refinancing of Series 003 to 008 for the secured lenders to agree to their refinancing. The Group needs the help of perpetual securitiesholders to do their part so that all stakeholders can preserve value **without a haircut.**

The Group would like to make the following proposal in respect of Series 008:

	Option C (New Series C)	Option D (Amendment to Terms)
Principal	In Full	In Full
Tenure	10 years	N.A.
Coupon Rates	0.25% p.a.	0.25% p.a.
Redemption Premium	5%	N.A.
Conversion Rights	No	Yes
Conversion Amount	N.A.	In Tranches of S$50k
Conversion Pricing	N.A.	• Initial conversion price at VWAP 6 months • Conversion price to be re-set every 3 months based on VWAP of the past 3 months • Subject to a minimum conversion price (initial conversion price)
Conversion Period	N.A.	Anytime within first 3 years

All Stakeholders Have Been Asked to Extend Support

Existing Shareholders

Rights issue in Jul 2016. The amount raised was **S$137 million**.

The refinancing proposal will **dilute** the shareholding of the existing shareholders by up to **47.5%** (before any any equity injection by strategic investors and before the exercise of any warrants by shareholders / lenders)

A proposal is intended to be put forth to the shareholders for approval of the refinancing plans, together with an issue of non-tradable warrants to shareholders to potentially **raise more monies**.

1. Injected S$137 million last year through a rights issue.
2. A proposal is intended to be put forth to the shareholders for approval of the refinancing plans, together with an issue of non-tradable warrants to shareholders to hopefully raise more monies.
3. The proposal to be made to the Securitiesholders could dilute the shareholders by up to 47.5%.

	No. of shares (millions)	% shareholding
Existing shareholders Existing shares	2,074	52.5%
Conversion by Securitiesholders *(assuming full conversion of S$575 million)*	1,873	47.5%
Total	**3,947**	**100%**

** For illustrative purposes only, and assuming a conversion price at the 6-month VWAP of S$0.307. The above illustrations are before any equity injection by strategic investors and **before the exercise of any warrants by shareholders / lenders.***

All Stakeholders Have Been Asked to Extend Support

Management Team

Management of the Group has taken a **reduction in compensation** to tide the Group over the challenging times

The team is looking at avenues **for further cost reduction**.

Doing more with less.

- More work and longer hours
- Less people

Operations

- Reduced crew costs without compromising on safety and asset working condition, while maintaining adherence to appropriate regulations
- Stretched duration between planned maintenance on assets without compromising on safety and asset working condition

Overheads

- Prudent management of headcount despite larger fleet of vessels
- 116 employees (2015) vs 108 employees (2017)

Management

- **Management team remuneration has been cut substantially**
- FY2016 cut by 36% (FY 2016 vs FY2015)
- Expected to be cut by another 35%- 40% (FY2017 vs 2016)

All Stakeholders Have Been Asked to Extend Support

Existing Shareholders	Management Team	Lenders	Securitiesholders
Rights issue in Jul 2016. The amount raised was **S$137 million**. The refinancing proposal will **dilute** the shareholding of the existing shareholders by up to **47.5%** (before any any equity injection by strategic investors and before the exercise of any warrants by shareholders / lenders) A proposal is intended to be put forth to the shareholders for approval of the refinancing plans, together with an issue of non-tradable warrants to shareholders to potentially **raise more monies**.	Management of the Group has taken a **reduction in compensation** to tide the Group over the challenging times The team is looking at avenues **for further cost reduction.** **Doing more with less.** • More work and longer hours • Less people	Subject to the Securitiesholders' agreement to the Group's proposal today, the lenders have agreed in-principle to the following: a) 6-year refinancing plan with minimal principal repayments b) Reduction of interest cost by up to US$30 million per annum c) Extend further support with additional working capital line of about US$100 million, which includes support for the coupon payments on a reduced basis.	a) Maturity profile to be similarly extended: Series 003 to 007 Option A: 7 years Option B: 6 years Series 008 Option C: 10 years Option D: N.A b) Interest rates: 0.25% per annum c) Securitiesholders to be offered two options: i. Conversion rights over 3 years (Option D) / 5 years (Option B); OR ii. Redemption premium of 5%

Restore Balance Sheet and Financial Stability
Allows the Group to Meet Customers' Requirements over the next 6 years

Preserve and Enhance Value for all Stakeholders

Merits of the Proposal

1. No hair cut required as we endeavor to preserve value for all.

2. Value of bonds should improve after refinancing is completed

3. The new bond should have more liquidity
   - Bigger size, could attract more institutional interest
   - Can be monetised more easily

4. Full principal at maturity

5. Potential upside / capital gain (for conversion option)

6. Flexibility
   - Full redemption at maturity
   - Convert to shares at anytime during exercise period
   - Mixture of above two

Looking Ahead

The Group's Business Plans

Focus on maximum deployment of liftboats

Increase utilisation of service rigs and other vessels

Improving charter rates

Minimise capex costs

Pursue strategic partnerships to enhance Group's business

Update on Fleet Deployment

Vessel Type		Liftboats	Rigs	OSV	Tugs & LCTs	Barges	Total
As at 30 June 17	**Total**	**14**	**20**	**6**	**15**	**24**	**79**
Deployed		5	3	3	0	6	**17**
Deployed, in arrears		0	6	1	1	1	**9**
To be Deployed in the next 6 to 12 months		5	1	0	2	0	**8**
Not Deployed		2	10	2	12	17	**43**
Pending Delivery		2	0	0	0	0	**2**
Current	**Total**	**14**	**20**	**6**	**15**	**24**	**79**
Deployed		7	3	3	1	0	**14**
Deployed, in arrears		0	6	1	1	0	**8**
To be Deployed in the next 6 to 12 months		5	2	0	3	1	**11**
Not Deployed		0	9	2	10	23	**44**
Pending Delivery		2	0	0	0	0	**2**

The Group will continue to focus on improving utilisation of the fleet, especially liftboats.

Illustration of Possible Cashflows (incl. JV assets)

(Including JV assets)	Liftboats	Converted Rigs	Drilling Rigs	Others	Total
CURRENT RATES					
Total Operating Cashflow over 6 years (US$' m)	547	293	182	19	1,041
Less Overheads over 6 years (US$1.5m per month)					(108)
Net Cashflow from Operations					933
(available for capex, repayments of interest & principal to banks, bond interest etc)					
INCREASE IN LIFTBOAT CHARTER RATES					
Total Operating Cashflow over 6 years (US$' m)	771	293	182	19	1,265
Less Overheads over 6 years (US$1.5m per month)					(108)
Net Cashflow from Operations					1,157
(available for capex, repayments of interest & principal to banks, bond interest etc)					

**This is for illustrative purposes only and does not constitute a forecast.*

The cashflow generated from the operations will bring the debt to a sustainable level.


Questions Received from SIAS

What is the Breakdown of NBV by Type of Vessel?

(Including JV Assets)	Total No. of Vessels as at 30 Jun 17	Total NBV as at 30 Jun 17 (US$'m)	Remarks
Liftboats *	10	772	Significant impairment is likely (Under Review)
Rigs	20	1,375	
Smaller Vessels	45	346	
Total	75	2,493	

* Excludes the 2 Liftboats which were delivered after 30 June 2017 and the 2 Liftboats pending delivery

Can the Company Offer the Unencumbered vessels as Collateral to the Securitiesholders?

- The unencumbered vessels are mainly old Tugs and Barges, which are laid up and have minimal sale value.
- The Lenders have asked for the unencumbered vessels as security for the additional working capital line of up to US$100 million, including the funding of operating expenses of unencumbered vessels.
- In view of the above, the Group seeks your understanding that it is not in the position to offer these unencumbered vessels as collateral to the Securitiesholders.

What will the Securitiesholders Get in a Liquidation Scenario?

- **Secured Lenders** - recovery may be less than 30% in a liquidation scenario

  Charged vessels (likely fetch very poor value in a forced sale situation).

  Assigned charter proceeds and accounts receivables (a large portion is likely impaired in a liquidation scenario)

  Controlled cash balances

- **Unsecured claims** (other than the trade creditors and securitiesholders)

  Loans in excess of the proceeds from the above securities will rank together with the other unsecured claims.

  Contingent liabilities - Corporate guarantees given in respect of the JV loans and bankers' guarantees may be called.

- Realisation for **Unsecured Creditors**

  Unsecured creditors, including the Securitiesholders, will get very little recovery.

The Management is doing all it can to preserve value and avoid such a scenario

How does the proposal compare to other Companies'?

1. Address all stakeholders' interest and all are asked to extend support to the Group
2. **No haircut** and share potential upside
3. Choice of **WHETHER** to convert, **WHEN** to convert and **HOW MUCH** to convert
4. Sustainable solution

Holistic Refinancing Proposal

What is the proposal for the interest accruals?

CSE → EGM → Coupon Payment

Accrued interest before CSE (at original interest rates)

Series 003 to 007

Those who opt for Option A

- The Company will issue a transferrable be repaid at the end of bond cert for the amount to 7 years, together with the principal,

Those who opt for Option B

- The Company will issue shares

Interest from CSE onwards

If approved at EGM:
New interest rates

If not approved at EGM:
Original interest rates apply

If approved at EGM:

6 months from CSE date

OR

30 days from EGM date,

whichever is later

If not approved at EGM:

Original terms apply with 30 days cure period

What is the proposal for the interest accruals?

CSE

EGM

Coupon Payment

Accrued interest before CSE (at original interest rates)

Series 008

Those who opt for Option C

- The Company will issue a transferrable bond cert for the amount to be repaid at the end of 10 years, together with the principal,

Those who opt for Option D

- The Company will issue shares

Interest from CSE onwards

If approved at EGM:
New interest rates

If not approved at EGM:
Original interest rates apply

If approved at EGM:

6 months from CSE date

OR

30 days from EGM date,

whichever is later

If not approved at EGM:

Original terms apply with 30 days cure period

Formation of Informal Steering Committee

- The Group wishes to actively engage the Securitiesholders to address your concerns on the refinancing proposal.

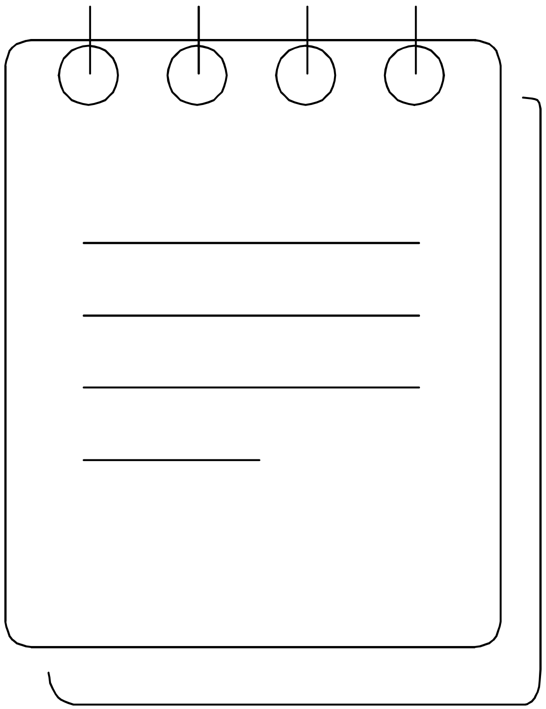
- SIAS has agreed to take a lead role in the setting up of the Informal Steering Committee and in facilitating its work moving forward.

- The Group has issued an announcement on SGX on 26 September 17, calling for interested securitiesholders to volunteer for the Informal Steering Committee of Securitiesholders "**Informal Steering Committee**" with SIAS by 2 October 17 (today), 9 am.

Key Takeaways

- The Group is focused on **Preserving Value for all Stakeholders.**
- Despite the deep downturn in the industry, the Group still generates significant revenues and is **operating cash flow positive.**
- The Group is overcoming the challenges of the industry by **focusing on its strengths which is in the liftboat segment and tightening its operations overall.** This will generate more cash flows to reduce its liabilities to a more sustainable level.
- **We need all stakeholders to play a part in supporting the Group:**

  i. The **Shareholders** put in S$137 million last year and may potentially be putting in up to S$460 million more.
  ii. The **Management** Team has reduced their remuneration significantly.
  iii. The **Lenders** are refinancing the loans by minimising the fixed principal repayment, reducing interest costs significantly and extending new working capital lines of US$100 million.

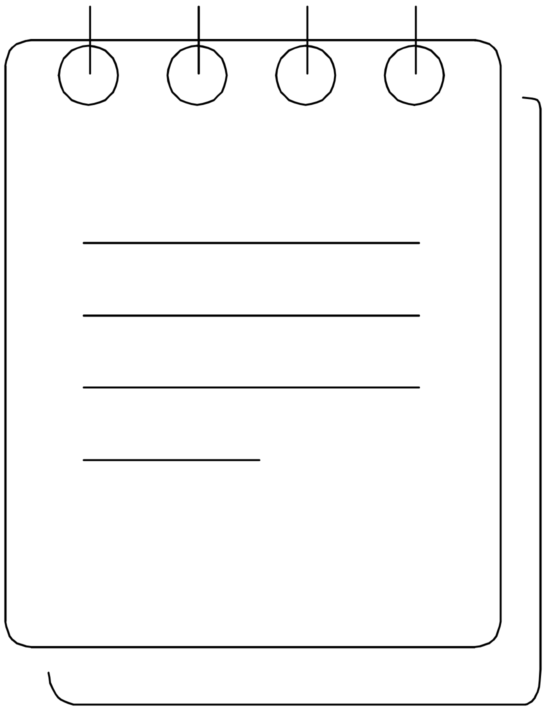


Key Takeaways

- **The Group is appealing to the Securitiesholders for their help in refinancing the bonds as proposed.**

  i. The proposal tabled for the MTN holders will return the full principal to the MTN Holders at the end of the maturity period.
  ii. The Group will share the upsides with the Securitiesholders through the 3-year / 5-year option for conversion.
  iii. Those who take up option A and C will receive the principal at maturity with a small premium.

- **The Group looks forward to your support and will work hard to return your principal back to you.**



Time is of the Essence

The Group has customers who need the vessels. The Group needs to incur costs to mobilise these vessels.

Once CSE is approved,

The secured lenders will extend a working capital line.

↓

The working capital line can be drawn down for mobilisation costs.

↓

The vessels can be put to work.

↓

More cashflows generated

Next Steps

- **Meeting of the Steering Committee** – next meeting is proposed 3 October 2017, 6.30 p.m. at SIAS office

- Likely timing of **CSE launch by mid October 2017**
  Need to complete refinancing with secured lenders before November 2017
  Need to continue discussions with potential investors

- **EGM to approve the conversion rights for the proposal tabled** – targeted in January 2018

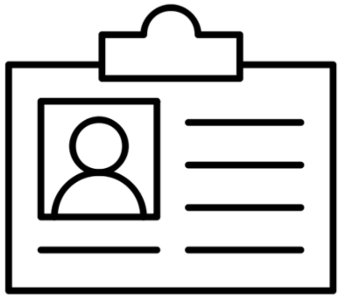

Q&A

Q&A

Please state your name before asking your question

1

2



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