

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

**ADDITIONAL INFORMATION ON FULL YEAR FINANCIAL STATEMENT AND DIVIDEND
ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2013**

The Board of Directors of Ezion Holdings Limited ("Ezion" or "the Group") is pleased to provide additional information in response to queries raised by SGX-ST in respect of the full year financial statement and dividend announcement for the year ended 31 December 2013, which was previously announced on 20 February 2014.

The Group's revenue for the year ended 31 December 2013 ("FY2013") increased by US\$123.3 million (77.7%) to US\$281.9 million as compared to the corresponding year ended 31 December 2012 ("FY2012"). The increase in revenue was due mainly to:-

- i) the chartering contribution from the deployment of additional units of the Group's Liftboat and Jack-up Rig (collectively called "Service Rigs"); and
- ii) the higher contribution from the offshore logistic support vessels services from the three projects in Australia, namely QCLNG, APLNG and GLNG projects.

The cost of sales and servicing for FY13 increased by US\$60.8 million (69.1%) to US\$148.7 million as compared to FY2012. The increase in cost of sales and servicing was due to the increased in business activities.

As a result of the above, the Group's gross profit improved by US\$62.5 million (88.3%) to US\$133.2 million as compared to FY2012.

The higher other income in FY2013 as compared to FY2012 was mainly contributed by a gain derived from the divestment of a joint venture in Australia and higher fee charged to joint ventures.

The higher administrative expenses in FY2013 as compared to FY2012 corresponded to the increased business activities as well as increase in the staff strength in line with the increased business volume.

The increase in finance income in FY2013 as compared to FY2012 was mainly due to increase in interest income from bank deposits and loans to joint ventures, whereas the higher finance costs is mainly due to accrued interest in relation to the issuance of S\$270 million notes under the Multicurrency Debt Issuance Programme and higher bank loans for the funding of new service rigs and vessels.

The higher share of associates and joint controlled entities' results in FY2013 as compared to FY2012 were mainly contributed from the deployment of additional units of Service Rigs under the joint ventures.

Charter income derived from Singapore flagged vessels are exempted from tax under Section 13A of the Income Tax Act of Singapore. The current year's income tax expense of US\$2.6 million relates to the corporate tax expense and withholding tax expense incurred by vessels operating in certain overseas waters.

BY ORDER OF THE BOARD

Lim Ka Bee
Company Secretary
24 February 2014