



EZION HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)

(Company Registration No. 199904364E)

**UPDATE ON THE PROPOSED TRANSACTIONS AND THE PROPOSED SCHEME OF
ARRANGEMENT – ENTRY INTO AMENDMENT AGREEMENT**

1. Introduction

The board of directors (the “**Board**”) of Ezion Holdings Limited (the “**Company**”) refers to the prior announcements made on 28 February 2020, 4 March 2020, 13 March 2020, 10 April 2020 and 4 June 2020 in relation to the Proposed Transactions and the Proposed Scheme of Arrangement (collectively, the “**Previous Announcements**”).

Unless otherwise defined, all capitalised terms and references used herein shall bear the meanings ascribed to them in the Previous Announcements.

2. Entry into Amendment Agreement

The Company wishes to update its stakeholders that, in order to work towards a successful restructuring of the Group notwithstanding the impact of the Covid-19 pandemic and plunge in oil prices, it has entered into an agreement with, amongst others, the Subscriber and the Major Secured Lenders to update the terms of the Proposed Transactions and the Proposed Scheme of Arrangement (the “**Amendment Agreement**”). A summary of the amendments are set out below:

2.1. General Amendments

For a period commencing on the date of the Amendment Agreement and expiring on 31 August 2020 (or such later date as may be agreed by the Company, the Subscriber and the Major Secured Lenders) (the “**Effective Period**”):

- (a) the filing of the Proposed Scheme of Arrangement by the Company as part of the Proposed Transactions shall be put on hold until the expiry of the Effective Period or such time the Subscriber and the Major Secured Lenders confirm that the Company may proceed with the filing;
- (b) the Company may engage with other potential investor(s) to explore alternative transactions to the Proposed Transactions. If an alternative proposal and offer from any such potential investor is accepted by the Company and the Major Secured Lenders, the Major Secured Lenders, Company and the Subscriber shall be entitled

to mutually terminate the Proposed Transactions pursuant to the underlying agreements entered into on 28 February 2020 (the “**Transaction Agreements**”) prior to the Final Effective Period Day (as defined below), whereupon none of the parties to the Transaction Agreements shall have any claims against the other parties thereto arising from such termination and the balance of the Deposit shall be repaid by the Major Secured Lenders to the Subscriber in accordance with the Deposit Agreement; and

- (c) the Subscriber shall endeavour to extend its support for the Group’s operations, including but not limited to sourcing for prospective deployments and introducing the Group to the Subscriber’s contacts.

Before or by the date falling on the last day of the Effective Period (the “**Final Effective Period Day**”),

- (a) if the Subscriber shall notify the Company and the Major Secured Lenders that it shall proceed with the Proposed Transactions: (i) it will increase the amount of the Deposit by US\$3,000,000 and upon such increase, references in the Deposit Agreement shall be accordingly amended; and (ii) the relevant long-stop date in the Transaction Agreements shall be extended by five (5) months;
- (b) if the Subscriber shall notify the Company and the Major Secured Lenders that it is unable to proceed with the Proposed Transactions: (i) the Deposit paid pursuant to the Deposit Agreement shall be forfeited by the Subscriber in favour of the Major Secured Lenders and distributed in accordance with the Deposit Agreement; (ii) the Transaction Agreements shall be terminated immediately; and (iii) there shall be no recourse against the Subscriber save for the forfeiture of the Deposit; or
- (c) if the Subscriber, the Major Secured Lenders and the Company shall have entered into an agreement for the Proposed Transactions to be varied or based on such new terms to be agreed mutually: (i) the Subscriber shall place a further deposit of US\$3,000,000 with the Major Secured Lenders and/or the Company (as the case may be); and (ii) the Transaction Agreements shall be amended accordingly or (as the case may be) the Subscriber, the Major Secured Lenders and the Company shall enter into new transaction documents which shall reflect such mutually agreed new terms, replacing the Transaction Agreements. All parties shall use its reasonable endeavours to finalise the documentation in respect of the Proposed Transactions on the new terms within the Effective Period, or such longer period as mutually agreed between all parties.

In the event that none of the above occurs by the Final Effective Period Day, the Subscriber is deemed to be unable to proceed with the Proposed Transactions, and (a) the Deposit paid pursuant to the Deposit Agreement shall be forfeited by the Subscriber in favour of the Major Secured Lenders and distributed in accordance with the Deposit Agreement; (b) the Transaction Agreements shall be terminated immediately; and (c) there shall be no recourse against the Subscriber save for the forfeiture of the Deposit.

2.2. Amendments to the Deposit Agreement

The parties have further agreed that the Deposit may also be drawn down by the Group to co-fund operating expenses in relation to a non-deployed Liftboat and consequential amendments have been made to the Deposit Agreement.

3. Further Announcements

The Company will keep its stakeholders informed of any further developments on the Proposed Transactions and Proposed Scheme of Arrangement and make the necessary announcements.

4. Trading Caution

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, securityholders, 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
2 July 2020