



Ezion Holdings Limited

EZION HOLDINGS LIMITED

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

ANNOUNCEMENT IN RELATION TO COMMENCEMENT OF ARBITRATION

The Board of Directors of Ezion Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that Whitesea Shipping & Supply (LLC) FZC (“**Claimant**”) has issued a notice of arbitration to a wholly-owned subsidiary Teras Conquest 2 Pte Ltd (“**TC2PL**”). In the arbitration, the Claimant has alleged that TC2PL, in purported repudiatory breach of a memorandum of agreement dated 2 July 2016, had failed to deliver the vessel “Rising Phoenix” to the Claimant (despite the Claimant being, amongst other things, purportedly ready to pay the balance purchase price of US\$48,000,000) thereby, allegedly, causing the Claimant to suffer “expectation loss for the profit [the Claimant] would have earned from the [Rising Phoenix]” had the alleged breach not occurred; presently, the Claimant estimates that the “expectation loss” allegedly suffered by them “to be in excess of US\$100,000,000”.

TC2PL is of the view that there is no basis for the claim. TC2PL was not obliged to deliver the vessel and/or transfer title to the said vessel because amongst other things, the Claimant did not make payment under the abovesaid memorandum of agreement and, to TC2PL’s understanding, was never in a position to make payment.

The Group believes the proceedings, which have been brought more than 3 years later, are spurious and vexatious and intends to vigorously defend the same.

Parties were not able to agree on the appointment of a single arbitrator, and the Claimant has written to the President of the Court of Arbitration of the SIAC to appoint the sole arbitrator.

The Group does not believe that the proceedings will cause any material disruptions to its operations and business. The Company will keep its shareholders informed of any further developments and make the necessary announcements.

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 and securities of the Company.

By Order of the Board

Goon Fook Wye Paul
Company Secretary
3 January 2020