



## ***Ezion Holdings Limited***

### **EZION HOLDINGS LIMITED**

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

---

### **PROFIT GUIDANCE FOR THE GROUP'S UNAUDITED FINANCIAL RESULTS FOR THE FOURTH QUARTER AND FULL YEAR ENDED 31 DECEMBER 2017**

---

The Board of Directors of Ezion Holdings Limited ("Ezion" or the "Company", together with its subsidiaries, collectively the "Group") wishes to provide profit guidance for the Group's financial performance for the fourth quarter ended 31 December 2017 ("4Q2017") and full year ended 31 December 2017 ("FY2017").

In August 2017, the Group commenced its refinancing exercise with various stakeholders in order to alleviate cashflow challenges it faced due to the prolonged downturn in the Oil & Gas sector. During the course of the refinancing exercise, the Group continued to experience delayed payment from its clients which further constrained cashflow available to the Group. The Group also experienced delays in re-deployment of some of its assets, which in turn, adversely affected revenue and the profitability of the Group, especially for 4Q2017 and the consolidated results for FY2017.

Concurrently, the Group conducted a strategic review on its business and have re-focused its efforts on the Group's fleet of Liftboats which supports the production and maintenance segment of the oil and gas industry as well as the offshore windfarm industry. Ezion is the largest owner-operator of Liftboats in Asia-Pacific and the second largest in the world.

The oversupply of offshore logistics vessels and jack-up rigs in the industry has resulted in lower charter rates and depressed the market value of our assets, lowering the Group's gross profit margins and cash flow. This has adversely affected the Group's business, financial condition, operations and prospects. In line with financial year closing, the Group carried out an impairment assessment of its assets based on their intended use. Preliminary numbers show that net cash generated from operating activities for the Group in 4Q2017 and FY2017 amount to approximately USD20 million and USD64 million respectively.

However, despite being operationally cashflow positive, the Group is likely to record a net loss of approximately of approximately USD1 billion for both for 4Q2017 and FY2017, largely attributable to the impairment losses of approximately US\$900 million.

The profit guidance provided in this announcement are estimates and may vary as the Group finalizes its year-end financials.

The Group will announce its unaudited consolidated financial results for 4Q2017 and FY2017 on 28 March 2018. In the meantime, shareholders and investors are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board

Goon Fook Wye Paul  
Company Secretary  
21 March 2018