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EZRA HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 199901411N)

ADJUSTMENT TO CONVERSION PRICE OF CONVERTIBLE BONDS

Reference is made to the announcements dated 22 October 2009 and 25 November 2009 in relation to the issue of US\$100,000,000 4.00% convertible bonds due 2014 (the "**Convertible Bonds**") and the conditions under which the exercise price of the Convertible Bonds may be adjusted (the "**Previous Announcements**"). Unless otherwise defined herein, all capitalised terms used in this announcement shall bear the same meanings as ascribed to them in the Previous Announcements.

The Board of Directors of Ezra Holdings Limited wishes to announce that the following notice has on 31 August 2010 been provided to the trustee for the bondholders of the Convertible Bonds as follows:

NOTICE IS HEREBY GIVEN as follows:

- (a) As announced on 31 August 2010, the Company is undertaking a renounceable underwritten rights issue (the "**Rights Issue**") of up to 142,750,884 new Shares (the "**Rights Shares**") at the issue price of S\$1.18 for each Rights Share, on the basis of one (1) Rights Share for every five (5) existing Shares held by shareholders of the Company ("**Shareholders**") as at the Books Closure Date (as defined below), fractional entitlements to be disregarded.

As at the date hereof, the issued share capital of the Company (excluding treasury shares) comprises 657,894,423 Shares (the "**Existing Share Capital**"), and the outstanding Convertible Bonds are convertible into up to 55,860,000 new Shares based on the initial Conversion Price of S\$2.50 per Share and the fixed exchange rate of S\$1.3965 to US\$1.00.

Based on the Existing Share Capital and assuming none of the Convertible Bonds are converted to new Shares on or prior to the Books Closure Date, the Company will issue 131,578,884 Rights Shares pursuant to the Rights Issue. However, assuming that all of the Convertible Bonds are converted into 55,860,000 new Shares on or prior to the Books Closure Date, the issued share

capital of the Company (excluding treasury shares) will increase to 713,754,423 Shares, and the Company will issue 142,750,884 Rights Shares pursuant to the Rights Issue.

- (b) The register of members and the share transfer books of the Company will be closed at 5.00 p.m. on 17 September 2010 (the “**Books Closure Date**”) to determine the rights entitlements of Shareholders under the Rights Issue, and will be re-opened at 9.00 a.m. on 21 September 2010. The entitled Shareholders may subscribe for their pro rata entitlement of Rights Shares and apply for excess Rights Shares during the period from 22 September 2010 to 6 October 2010.
- (c) As a result of the Rights Issue, the Conversion Price of the Convertible Bonds will have to be adjusted under the terms of the trust deed dated 25 November 2009 constituting the Convertible Bonds. In accordance with the formula set out in Condition 6.3(d), the Conversion Price shall be adjusted from S\$2.50 per Share to S\$2.3487 per Share (the “**Adjusted Conversion Price**”) with effect from 15 September 2010 (the “**Effective Date**”), being the first date on which the Shares will be traded ex-rights. Bondholders who exercise their rights of conversion prior to the Effective Date may convert the Convertible Bonds into new Shares at S\$2.50 per Share, and will be entitled to receive provisional allotment of Rights Shares in respect of such new Shares, subject to the terms of the Rights Issue.
- (d) The Adjusted Conversion Price is determined by multiplying S\$2.50 by the following fraction:

$$\frac{A + B}{A + C}$$

where:

- A is 663,839,990, being the number of Shares in issue (including treasury shares) before the announcement of the Rights Issue on 31 August 2010 (the “**Announcement**”).
- B is the number of Shares (being 83,452,342) which the aggregate amount payable for the Shares issued by way of the Rights Issue (being approximately S\$155.3 million assuming that none of the Convertible Bonds are converted into new Shares on or prior to the Books Closure Date) would purchase at such Current Market Price per Share (being S\$1.8605, the average of the Closing Prices of the Shares on the SGX-ST for the last 20 Trading Days).
- C is 131,578,884, being the number of Rights Shares to be issued pursuant to the Rights Issue (assuming that none of the Convertible Bonds are converted into new Shares on or prior to the Books Closure Date).

BY ORDER OF THE BOARD
Ezra Holdings Limited

David Tan Yew Beng
Company Secretary
1 September 2010

IMPORTANT NOTICE

This Announcement is for information purposes only and does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to acquire, rights or rights shares or to take up any entitlements to rights shares in any jurisdiction in which such an offer or solicitation is unlawful. No person should acquire any rights or rights shares except on the basis of the information contained in the Offer Information Statement. The information contained in this Announcement should not be distributed, forwarded to or transmitted in or into any jurisdiction where to do so might constitute a violation of applicable securities laws or regulations. The issue, exercise or sale of rights and the acquisition or purchase of rights shares are subject to specific legal or regulatory restrictions in certain jurisdictions. The Company and DBS Bank assume no responsibility in the event there is a violation by any person of such restrictions.

The distribution of this Announcement, the Offer Information Statement, the provisional allotment letters and/or the application forms for rights shares and/or excess rights shares into jurisdictions other than Singapore may be restricted by law. Persons into whose possession this Announcement and such other documents come should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. Neither the content of the Company's website nor any website accessible by hyperlinks on the Company's website is incorporated in, or forms part of, this Announcement.

This Announcement may contain or incorporate by reference "forward-looking statements" regarding the belief or current expectations of the Company, its Board of directors and other members of its senior management about the Company's businesses and the transactions described in this Announcement. Generally, words such as "may", "could", "will", "expect", "intend", "estimate", "anticipate", "believe", "plan", "seek", "continue" or similar expressions identify forward-looking statements. These forward-looking statements are not guarantees of future performance. Rather, they are based on current views and assumptions and involve known and unknown risks, uncertainties and other factors, many of which are outside the control of the Company and are difficult to predict, that may cause actual results to differ materially from any future results or developments expressed or implied from the forward-looking statements. Such risks and uncertainties include the effects of continued or increasing volatility in international financial markets, economic conditions both internationally and in individual markets in which the Ezra group of companies (the "Group") operates, and other factors affecting the level of the Group's business activities and the costs and availability of financing for the Group's activities. Any forward-looking statement contained in this Announcement based on past or current trends and/or activities of the Group should not be taken as a representation that such trends or activities will continue in the future. No statement in this Announcement is intended to be a profit forecast or to imply that the earnings of the Company for the current year or future years will necessarily match or exceed the historical or published earnings of the Company. Each forward-looking statement speaks only as of the date of the particular statement. The Company and DBS Bank expressly disclaim any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in the Company's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.