



EZRA HOLDINGS LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration Number: 199901411N)

RESTRUCTURING PROCEEDINGS COMMENCED IN THE UNITED STATES

1. RESTRUCTURING PROCEEDINGS COMMENCED IN THE UNITED STATES

The Board of Directors (the “**Board**”) of Ezra Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) wishes to announce that on 18 March 2017 the Company, together with its wholly-owned subsidiaries, EMAS IT Solutions Pte Ltd and Ezra Marine Services Pte. Ltd (collectively, the “**Ezra Chapter 11 Entities**”), filed voluntary petitions for reorganization under Chapter 11 of the United States Bankruptcy Code (the “**Ezra Chapter 11 Filing**”) in order to facilitate the financial restructuring of the Ezra Chapter 11 Entities, and consequently, the Group.

2. ENGAGEMENT WITH STAKEHOLDERS

The Board commenced the Ezra Chapter 11 Filing, which it believes to be in the best interest of all of the Company’s stakeholders, to achieve a sustainable capital structure for the Group and financial restructuring of the Ezra Chapter 11 Entities through a transparent restructuring process under the supervision of the United States Bankruptcy Court.

The Ezra Chapter 11 Filing is intended to optimize the scope and extent of the restructuring options available and to protect the interests of all stakeholders of the Company (including its creditors and shareholders) from hostile actions that could harm the Company and its stakeholders by diminishing the Group’s value. The moratorium afforded under the Ezra Chapter 11 Filing stays claims against the Ezra Chapter 11 Entities and enforcement actions against their assets.

The Ezra Chapter 11 Filing is also intended to:

- (a) support continuing efforts to realize value for creditors and stakeholders of the Group;
- (b) create a stable and collective process for restructuring; and
- (c) expand rehabilitation options to preserve value for all stakeholders of the Group.

3. **S\$150,000,000 4.875 PER CENT. NOTES DUE 2018 COMPRISED IN SERIES 003 (ISIN: SG55F3991618) (THE “NOTES”)**

Arising from the Ezra Chapter 11 Filing, the holders of the Notes (“**Noteholders**”) may seek to assert rights in the Chapter 11 case, Notwithstanding the foregoing, it is the intention of the Company to engage and convene meetings with the Noteholders with the aim of updating the Noteholders on the Company’s current position and providing further information in relation to the Ezra Chapter 11 Filing. The Company will be reaching out to HSBC Institutional Trust Services (Singapore) Limited as trustee for the Noteholders to begin this process with the Noteholders as soon as practicable. The Company has also reached out to, and intend to work with, the Securities Investors Association (Singapore) (“**SIAS**”). The Company intends to include the SIAS as it engages with the Noteholders.

4. **NOTE TO CAUTION**

As disclosed in the Company’s unaudited financial results for the financial year and fourth quarter ended 31 August 2016 and the announcements by the Company on 3 February 2017 and 2 March 2017, the Company and the Group will be faced with a going concern issue if the on-going initiatives by the Company to review options to preserve value for the Group and to restructure its businesses, operations and balance sheet are not favourably completed in a timely manner.

The Company had previously disclosed in the announcements:

- (a) on 3 February 2017 that the Group received, from time to time, letters of demand as well as reservation of rights letters from its counterparties, including a statutory demand issued by one of the Company’s lenders;
- (b) on 7 February 2017 that the Company received a statutory demand from the solicitors of Forland Subsea AS (“**Forland**”) in relation to a claim made by Forland against the Company for payment of a sum amounting to approximately NOK25.5 million (approximately S\$4.4 million) that is due and owing by the Company as the parent corporate guarantor for the charterparty dated 4 December 2012 wherein Forland agreed to charter the vessel “LEWEK INSPECTOR” to EMAS-AMC AS;
- (c) on 6 March 2017 that the Company received a summons in a civil action from VT Halter Marine, Inc. (“**VTH**”) on 6 March 2017 with respect to the civil action lawsuit filed by VTH on 27 February 2017 against EMAS Chiyoda Subsea, Inc. (“**ECS US**”), which is an associated company of the Company, and the Company in the United States District Court for the Southern District of Mississippi (“**Suit**”) with a claim for an amount of US\$3,298,153.22. The cause of action in respect of the Suit relates to the breach of loan agreement by ECS US and the guarantee provided by the Company in relation to the loan agreement;
- (d) on 9 March 2017 that the Company received a statutory demand from the solicitors of VTH on 9 March 2017 in relation to a claim made by VTH against the Company for payment of a sum of US\$3,207,663.36 together with accruing interest that is due and owing by the Company as the parent guarantor for the loan agreement entered into between VTH and ECS US on 26 February 2015; and
- (e) on 17 March 2017 that the Company received a demand from the solicitors of Serimax North America, LLC (“**Serimax**”) on 15 March 2017 in relation to a claim made by Serimax against the Company for payment of a sum of US\$4,451,307.08 that is due and owing by

the Company under a guarantee granted by the Company to Serimax in connection with a Promissory Note dated 18 April 2016 entered into between Serimax and ECS US.

Further, as disclosed in the announcement by the Company on 2 March 2017, the voluntary petitions filed by its associated company, EMAS CHIYODA Subsea Limited (“**ECS**”, together with its subsidiaries, the “**ECS Group**”) on 27 February 2017 for reorganisation under Chapter 11 of the U.S. Bankruptcy Code to facilitate the ECS Group’s financial and operational restructuring (the “**ECS Chapter 11 Filing**”), together with the members’ voluntary liquidation of ECS’ Norway-based wholly-owned subsidiary, EMAS-AMC AS, in Norway do not deal with the Company’s guarantee obligations in relation to (i) charter hire liabilities in connection with vessels chartered by the ECS Group, of which a substantial proportion of these liabilities of approximately US\$0.4 billion has been guaranteed by the Company; (ii) approximately US\$0.5 billion of loans owing by the ECS Group to financial institutions that are guaranteed by the Company; and (iii) substantial, but not quantifiable, contingent liabilities in relation to performance and/or bank guarantees granted by and/or procured by the Company for projects undertaken by the ECS Group. As previously disclosed on the 2 March 2017 announcement, the Company will face an immediate going concern issue in the event claims are made against the Company in relation to any or all of these guarantees.

Notwithstanding the foregoing, the Company will continue to engage and work closely with all stakeholders to achieve the best possible consensual restructuring for all interested parties. Through the protection and transparency of these restructuring processes, the Ezra Chapter 11 Entities intend to lay the foundation for long-term stability for the Group and success in the future.

Further announcements will be made by the Company and the Board via SGXNET as and when there are any material developments in compliance with the listing rules of the Singapore Exchange Securities Trading Limited.

Stakeholders and potential investors should exercise caution when trading in the Company’s shares in relation to this Announcement as well as the announcement released by the Company on 2 March 2017. When in doubt as to the action they should take, stakeholders and potential investors should consult their financial, tax or other advisers.

By Order of the Board

Shannon Ong
Company Secretary
19 March 2017