EMAS Offshore Limited

(formerly known as EOC Limited)

4th Quarter FY2014 and

Preliminary Full Year 2014 (FY2014)

Unaudited Consolidated

Financial Information

Together We Deliver

1. Introduction

EMAS Offshore Limited ("EOL", "the Company" or "the Group"), formerly known as EOC Limited, incorporated in February 2007, was a provider of offshore accommodation, construction and production vessels and services. It was spun off from Ezra Holdings Limited ("Ezra" or "Ezra Group"), a leading global offshore contractor and provider of integrated offshore solutions to the oil and gas ("O&G") industry, and listed on the Oslo Børs in 2007.

The Company's excellent operational and HSE (health, safety and environment) track record allowed the Company to establish strong working relationships with leading international oil majors, national oil companies and various independent operators.

On 3 October 2014, the Company completed its business combination with Ezra's Offshore Support Services division, EMAS Marine and acquired 44 offshore vessels (comprising 24 anchor handling, towing and supply vessels, seven anchor handling tugboats and 10 platform supply vessels, one offshore accommodation vessel and two barges) ("Business Combination"). After the business combination, EOL became an established offshore services provider offering offshore support services, accommodation, construction and production services to customers in the oil and gas industry throughout the oilfield lifecycle, spanning exploration, development, production and decommissioning stages. Headquartered in Singapore, EOL holds a leading market position in Asia Pacific, with global operations across Latin America, Africa and Australia.

The Company was subsequently secondary-listed on the SGX-ST on 8 October 2014 and became a dual-listed company in both Norway and Singapore.

2. Company Profile

Prior to the Business Combination, the Group operates and owns/has interests in two accommodation and construction barges, two heavy-lift pipelay construction vessels and two floating, production, storage and offloading vessel ("FPSO") systems. In addition, EOL provides engineering, project management and installation services for production projects.

EOL's core capabilities were in two main business segments, namely:

- Offshore Construction ("Construction")
- Offshore Production ("Production")

For the Construction Division, services provided include chartering and operation of offshore accommodation work barges, heavy-lift and related offshore support services as well as pipe-laying services. Under the Production Division, EOL provides engineering, project management, installation and offshore and marine services in the fixed and floating production sectors, as well as provision and management of FPSO systems.

After the Business Combination, the Group's business activities were reorganized into two core business segments namely: (i) the Offshore Support and Accommodation Services division, and (ii) the Offshore Production Services division.

The Offshore Support and Accommodation Services division specialises in the provision of offshore support and accommodation vessels for charter to service customers in the offshore oil and gas industry, with a focus on the development and production phases of the oilfield lifecycle. This division also provides ship management services for third party vessels.

The Offshore Production Services division specialises in the provision and operations of FPSO systems and related services which are key assets enabling the extraction, storage and offloading of crude oil and gas from offshore hydrocarbon reservoirs. In addition, our Offshore Production Services division provides engineering and project management services for the conversion of FPSOs and production facilities to third party clients.

3. Strategy

Going forward, the Group's strategies are as follows:

Geographical Strategy - leverage and consolidate in Southeast Asia and expand in selected areas with growth potential such as East Africa, North Africa, West Africa, as well as the Middle East.

Operational excellence – continuously build up our capabilities by investing in our workforce and developing operational reliability with fleet maintenance programmes in line with stringent industry standards.

Asset optimisation – review and optimise our fleet in terms of size and composition so that our fleet remains relevant to market drivers and retain operational flexibility. The Group will constantly identify trends in demand and supply dynamics to optimise and renew our fleet through newbuilds, acquisitions and disposals.

Leveraging on synergies with Ezra Group to win tenders – Combining the Group's global platform and strong track record in clinching tenders with the global business network of the Ezra Group will provide us with quick access to new markets.

4. Outlook

Exploration in new deepwater fields has been increasing, due to rapid growth in offshore activity and relatively limited vessel deployment. This expected growth in deepwater activity is likely to increase the demand for a young technologically-advanced offshore fleet which is capable of operating safely and efficiently in deepwater or remote harsh areas.

The Group also believes that there are particular opportunities in the offshore accommodation and support segment of the market, driven by new projects and an expected increase in maintenance, modification and operations activity on existing oil and gas infrastructure, as accommodation vessels are needed to support on-site workers.

Although there has been recent volatility in global markets, the Group expects that the long term fundamentals of the oil and gas industry will continue to support offshore development and production activity, and demand for offshore assets and services. The Group remains cautiously optimistic of its business prospects, barring any prolonged periods of decline in the global economy and level of activity in the global offshore industry.

6. Consolidated Statement of Profit or Loss and Other Comprehensive Income (in USD thousands)

	3 months ended			Year ended		
	31 Aug 2014	31 Aug 2013	% increase/ (decrease)	31 Aug 2014	31 Aug 2013	% increase/ (decrease)
Revenue	13,539	12,331	10%	46,974	43,071	9%
Cost of sales	(8,974)	(5,556)	62%	(27,895)	(20,540)	36%
Gross profit	4,565	6,775	(33%)	19,079	22,531	(15%)
Other operating (expenses) income, net	(1,911)	3,408	n.m.	34,139	4,362	683%
Administrative expenses	(3,305)	(2,748)	20%	(10,374)	(10,251)	1%
(Loss) Profit from operations	(651)	7,435	n.m.	42,844	16,642	157%
Financial income	793	650	22%	2,294	1,970	16%
Financial expenses	(750)	(1,968)	(62%)	(5,752)	(8,328)	(31%)
Share of profit of associates	4,046	7	n.m.	15,417	1,306	n.m.
Share of profit of joint venture companies	71	40	78%	144	188	(23%)
Profit before income tax	3,509	6,164	(43%)	54,947	11,778	367%
Income tax	239	(105)	n.m.	(203)	(686)	(70%)
Profit for the financial period/year representing total comprehensive income for the financial period/year	3,748	6,059	(38%)	54,744	11,092	394%
Other Comprehensive Income:						
Net loss on cash flow hedges	(158)	(489)	(68%)	(297)	(489)	(39%)
Fair value changes during the financial period/year	(8,957)	7,637	n.m.	3,195	7,637	(58%)
Total Comprehensive Income for the financial period/year	(5,367)	13,207	n.m.	57,642	18,240	216%
Profit for the financial period/year attributable to:						
Equity holder of the Company	3,743	6,070	(38%)	54,707	11,074	394%
Non-controlling interests	5	(11)	n.m.	37	18	106%
Total comprehensive income for the financial period/year	3,748	6,059	(38%)	54,744	11,092	394%
Earnings per share (US cents)	3.37	5.47	(38%)	49.31	9.98	394%

Notes:
Profit for the financial period/year is arrived at after (charging)/crediting the following:

	3 months ended			Year ended		
	31 Aug 2014	31 Aug 2013	% increase/ (decrease)	31 Aug 2014	31 Aug 2013	% increase/ (decrease)
Exchange (loss) gain	(87)	662	n.m.	(465)	87	n.m.
Depreciation	(955)	(2,654)	(64%)	(6,975)	(10,620)	(34%)
Fair value gain on derivative financial instruments	-	200	(100%)	-	814	(100%)
Gain on disposal of fixed asset and non-current asset held for sale	-	3,039	(100%)	36,394	3,039	n.m.
Business Combination transaction and listing related expenses	(1,819)	-	n.m.	(1,819)	-	n.m.

n.m. – Not meaningful

7. Consolidated Statement of Financial Position (in USD thousands)

	As at 31 Aug 2014	As at 31 Aug 2013	% Increase / (Decrease)
ASSETS			
Current assets			
Cash and bank balances	53,370	60,647	(12%)
Trade receivables	4,873	3,970	23%
Other receivables, deposits and prepayments	55,602	95,483	(42%)
Available for sale investment	63,082	59,887	5%
Total current assets	176,927	219,987	(20%)
Non-current assets			
Property, plant and equipment	86,618	161,230	(46%)
Investment in associates	238,697	167,809	42%
Investment in joint venture	19,033	638	n.m.
Long term receivables	22,589	-	n.m.
Total non-current assets	366,937	329,677	11%
Total assets	**543,864**	**549,664**	(1%)
LIABILITIES AND EQUITY			
Current liabilities			
Bank loans	70,297	101,737	(31%)
Trade payables	39,819	51,137	(22%)
Other payables and accruals	53,873	44,245	22%
Income tax payable	1,348	881	53%
Total current liabilities	165,337	198,000	(16%)
Non-current liabilities			
Bank loans	96,525	137,590	(30%)
Other payables and accruals	48,081	37,800	27%
Derivative financial instruments	494	489	1%
Total non-current liabilities	145,100	175,879	(18%)
Capital and reserves			
Share capital	94,578	94,578	-
Hedging Reserves	(786)	(489)	61%
Fair Value Adjustment Reserves	10,832	7,637	42%
Restructuring deficit	(31,191)	(31,191)	-
Accumulated profits	159,760	105,053	52%
	233,193	175,588	33%
Non-controlling interests	234	197	19%
Total equity	233,427	175,785	33%
Total liabilities and equity	**543,864**	**549,664**	(1%)

8. Consolidated Statement of Changes in Equity (in USD thousands)

(i) Statement of changes in equity for the financial year ended 31 August 2014

	Share capital	Hedging Reserves	Fair Value Adjustment Reserves	Restructuring deficit	Accumulated profits	Total equity attributable to owners of the Parent	Non-controlling interest	Total equity
At 31 August 2013	94,578	(489)	7,637	(31,191)	105,053	175,588	197	175,785
Total comprehensive income for the financial year	-	(297)	3,195	-	54,707	57,605	37	57,642
At 31 August 2014	94,578	(786)	10,832	(31,191)	159,760	233,193	234	233,427

(ii) Statement of changes in equity for the financial year ended 31 August 2013

	Share capital	Hedging Reserves	Fair Value Adjustment Reserves	Restructuring deficit	Accumulated profits	Total equity attributable to owners of the Parent	Non-controlling interest	Total equity
At 31 August 2012	94,578	-	-	(31,191)	93,979	157,366	179	157,545
Total comprehensive income for the financial year	-	(489)	7,637	-	11,074	18,222	18	18,240
At 31 August 2013	94,578	(489)	7,637	(31,191)	105,053	175,588	197	175,785

Consolidated Statement of Profit or Loss and Other Comprehensive Income

The discussion below refers to the three months covering the financial period ended 31 August 2014 ("4Q FY2014") and the corresponding figures are for the three months covering the financial period ended 31 August 2013 ("4Q FY2013") for the Group's consolidated financial information prior to the Business Combination. The discussion should be read in conjunction with the first half financial year 2014 announcement for the period ended 28 February 2014 released on 8 April 2014 and the third quarter announcement for the three months period ended 31 May 2014 released on 8 July 2014 to obtain an overall understanding of the results for the full year results ended 31 August 2014.

Revenue

Revenue for 4Q FY2014 was USD 13.5 million, an increase of 10% or USD 1.2 million from USD 12.3 million in 4Q FY2013. The increase was mainly due to higher revenue contribution from higher charter rate from *Lewek Conqueror* on a new charter contract commencing in 3Q FY2014. The vessel is engaged in the accommodation and support services for a project in South East Asia.

Gross profit

Gross profit for 4Q FY2014 amounted to USD 4.6 million, as compared to USD 6.8 million in 4Q FY2013. The increase was mainly due to the change in cost structure resulting from a sale and leaseback transaction on *Lewek Champion*.

Other operating (expense) income, net

Other operating expenses, net for 4Q FY2014 amounted to USD 1.9 million compared to an operating income, net of USD 3.4 million in 4Q FY2013. 4Q FY2014's balance included professional fees incurred on the Business Combination transaction and secondary listing expense of USD 1.8 million while the corresponding comparative period included a gain on divestment of a 51% stake in the FPSO, *Perisai Kamelia* of USD 2.9 million.

Administrative expense

Administrative expenses for 4Q FY2014 was USD 3.3 million, an increase of 20% or 0.6 million from USD 2.7 million in 4Q FY2013. The increase was mainly due to additional resources utilised in marketing and business development and allocated costs incurred in relation to the structuring and preparation for the Business Combination transaction.

Financial income

Financial income relates mainly to interest income derived from loan to an associate as well as cash and fixed deposits placed with banks.

Financial expense

Financial expense refers to interest incurred on bank loans. The decrease in interest expense was in line with the repayment of bank loan upon the completion on sale of *Lewek Champion.*

Share of profit of associates

The share of profit of associates represents the contribution from operations of *Perisai Kamelia, Lewek EMAS and Enterprise 3*. The increase was mainly due to a full quarter share of contribution from *Perisai Kamelia* and improved operating performance from *Lewek EMAS,* but this was partially offset by the reactivation costs and operating loss incurred from *Enterprise 3*.

Income tax

Income tax relates to the amount paid or expected to be paid to the respective tax authorities. The Group has exposure to income tax in various jurisdictions. The tax rates and tax laws used to compute the amounts are those that had been enacted or substantively enacted at the end of the reporting periods. The current period's tax credit relates to an overprovision of tax by a subsidiary in a prior year.

Consolidated Statement of Financial Position

The discussion below refers to the financial position of the Group as at 31 August 2014 and 31 August 2013.

The Group's total assets amounted to USD 543.9 million as at 31 August 2014 and USD 549.7 million as at 31 August 2013. The decrease is mainly due to the sale of *Lewek Champion* for USD 111.3 million and the use of sale proceeds to repay a bank loan. The decrease is partially offset by the increase in investment in associates and joint ventures and acquisition of *Lewek Alphard* for USD 32.5 million and two offshore accommodation vessels, which are currently under construction.

The Group's total liabilities amounted to USD 310.4 million as at 31 August 2014 and USD 373.9 million as at 31 August 2013. The decrease was mainly due to the repayment of bank loans amounting to USD 131.0 million which include the loan relating to *Lewek Champion* as mentioned above.

Events after year end

The Company entered into a business combination agreement with Ezra Holdings Limited ("Ezra") (the "Business Combination Agreement") in connection with the proposed acquisition of the following companies held by Ezra (the "OSS Companies") on 10 July 2014:

(i) Aries Warrior AS;
(ii) Aries Warrior DIS;
(iii) Bayu Emas Maritime Sdn Bhd;
(iv) Bayu Intan Offshore Sdn Bhd;
(v) Emas Offshore (Labuan) Bhd;
(vi) Emas Offshore (M) Sdn Bhd;

(vii) Emas Offshore (Thailand) Ltd;
(viii) Emas Offshore Pte. Ltd.;
(ix) Emas Offshore Services (Australia) Pty Ltd;
(x) Emas Offshore Services (B) Sdn Bhd;
(xi) Emas Offshore Services (M) Sdn Bhd;
(xii) Emas Offshore Services Nigeria Limited;
(xiii) Emas Offshore Services Pte. Ltd.;
(xiv) Genesis Offshore Sdn Bhd;
(xv) Lewek Altair Shipping Private Limited;
(xvi) Lewek Aries Pte. Ltd.;
(xvii) Lewek Crusader Shipping Pte. Ltd.;
(xviii) Lewek Ebony Shipping Pte. Ltd.;
(xix) Lewek Ivory Shipping Pte. Ltd.;
(xx) Lewek LB1 Shipping Pte. Ltd.;
(xxi) Lewek Robin Shipping Pte. Ltd.;
(xxii) Lewek Ruby Shipping Pte. Ltd.;
(xxiii) Lewek Shipping Pte. Ltd.;
(xxiv) Tunis Oil Pte. Ltd.;
(xxv) Lewek Antares Shipping Pte. Ltd.;
(xxvi) Intan Offshore Sdn Bhd and its subsidiaries; and
(xxvii) Emas Offshore Services (Philippines) Inc.,

The shareholders' approval for the Business Combination Agreement was obtained in the Extra General Meeting ("EGM") held on 22 August 2014. The settlement terms of the Business Combination Agreement was subsequently varied via a supplemental letter on 23 September 2014. Under the Business Combination Agreement and the supplemental letter, the consideration of USD 520.0 million is to be satisfied via the following:

(i) USD 25.0 million, payable in cash;
(ii) USD 370.0 million, satisfied by the allotment and issue by our Company to Ezra of 280,133,252 consideration shares based on the issue price of NOK 8.18 per share; and
(iii) the balance of USD 125.0 million is to be deferred in accordance with the terms and conditions set out below ("Seller's Credit").

The salient terms and condition of the Seller's Credit are as follows:

(i) It is an unsecured Seller's Credit;
(ii) It carries a distribution rights as follows:
- 0% interest rate for the first 12 months; and
- 3.5% interest rate for the remaining periods;

(iii) It can be repaid in whole or in part, at any time by giving notice but shall be repaid in full at the end of 36 months from the date of completion of the Business Combination Agreement;
(iv) The Company may elect to defer the distribution subject to written consent from Ezra.

On 8 October 2014, the Company completed its secondary listing on the Main Board of the SGX-ST. Gross proceeds of S$58.8 million were raised from the public offering through the issuance of 48,585,000 new ordinary shares at the issue price of S$1.21 per share.

9. Consolidated Statement of Cash Flows (in USD thousands)

	3 months ended		Year ended	
	31 Aug 2014	**31 Aug 2013**	**31 Aug 2014**	**31 Aug 2013**
Net cash flow (used in) from operating activities	(7,737)	9,640	(18,817)	20,572
Net cash flow (used in) from investing activities	(70,326)	(50,901)	84,045	(128,064)
Net cash flow from (used in) financing activities	53,005	40,564	(62,579)	105,582
Net (decrease) increase in cash and cash equivalents	(25,058)	(697)	2,649	(1,910)
Cash and cash equivalents at beginning of financial period/year	34,161	7,151	6,454	8,364
Cash and cash equivalents at end of financial period/year	9,103	6,454	9,103	6,454

Note:

Breakdown of cash and cash equivalents is as follows:

	As at	
	31 Aug 2014	**31 Aug 2013**
Cash and bank balances	53,370	60,647
Less: Restricted cash/charged accounts	(44,267)	(54,193)
Cash and cash equivalents	9,103	6,454

10. Bank loans (in USD thousands)

	As at	
	31 Aug 2014	**31 Aug 2013**
Amount repayable in one year or less, or on demand		
Secured	31,027	42,404
Unsecured	39,270	59,333
	70,297	101,737
Amount repayable after one year		
Secured	78,110	135,635
Unsecured	18,415	1,955
	96,525	137,590
Total	166,822	239,327

Details of any collateral

The above bank loans are secured by way of legal mortgages on the vessels and cash deposits of the Group.

11. Share capital

The Company's total issued shares is 110,954,502 as at 31 August 2014 (31 August 2013: 110,954,502). There are no treasury shares (31 August 2013: Nil).

Subsequent to year end, the Company:

(i) issued 280,133,252 shares for USD 370.0 million settlement pursuant to the Business Combination Agreement; and

(ii) issued 48,585,000 shares at S$ 1.21 each for cash in connection with the Placement and the Public Offer for admission into the Mainboard of the SGX-ST.

12. Dividends

On 7 August 2014, the directors declared a conditional interim dividend of Norwegian Krone ("NOK") 1.12 per share, conditional upon the fulfilment or waiver of the conditions precedent for completion of the Business Combination Agreement. On 29 September 2014, the Company announced that the condition for payment of the dividend has been fulfilled. The conditional dividend was paid on 8 October 2014.

	For year ended	
	31 Aug 2014	**31 Aug 2013**
Name of dividend	Interim	-
Type of dividend	Cash	-
Dividend per share (NOK)	1.12	-
Annual dividend (NOK thousands)	124,269	-
Tax rate	One-tier tax exempt	-

13. Segment Information (in USD thousands)

Prior to the Business Combination, the Group is organised into two main operating divisions, namely Construction and Production.

Business segments

The following table presents revenue and results information regarding the Group's business segments for the financial year ended 31 August 2014 and 31 August 2013:

	Construction		Production		Total	
	Year ended 31 Aug 2014	**Year ended 31 Aug 2013**	**Year ended 31 Aug 2014**	**Year ended 31 Aug 2013**	**Year ended 31 Aug 2014**	**Year ended 31 Aug 2013**
Revenue	39,774	39,432	7,200	3,639	46,974	43,071
Profit from operations	41,240	12,030	1,604	4,612	42,844	16,642
Allocated financial expenses	(1,728)	(3,752)	(878)	(1,821)	(2,606)	(5,573)
Unallocated financial expenses					(3,146)	(2,755)
Financial income					2,294	1,970
Share of profit of associates					15,417	1,306
Share of profit of joint venture companies					144	188
Income tax					(203)	(686)
Profit for the financial year					54,744	11,092

Business segments (cont'd)

The following tables present assets and liabilities related to the Group's business segments as at 31 August 2014 and 31 August 2013:

	As at 31 August 2014					
	Construction	**Production**	**Jointly Used**	**Unallocated**	**Elimination**	**Total**
Assets						
Segment Assets	224,931	87,654	240,665	161,743	(171,129)	**543,864**
Liabilities						
Segment Liabilities	93,814	50,208	238,328	99,216	(171,129)	**310,437**

Note: "Jointly Used" refers to assets and liabilities used by both the Construction and Production segment.

	As at 31 August 2013					
	Construction	**Production**	**Jointly Used**	**Unallocated**	**Elimination**	**Total**
Assets						
Segment Assets	246,430	70,397	213,974	252,365	(233,502)	**549,664**
Liabilities						
Segment Liabilities	158,862	52,670	207,227	188,580	(233,460)	**373,879**

	Construction		Production		Total	
	Year ended 31 Aug 2014	**Year ended 31 Aug 2013**	**Year ended 31 Aug 2014**	**Year ended 31 Aug 2013**	**Year ended 31 Aug 2014**	**Year ended 31 Aug 2013**
Other information:						
Capital expenditure	43,706	17,424	-	-	43,706	17,424
Depreciation	6,975	10,620	-	-	6,975	10,620

Geographical segment

Revenue and non-current assets by geographical segment are presented below:

a) Revenue – Note 1

	Year ended 31 Aug 2014	Year ended 31 Aug 2013	% Increase/ (Decrease)
Singapore	38,431	35,190	9%
Southeast Asia	8,010	7,396	8%
Others	533	485	10%
Total	46,974	43,071	9%

b) Non-current assets – Note 2

	As at 31 August 2014	As at 31 August 2013	% Increase/ (Decrease)
Singapore	348,308	313,090	11%
British Virgin Islands	18,629	16,587	12%
Total	366,937	329,677	11%

Information about major customers

For the financial year ended 31 August 2014, revenue from the Group's major customers per segment was as follows:

	Year ended 31 Aug 2014
Construction division:	
Customer 1	23,050
Customer 2	13,520
Customer 3	2,889
Production division	4,917

For the financial year ended 31 August 2013, revenue from the Group's major customers per segment was as follows:

	Year ended 31 Aug 2013
Construction division:	
Customer 1	21,952
Customer 2	10,220
Customer 3	7,289
Production division	-

Notes:

1) Revenue is based on the location of customers
2) Non-current assets are based on the location of the companies that own those assets

n.m. – Not meaningful

14. Significant Related Party Transactions (in USD thousands)

	Year ended 31 Aug 2014	Year ended 31 Aug 2013
Income		
Charter revenue from related parties	36,515	32,153
Interest income from an associate	1,735	1,735
Project management service income from an associate	3,115	3,136
Engineering services charged to related parties	673	-
Expenses		
Charter expenses charged by related parties	130	1,804
Vessel operating expenses charged by related parties	6,926	4,113
Interest expenses charged by a related party	875	901
Management fees charged by related parties	1,887	3,246
Engineering service expenses charged by related parties	13,741	10.609
Rental expense charged by a related party	119	320
Vessel demobilization expenses charged by a related party	-	2,200
Vessel hook-up and installation expenses by related parties	12,983	35,898
Purchase of equipment and services from related parties	188	-
Insurance consultancy fee charged by a related company	-	2,232
Dry docking expenses charged by a related party	2,641	-
Key management personnel compensation		
- Salaries, bonus and allowance	1,075	1,300
- Defined contribution plan expense	11	9

15. Fair values of financial assets and financial liabilities

The management considers that the carrying amounts of cash and cash equivalents, trade and other current receivables and payables approximate their respective fair values due to the relatively short-term maturity of these financial instruments. The fair values of other classes of financial assets and liabilities are disclosed in the respective notes to financial statements.

The Group classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

(a) quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
(b) inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2); and
(c) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

The Group's available-for-sale investment is classified as Level 1. The Group's derivative financial instrument is classified as Level 2. There were no transfers between the different levels of the fair value hierarchy during the financial year.

16. Operations in the interim period

The Group's operations are generally not subject to seasonal fluctuations.

17. Commitments (USD thousands)

As at 31 August 2014, our Company had the following capital commitments relating to purchase of equipment, vessel, newbuilds and amount committed for investment in associates.

	As at 31 Aug 2014
Purchase of vessel equipment	38,531
Vessel purchase/newbuilds	71,976
Amount committed for investment in associates	985
	111,492

18. Selected Notes to the Accounts

(i) Basis of preparation

The financial statements have been prepared in accordance with the historical cost basis, except as disclosed in the accounting policies below, and are drawn up in accordance with provisions of the Singapore Companies Act and Singapore Financial Reporting Standards ("FRS").

The financial statements in prior years have been prepared and drawn up in accordance with provisions of the Singapore Companies Act and International Financial Reporting Standards ("IFRS").

The consolidated financial information has not been audited or reviewed.

(ii) Adoption of New And Revised Standards

The Group has adopted all the new and revised FRSs and Interpretations of FRSs ("INT FRSs") that are relevant to its operations and effective for annual periods beginning of the Relevant Periods. The adoption of these new/revised FRSs, INT FRSs and amendments to FRSs does not result in changes to the Group's accounting policies and has no material effect on the amounts reported for the current or prior years.

(iii) Critical accounting judgments and key sources of estimation uncertainty

In the application of the Group's accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

18. Selected Notes to the Accounts (cont'd)

iii) Critical accounting judgments and key sources of estimation uncertainty (cont'd)

a) Critical judgments in applying the Group's accounting policies

Management is of the opinion that there are no instances of application of judgements (other than those arising from estimates discussed below) are not expected to have a significant effect on the amounts recognised in the financial statements except as follows:

b) Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the financial year, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next six months and the next financial year, are discussed below.

Residual values and estimated useful lives of vessels

Vessels are depreciated on a straight-line basis over their estimated useful lives. The estimated useful lives reflect management's estimate of the periods over which the Group intends to derive future economic benefits from the use of vessels. Changes in business plans and strategies, expected level of usage and future technological developments could affect the economic useful lives and the residual values of these assets, so future depreciation charges could be revised.

Impairment of property, plant and equipment

The Group assesses annually whether its property, plant and equipment exhibit any indication of impairment. In instances where there are indicators of impairment, the recoverable amounts of property, plant and equipment have been determined based on market valuations obtained from professional valuers or value-in-use calculations.

18. Selected Notes to the Accounts (cont'd)

iii) Critical accounting judgments and key sources of estimation uncertainty (cont'd)

b) Key sources of estimation uncertainty (cont'd)

Impairment in investment in an associate or a joint venture

Determining whether an investment in an associate or a joint venture is impaired requires an estimation of the value-in-use of those investments. The value-in-use calculation requires the Group to estimate the future cash-flows expected from the cash-generating units and an appropriate discount rate in order to calculate the present value of the future cash flows. Management has evaluated the recoverability of those investments based on such estimates and is confident that the allowance for impairment, where necessary, is adequate.

Income taxes

The Group has exposure to income tax in numerous jurisdictions. Significant judgment is involved in determining the group-wide provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were recognised initially, such differences will affect the income tax and deferred tax provisions in the year in which such determinations are made.

(iv) Foreign currency transactions and translation

The individual financial statements of each group entity are measured and presented in the currency of the primary economic environment in which the entity operates (its functional currency). The consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are presented in United States dollars, which is the functional currency of the Company, and the presentation currency for the consolidated financial statements.

18. Selected Notes to the Accounts (cont'd)

iv) Foreign currency transactions and translation (cont'd)

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency are recorded at the rate of exchange prevailing on the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the end of the reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising from the settlements of monetary items and from retranslation of monetary items are included in profit or loss for the period. Exchange differences arising from the retranslation of non-monetary items carried at fair value are included in profit or loss for the year except for differences arising from the retranslation of non-monetary items in respect of which gains and losses are recognised directly in other comprehensive income. For such non-monetary items, any exchange component of that gain or loss is also recognised directly in other comprehensive income.

In the case of a partial disposal (i.e. no loss of control) of a subsidiary that includes a foreign operation, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and arenot recognised in profit or loss. For all other partial disposals (i.e. of associates or jointly controlled entities that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

Goodwill and fair value adjustments arising from the acquisition of a foreign operation are treated as assets and liabilities at the foreign operation and translated at the closing rate.

(v) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

18. Selected Notes to the Accounts (cont'd)

v) Basis of consolidation (cont'd)

The results of subsidiaries acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the effective date of acquisition and up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with those used by other members of the Group.

All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

Non-controlling interests in subsidiaries are identified separately from the Group's equity therein. The interest of non-controlling shareholders initially that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured (at date of original business combination) either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another FRS. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

18. Selected Notes to the Accounts (cont'd)

v) Basis of consolidation (cont'd)

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest; and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. Amounts recognised previously in other comprehensive income in relation to the subsidiary are accounted for (i.e. reclassified to profit or loss or transferred directly to retained earnings) in the same manner as would be required if the relevant assets or liabilities were disposed of. The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under *IAS 39 Financial Instruments: Recognition and Measurement* or, when applicable, the cost on initial recognition of an investment in an associate or jointly controlled entity.

(vi) Available-for-sales financial asset

Certain shares and debt securities held by the Group are classified as being available for sale and are stated at fair value. Fair value is determined in the manner described in Note 4 to the financial statements. Gains and losses arising from changes in fair value are recognised in other comprehensive income with the exception of impairment losses, interest calculated using the effective interest method and foreign exchange gains and losses on monetary assets which are recognised directly in profit or loss. Where the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously recognised in other comprehensive income and accumulated in revaluation reserve is reclassified to profit or loss. Dividends on available-for-sale equity instruments are recognised in profit or loss when the group's right to receive payments is established. The fair value of available-for-sale monetary assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at end of the reporting period. The change in fair value attributable to translation differences that result from a change in amortised cost of the asset is recognised in profit or loss, and other changes are recognised in other comprehensive income.

(vii) Associate

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

18. Selected Notes to the Accounts (cont'd)

vii) Associate (cont'd)

The results and assets and liabilities of associates are incorporated in these financial statements using the equity method of accounting, except when the investment is classified as held for sale, in which case it is accounted for under *FRS 105 Non-current Assets Held for Sale and Discontinued Operations*. Under the equity method, investments in associates are carried in the consolidated statement of financial position at cost as adjusted for post-acquisition changes in the Group's share of the net assets of the associate, less any impairment in the value of individual investments. Losses of an associate in excess of the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate) are not recognised, unless the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the associate recognised at the date of acquisition is recognised as goodwill. The goodwill is included within the carrying amount of the investment in associate and is assessed for impairment as part of the investment. Any excess of the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognised immediately in profit or loss.

When control is lost, the fair value of the investment retained in former subsidiary shall be regarded as the cost of initial recognition of an investment in an associate.

Where a Group entity transacts with an associate of the Group, the profits and losses are eliminated to the extent of the Group's interest in the relevant associate.

(viii) Joint venture

A joint venture is a contractual arrangement whereby the Group and other parties undertake an economic activity that is subject to joint control, that is when the strategic financial and operating policy decisions relating to the activities require the unanimous consent of the parties sharing control.

18. Selected Notes to the Accounts (cont'd)

viii) Joint venture (cont'd)

Where a group entity undertakes its activities under joint venture arrangements directly, the Group's share of jointly controlled assets and any liabilities incurred jointly with other venturers are recognised in the financial statements of the relevant entity and classified according to their nature. Liabilities and expenses incurred directly in respect of interests in jointly controlled assets are accounted for on an accrual basis. Income from the sale or use of the Group's share of the output of jointly controlled assets, and its share of joint venture expenses, are recognised when it is probable that the economic benefits associated with the transactions will flow to/from the Group and their amount can be measured reliably.

Where the Group transacts with its jointly controlled entities, unrealised profits and losses are eliminated to the extent of the Group's interest in the joint venture.

19. Principal Risks and Uncertainties

The Group is exposed to various known and unknown risks and uncertainties. These uncertainties and risks could develop into actual events that could materially and adversely affect our business or financial conditions, the results of our operations or our prospects. These uncertainties and risks could include, among others:

- Changes in financial markets
- Changes in socioeconomic environments
- The availability of substitute services
- The competitive nature of the offshore oil and gas industry
- Oil and gas prices
- Oil and gas demand
- Improvements in technology
- Changes in local and foreign government regulations
- Changes in economic conditions or political events
- The inability of the Group to obtain financing for potential new builds or to maintain existing assets on favourable financing terms
- Changes in the spending plans of our customers
- Changes in the Group's operating expenses, including crew wages, insurance, dry-docking, repairs and maintenance
- Redeployment risks

As disclosed in Pages 71 to 78 of the EOC Limited 2013 Annual Report, the Group is exposed to a number of financial risks including but not limited to credit risk, liquidity risk, foreign currency risk and interest rate risks. It is the policy of the Group to continuously monitor and review these risks and take the necessary steps to minimise the potential effects of these risks on the Group's performance.

Although some factors might be outside our control, as described above, the Group is actively managing any possible operational risk that could arise, through continuous improvements to the current business operational workflow, processes, practices and activities.

20. Key Financial Figures

	Notes	Year ended 31 Aug 2014	Year ended 31 Aug 2013
EBITDA (in USD thousands)		65,380	28,756
EBIT (in USD thousands)		58,405	18,136
Earnings per share			
– Basic and diluted (in USD cents)	A	49.31	9.98
Weighted average number of shares ('000)		110,955	110,955
Interest cover ratio (times)	B	18.91	4.52
Return on equity	C	26.76%	6.66%

	Notes	As at 31 Aug 2014	As at 31 Aug 2013
Net interest bearing debt (in USD thousands)	D	113,452	178,680
Net tangible assets attributable to the Parent (in USD thousands)		233,193	175,588
Debt equity ratio (times)	E	0.49	1.02
Current ratio (times)	F	1.07	1.11
Net asset value per ordinary share (in USD)	G	2.10	1.58

Notes:

A. Net profit / Weighted average number of shares

B. EBITDA / Net interest expenses

C. Net profit / Average book equity

D. Interest bearing bank debts less cash and bank balances

E. Net interest bearing bank debts / Equity

F. Current assets/ Current liabilities

G. Net asset value / Issued share capital at end of year

Responsibility Statement

We confirm that, to the best of our knowledge, the condensed set of financial information as set out in Pages 4 to 27 for the period from 1 September 2013 to 31 August 2014, which have been prepared in accordance with the guidelines under *FRS 34 – Interim Financial reporting*, give a true and fair view of the Group's assets, liabilities, financial position and profit or loss as a whole.

We also confirm, to the best of our knowledge, that the unaudited consolidated financial information includes a fair review of the information required under the Norwegian Securities Trading Act section 5-6 fourth paragraph.

The Board of Directors and the Executive Management

EMAS Offshore Limited

23rd October 2014

(signed)	(signed)	(signed)
Mr Lee Kian Soo Chairman	Mr Lee Chye Tek Lionel Vice-Chairman	Dr Wang Kai Yuen Member
(signed)	(signed)	(signed)
Mr Dale Bruce Alberda Member	Mr Cuthbert (Chas) I. J. Charles Member	Captain Adarash Kumar A/L Chranji Lal Amarnath Member
(signed)	(signed)	
Mr Jason Goh Chief Financial Officer	Mr Jonathan Dunstan Chief Executive Officer	