



ANNOUNCEMENT

DISCLAIMER OF OPINION BY THE INDEPENDENT AUDITORS ON THE AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

In compliance with Rule 704(4) of the Singapore Exchange Securities Trading Limited Listing Manual Section B: Rules of Catalist, the Board of Directors (the "Board") of EMS Energy Limited (the "Company", and together with its subsidiaries, the "Group") wishes to announce that the Company's Independent Auditors, BDO LLP, have included a disclaimer of opinion on the consolidated financial statements of the Group in their Independent Auditors' Report dated 8 June 2018 (the "Independent Auditors' Report") in relation to the audited consolidated financial statements of the Group and the Company for the financial year ended 31 December 2017 ("FY2017") (the "Financial Statements").

A copy of the Independent Auditors' Report together with the relevant extract of Note 4 to the Financial Statements are attached to this announcement for information.

The Board is of the opinion that the continuing use of the going concern assumption in the preparation of the Financial Statements is appropriate having regard to the following: (i) the Company has signed a Terms Sheet to raise \$7.5 million cash for the development of the yard under construction at Tuas. Furthermore, the deal includes injection of certain operating entities of the investor and the investor agrees to further capitalize the company by a 1 for 1 rights issue upon completion of scheme and placement. (ii) The management is confident that it will be able to successfully complete the implementation of the Company's scheme of arrangement and thus significantly reducing the Company's liabilities. Further the management is also confident that it will be successful obtaining the necessary sanction for the EES scheme from the High Court and successfully implement it.

The Board confirms that all material disclosures have been provided by the Company via the announcements on the SGXNET.

This announcement is to be read in conjunction with the attached Independent Auditors' Report and the Financial Statements. Shareholders of the Company are advised to refer to the entire Financial Statements included in the Company's annual report for FY2017, which will be dispatched in due course.

The trading of the Company's shares has remained suspended since 26 September 2016.

By Order of the Board
EMS Energy Limited

Chew Kok Liang
Company Secretary
8 June 2018

This announcement has been prepared by EMS Energy Limited (the "Company") and its contents have been reviewed by the Company's sponsor, UOB Kay Hian Private Limited (the "Sponsor") for compliance with the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual Section B: Rules of Catalist. The Sponsor has not verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement.

The contact persons for the Sponsor are Mr Alvin Soh, Head of Catalist Operations, Senior Vice President, and Mr Lan Kang Ming, Vice President, at 8 Anthony Road, #01-01, Singapore 229957, telephone (65) 6590 6881.