

ANNOUNCEMENT

PROPOSED DISPOSAL OF EQUITY INTEREST IN AN ASSOCIATED COMPANY

- **APPLICATION FOR WAIVER FROM COMPLIANCE WITH LISTING RULE 1014 TO SEEK PRIOR SHAREHOLDERS' APPROVAL**

1. INTRODUCTION

The Board of Directors of EMS Energy Limited ("**Company**") refers to the Company's announcements on 3 November 2016 in relation to the proposed disposal of 20% equity interest in Oilfield Services & Supplies Group Pte. Ltd. ("**Announcements**"). Unless otherwise defined, capitalised terms used herein shall bear the same meaning ascribed to them in the Announcements.

2. CONDITIONAL APPROVAL OF THE WAIVER APPLICATION

As mentioned in the Announcements, the Proposed Disposal constitutes a major transaction under Chapter 10 of the Listing Manual and is conditional upon approval by Shareholders pursuant to Rule 1014(2) of the Listing Manual.

Pursuant to an application by the Company to the SGX-ST for a waiver from compliance with Rule 1014(2) of the Listing Manual ("**Waiver**"), the SGX-ST has on 24 January 2017 informed the Company that it has no objection to granting the Waiver, subject to the following conditions:

- (a) the Company making an immediate announcement of the Waiver granted, disclosing the reasons for seeking the Waiver as soon as practicable as required under Rule 106 of the Listing Manual;
- (b) a Shareholders' extraordinary general meeting ("**EGM**") being held as soon as practicable (no later than 28 February 2017), to ratify the Proposed Disposal;
- (c) submission of an undertaking from the Company's Executive Officer cum CEO and controlling shareholder, Mr Ting Teck Jin, to vote in favour of the Proposed Disposal at the EGM to be convened; and not to, prior to the EGM, sell or otherwise dispose of his voting rights in the Company or do anything to disqualify or prohibit him from voting ("**TTJ Undertaking**"); and
- (d) submission of a written confirmation from the Company that:
 - (i) the Waiver does not contravene any laws and regulations governing the Company and the constitution of the Company; and
 - (ii) it is not aware of any information that will have a material bearing on investors' decisions which has yet to be announced by the Company

("Company Undertaking").

The in-principle no objection of the SGX-ST in granting the Waiver is not an indication of the merits of the Proposed Disposal.

In addition:

- (1) the Company will submit the Company Undertaking and a copy of the TTJ Undertaking to the SGX-ST; and
- (2) the Company intends to convene the EGM to seek Shareholders' ratification of the Proposed Disposal by no later than 28 February 2017.

3. REASONS FOR SEEKING THE WAIVER

The application for the Waiver was made on the following grounds:

- (a) the Company is in financial difficulty and in need of the proceeds of the Proposed Disposal;
- (b) in view of the TTJ Undertaking, the result of the EGM is a foregone conclusion; and
- (c) pending ratification of the Proposed Disposal at the EGM, the proceeds from the Proposed Disposal will be deposited in an account to be monitored by the Company and its Audit Committee. Any utilisation of the proceeds of the Proposed Disposal will be subject to the concurrence and approval of the Audit Committee prior to any disbursements.

4. COMPLETION AND EGM

Pursuant to the Waiver, the Company will proceed to complete the Proposed Disposal as soon as practicable, and will update Shareholders when completed.

The Company will also convene an EGM to seek the ratification by Shareholders for the Proposed Disposal post completion. A circular containing further details of the Proposed Disposal and enclosing the notice of EGM will be despatched by the Company to the Shareholders in due course.

By Order of the Board

Ting Teck Jin
Executive Chairman
24 January 2017

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, UOB Kay Hian Private Limited (the "**Sponsor**") for compliance with the relevant Catalist Rules. The Sponsor has not independently verified the contents of this announcement.*

*This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"). The Sponsor and the SGX-ST assumes 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 person for the Sponsor is 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.