

ANNOUNCEMENT

APPLICATION FOR EXTENSION OF TIME TO SUBMIT A RESUMPTION PROPOSAL PURSUANT TO RULE 1304(1) OF THE CATALIST RULES

The board of directors (the “**Board**”) of EMS Energy Limited (the “**Company**”) and, together with its subsidiaries, the “**Group**”) refers to the request for suspension with immediate effect made by the Company on 26 September 2016.

Pursuant to Rule 1304(1) of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (“SGX-ST”), the Company is required to submit a proposal through its sponsor to the SGX-ST with a view to resuming trading in the Company’s share (“Resumption Proposal”) by 25 September 2018.

On 25 September 2018, the Company’s Sponsor, on behalf of the Company, made an application to SGX-ST for an extension of time to submit the Resumption Proposal on the following grounds:

- (a) The scheme of arrangement of the Company to restructure its debt obligations and liabilities (the “**EEL Scheme**”) was approved at the creditors’ meeting of the Company held on 28 July 2017. The High Court has subsequently sanctioned the EEL Scheme on 8 September 2017. The EEL Scheme involves the issuance and allotment of new ordinary shares in the capital of the Company (“**Scheme Shares**”) at S\$0.08 for each Scheme Share to a creditor whose claim against the Company has been partially or fully admitted by the scheme manager in accordance with the EEL Scheme in full satisfaction and complete discharge of all claims against the Company on or prior to 13 July 2017.

The issuance and allotment of Scheme Shares will be subject to, *inter alia*, the approval of the shareholders of the Company at an extraordinary general meeting to be convened and the approval-in-principle of the SGX-ST for the resumption of trading of Company’s shares. However, the implementation of EEL Scheme was delayed as the Company’s effort in seeking investor(s) to invest in or inject new business into the Group for the purpose of trading resumption was not successful.

- (b) A subsidiary of the Company is currently negotiating a term contract to supply its technical personnel to a shipyard. The term contract which is expected to sign in November 2018 will provide monthly cash inflow of S\$60,000. With this contract, there will be opportunity for the Company to solicit for more businesses ranging from engineering to procurement which are within its existing expertise.
- (c) As announced on 5 September 2018, the non-binding term sheet with a potential investor in relation to a proposed placement and injection of new business into the Group did not materialize. In order for the Company to negotiate with new potential investor(s) with a view of investment in or injection of new business into the Group, the Company would have to implement the above EEL Scheme. Furthermore, the Company would also require time to negotiate with potential investor(s) with a view to formulating and producing the Resumption Proposal for the submission to SGX-ST. As at the date of this application, the Company is still in negotiation with potential investors.
- (d) The Company would also require time to implement the EEL Scheme after the potential investor(s) have been identified. This is in the interest of the shareholders for the aforementioned arrangements to be in place prior the resumption of trading of Company’s shares so as to ensure that the Company has sufficient working capital for sustainable business moving forward.
- (e) Since the previous extension application in September 2017, the Company has appointed liquidators on 24 October 2017 to wind up its subsidiary, Koastal Industries Pte. Ltd, and obtained Court sanction for the scheme of arrangement of its subsidiary, EMS Energy Solutions Pte Ltd, on 31 July 2018. The Company had also released all its delayed financial results announcements and annual report for the financial ended 31 December 2017 within the extended deadlines granted by the SGX-ST. Further, the Company has been actively seeking and in

negotiation with potential investor(s) to invest in or inject new business into the Group. However, the negotiations were not successful. Please see below the list of potential investors and the reason for not proceeding.

Period	Name/profile of investors	Reason for not proceeding
Mar to Jun 2017	Titan Petrochemicals Group Limited	No reason given.
May to Aug 2018	Qian Investment Holding Pte Ltd, (international sales and marketing of lubricant additives business)	Investor concerns on uncertainties on the change of use for JTC land.

Based on the reasons detailed above, the Company had sought a waiver from compliance with Catalist Rule 1304(1), such that the Company is granted an extension of six (6) month till 25 March 2019 to submit the Resumption Proposal. The Company may seek further extension of time, if required, should the Company require additional time to implement the EEL Scheme and to negotiate with potential investor(s).

The Board will make further update as necessary.

By Order of the Board
EMS Energy Limited

Chew Kok Liang
Company Secretary
25 September 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.