

CIRCULAR DATED 8 APRIL 2016

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.

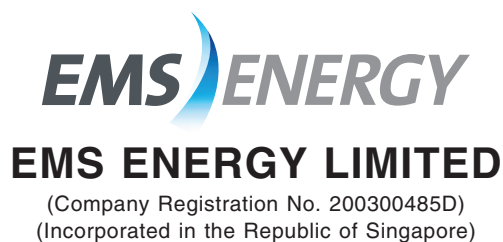
If you are in any doubt about its contents or the action you should take, you should consult your bank manager, stockbroker, solicitor, accountant or other professional adviser immediately.

If you have sold or transferred all your ordinary shares in the capital of the Company held through The Central Depository (Pte) Limited (“**CDP**”), you need not forward this Circular to the purchaser or transferee as CDP will arrange for a separate Circular to be sent to the purchaser or transferee. If you have sold or transferred all your Shares which are not deposited with CDP, you should immediately forward this Circular, the Notice of the Extraordinary General Meeting and the attached proxy form to the purchaser or transferee, or to the bank, stockbroker or other agent through whom the sale or transfer of Shares was effected for onward transmission to the purchaser or the transferee.

This Circular 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 rules of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) Listing Manual Section B: Rules of Catalyst. The Sponsor has not independently verified the contents of this Circular.

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

The contact person for the Sponsor is Mr Alvin Soh, at 8 Anthony Road, #01-01, Singapore 229957, telephone (65) 6590 6881.



CIRCULAR TO SHAREHOLDERS

in relation to

- (1) THE PROPOSED CHANGE OF NAME OF THE COMPANY FROM “EMS ENERGY LIMITED” TO “KOASTAL LIMITED”; AND**
- (2) THE PROPOSED GRANT OF AWARD TO A CONTROLLING SHAREHOLDER UNDER THE EMS ENERGY PERFORMANCE SHARE PLAN**

IMPORTANT DATES AND TIMES

Last date and time for lodgement of Proxy Form	:	28 April 2016 at 10:30 a.m.
Date and time of Extraordinary General Meeting	:	30 April 2016 at 10:30 a.m. (or as soon as practicable immediately following the conclusion or adjournment of the First EGM (as defined herein) to be held at 10:00 a.m (or as soon as practicable immediately following the conclusion or adjournment of the 2016 AGM (as defined herein) to be held at 9:00 a.m.) on the same day)
Place of Extraordinary General Meeting	:	48 Boon Lay Way Sunflower Room 1, Level 1 Singapore 609961

This page has been intentionally left blank.

CONTENTS

	Page
DEFINITIONS	2
LETTER TO SHAREHOLDERS	7
1. INTRODUCTION	7
2. THE PROPOSED CHANGE OF NAME OF THE COMPANY	7
3. TRADEMARK ASSIGNMENT AS AN INTERESTED PERSON TRANSACTION	9
4. THE PROPOSED GRANT OF AWARD TO A CONTROLLING SHAREHOLDER UNDER THE EMS ENERGY PERFORMANCE SHARE PLAN	10
5. DIRECTORS AND SUBSTANTIAL SHAREHOLDERS' INTERESTS	12
6. DIRECTORS' RECOMMENDATION	13
7. EXTRAORDINARY GENERAL MEETING	14
8. ACTION TO BE TAKEN BY SHAREHOLDERS	14
9. ABSTENTION FROM VOTING	14
10. DIRECTORS' RESPONSIBILITY STATEMENT	14
11. DOCUMENTS AVAILABLE FOR INSPECTION	15
NOTICE OF EXTRAORDINARY GENERAL MEETING	N-1
PROXY FORM	

DEFINITIONS

In this Circular, the following definitions shall apply throughout unless the context otherwise requires or unless otherwise stated:

“2009 Circular”	:	The circular to Shareholders dated 30 July 2009
“2016 AGM”	:	The annual general meeting of the Company to be held at 48 Boon Lay Way, Sunflower Room 1, Level 1, Singapore 609961 on 30 April 2016 at 9:00 a.m.
“ACRA”	:	Accounting and Corporate Regulatory Authority of Singapore
“Act” or “Companies Act”	:	The Companies Act (Chapter 50) of Singapore, as may be amended, modified or supplemented from time to time
“Associate”	:	(a) in relation to any Director, chief executive officer, Substantial Shareholder or Controlling Shareholder (being an individual) means:– (i) his immediate family; (ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and (iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more, (b) in relation to a Substantial Shareholder or a Controlling Shareholder (being a company) means any company which is its subsidiary or holding company or is a subsidiary of any such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30% or more
“Auditors”	:	The auditors of the Company as appointed from time to time
“Award”	:	A contingent award of Shares granted under the EMS PSP
“Award Date”	:	In relation to an Award, the date on which the Award is granted
“Board”	:	The board of Directors of the Company as at the date of this Circular
“Catalist”	:	The sponsor-supervised listing platform of the SGX-ST
“Catalist Rules”	:	The SGX-ST Listing Manual Section B: Rule of Catalist, as amended, modified or supplemented from time to time
“CDP”	:	The Central Depository (Pte) Limited

“Circular”	:	This circular dated 8 April 2016 to be issued to Shareholders
“Committee”	:	A committee comprising Directors duly authorised, appointed and nominated by the Board to administer the EMS PSP, from time to time
“Company”	:	EMS Energy Limited
“Constitution”	:	The constitution of the Company, as amended, modified or supplemented from time to time
“Controlling Shareholder”	:	A person who: (a) holds directly or indirectly fifteen per cent. (15%) or more of the total number of Shares (excluding treasury shares) in the Company; or (b) in fact exercises Control over the Company
“Control”	:	The capacity to dominate decision-making, directly or indirectly, in relation to the financial and operating practice of the Company
“CPF”	:	The Central Provident Fund
“Directors”	:	The directors of the Company as at the Latest Practicable Date
“EGM”	:	Extraordinary general meeting of the Company to be held on 30 April 2016, the Notice of which is set out on pages N-1 and N-2 of this Circular
“EMS ESOS”	:	The share option scheme adopted by the Company on 22 August 2009 known as the “EMS Energy Employee Share Option Scheme”
“EMS PSP”	:	The performance share plan adopted by the Company on 22 August 2009 known as the “EMS Energy Performance Share Plan”
“Enlarged Share Capital”	:	The aggregate of 448,735,224 Shares following the completion of: (a) the placement by the Company of 88,000,000 new Shares; (b) the share consolidation (the “Share Consolidation”) by the Company of all its Shares on the basis of every 15 existing Shares into one (1) consolidated share (the “Consolidated Shares”); and (c) the issue of 344,155,420 new Consolidated Shares pursuant to the Acquisition (as defined below)

“EPCM”	:	Engineering, procurement and construction management
“First EGM”	:	The extraordinary general meeting of the Company to be held at 48 Boon Lay Way, Sunflower Room 1, Level 1, Singapore 609961 on 30 April 2016 at 10:00 a.m. (or as soon as practicable immediately following the conclusion or adjournment of the 2016 AGM)
“FY”	:	Financial year ended or ending 31 December
“Group”	:	The Company and its subsidiaries
“Koastal Business”	:	The business of providing EPCM services, as well as installation, commissioning and rig and marine equipment repair services to marine and offshore oil and gas companies, trading of marine and offshore equipment and environment related technical services for pollution management, water and waste treatment and related projects in Vietnam carried out by the Koastal Group
“Koastal Group”	:	Windale Holdings Limited and its subsidiaries and associated companies, and a “Koastal Group Company” shall be construed accordingly
“Latest Practicable Date”	:	The latest practicable date prior to the printing of this Circular, being 4 April 2016
“New Shares”	:	The new Shares which may be allotted and issued from time to time pursuant to an Award under the EMS PSP
“Notice of EGM”	:	The notice of EGM as set out on pages N-1 and N-2 of this Circular
“Option”	:	Option to subscribe for new Shares granted pursuant to the EMS ESOS
“Option Shares”	:	The new Shares to be issued upon exercise of the Options
“Ordinary Resolution”	:	A resolution of Shareholders to be passed by: (i) a majority; or (ii) if the constitution of the Company require a greater majority for that resolution, that greater majority, of votes cast by Shareholders, being entitled so to do, present in person or by proxy at a general meeting of the Company
“Proposed Change of Name”	:	Proposed change of name from “EMS Energy Limited” to “Koastal Limited”
“Proposed Name”	:	Koastal Limited

“Rules of the EMS ESOS”	:	The rules of the EMS ESOS as set out in Appendix VI to the 2009 Circular
“Rules of the EMS PSP”	:	The rules of the EMS PSP as set out in Appendix IV to the 2009 Circular
“SFA”	:	The Securities and Future Act (Chapter 289) of Singapore, as amended, modified or supplemented from time to time
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“Shareholders”	:	Registered holders of Shares except that where the registered holder is CDP, the term of “Shareholders” shall, in relation to such Shares and where the context admits, mean the Depositors who have Shares entered against their names in the Depository Register
“Shares”	:	Ordinary shares in the share capital of the Company
“Special Resolution”	:	A resolution of Shareholders to be passed by a majority of not less than three-fourths of votes cast by Shareholders, being entitled so to do, present in person or by proxy at a general meeting of the Company
“Sponsor”	:	UOB Kay Hian Private Limited
“Substantial Shareholders”	:	A person who has an interest (directly or deemed) in one or more voting shares in the Company and the total votes attached to that share, or these shares, is not less than 5% of the total votes attached to all the voting shares of the Company
“S\$” or “cents”	:	Singapore dollar and cents respectively
“Trademark Assignment”	:	The trademark assignment executed by way of deed between Mr. Ting Teck Jin and the Company dated 15 March 2016 for the transfer and assignment of the Koastal IP by Mr. Ting Teck Jin to the Company
“%” or “per cent”	:	Per centum or percentage

The terms **“Depositor”**, **“Depository Agent”** and **“Depository Register”** shall have the same meanings ascribed to them, respectively, in Section 81SF of the SFA. The term **“subsidiary”** shall have the same meaning ascribed to it in Section 5 of the Companies Act.

Words importing the singular shall, where applicable, include the plural and *vice versa*, and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*. References to persons shall, where applicable, include corporations.

Any reference in this Circular to any statute or enactment is a reference to that statute or enactment as for the time being amended or re-enacted. Any word or term defined under the Companies Act, the SFA, the Catalist Rules or any statutory modification thereof and used in this

Circular shall, where applicable, have the meaning ascribed to it under the Companies Act, the SFA, the Catalist Rules or any statutory modification thereof, as the case may be, unless otherwise provided.

Any reference in this Circular to shares being allotted to a person includes allotment to CDP for the account of that person.

Any reference to a time of day and to dates in this Circular shall be a reference to Singapore time and dates, unless otherwise stated.

Any discrepancies in figures included in this Circular between the amounts and totals thereof are due to rounding. Accordingly, figures shown as totals in certain tables in this Circular may not be an arithmetic aggregation of the figures that precede them.

EMS ENERGY LIMITED
(Company Registration No. 200300485D)
(Incorporate in the Republic of Singapore)

Board of Directors:

Mr Ting Teck Jin	(Executive Chairman and Chief Executive Officer)
Mr Teo Yak Huat	(Finance Director)
Mr Lim Poh Boon	(Non-Executive and Independent Director)
Mr Ung Gim Sei	(Non-Executive and Independent Director)
Mr Lim Siong Sheng	(Non-Executive and Independent Director)

Registered Office:

1 Robinson Road
#17-00 AIA Tower
Singapore 048542

Date: 8 April 2016

To: The Shareholders of the Company

Dear Sirs/Madam

- (1) **THE PROPOSED CHANGE OF NAME OF THE COMPANY FROM “EMS ENERGY LIMITED” TO “KOASTAL LIMITED” (THE “PROPOSED CHANGE OF NAME”); AND**
- (2) **THE PROPOSED GRANT OF AWARD TO A CONTROLLING SHAREHOLDER UNDER THE EMS ENERGY PERFORMANCE SHARE PLAN**

1. INTRODUCTION

The Directors are convening an EGM to seek Shareholders' approval for the following proposals:

- (a) Proposed Change of Name; and
- (b) Proposed grant of Award to Mr Ting Teck Jin of up to 1,500,000 New Shares under the EMS PSP.

The purpose of this Circular is to provide the Shareholders with the relevant information pertaining to the aforesaid proposals to be tabled at the EGM and to seek Shareholders' approval for the resolutions relating to the same. The Notice of EGM is set out on pages N-1 and N-2 of this Circular.

2. THE PROPOSED CHANGE OF NAME OF THE COMPANY

The Company is proposing to change its name from “EMS Energy Limited” to “Koastal Limited”. The Proposed Name has been reserved with ACRA with effect from 12 February 2016 until 12 April 2016, and an application will be made to extend the reservation for a further period of 60 days.

2.1 Rationale

In connection with the acquisition of Windale Holdings Limited by the Company on 26 October 2015 (the “**Acquisition**”), the Company engaged an external branding consultant (the “**Branding Consultant**”) to advise the Company on the rebranding exercise of the Group. Subsequent to the review by the Branding Consultant, the Branding Consultant advised that the “Koastal” brand would better reflect the expanded business scope of the Group.

Mr Ting Teck Jin had obtained the registration of the following trademarks (the “**Registered Trademark**”):

Trademark	Date of Registration	Territory	Class	Trade Mark Number
“KOASTAL”	19 June 2015	Singapore	4 ⁽¹⁾ , 7 ⁽²⁾ , 11 ⁽³⁾ , 37 ⁽⁴⁾ and 42 ⁽⁵⁾	40201510558P

Notes:

- (1) Class 4: gas oil and oil-gas.
- (2) Class 7: marine pumps, marine motors, marine engines, marine machines, marine mounted dock cranes, water filtration machines, drilling rigs, hydraulic wrenches for use on drilling rigs etc.
- (3) Class 11: water filtration apparatus, water treatment units, water treatment filters, waste water treatment tanks etc.
- (4) Class 37: marine construction, marine engineering, drilling of deep oil or gas wells, harbour construction etc.
- (5) Class 42: exploration and searching of oil and gas, gas, oil, petroleum, minerals exploration (prospecting).

On 10 July 2015, Mr. Ting Teck Jin executed a letter of undertaking (the “**IP Undertaking**”) in favour of the Company, under which he has agreed and undertaken to grant the Company a non-exclusive, royalty-free, worldwide licence (the “**Licence**”) to use any and all of the following registered and unregistered intellectual property rights:

- (a) the unregistered trademark “KOASTAL” including the reputation and goodwill in the word “KOASTAL” in the countries in which any Koastal Group Company uses that trade mark, in connection with the Koastal Business; and
- (b) the Registered Trademark, details of which are set out in the table above,

(collectively, the “**Koastal IP**”) for a period of three (3) years from the date of completion of the acquisition of Windale Holdings Limited, being 26 October 2015. Mr. Ting Teck Jin had further confirmed that he will not extend the use of the Koastal IP to any party which is or is likely to be a competitor of the Group.

Subsequent to the execution of the IP Undertaking, Mr. Ting Teck Jin and the Company have entered into the Trademark Assignment on 15 March 2016, pursuant to which Mr. Ting Teck Jin had agreed to assign all rights, title and interest in the Koastal IP, including all common law rights and goodwill, to the Company at a nominal consideration of S\$1, subject to and conditional upon Shareholders’ approval for the Proposed Change of Name being obtained. Upon obtaining Shareholders’ approval for the Proposed Change of Name, the Trademark Assignment will take effect from the date of the EGM. The Company will register the Trademark Assignment at the Intellectual Property Office of Singapore as soon as practicable after Shareholders’ approval has been obtained for the Proposed Change of Name.

Pursuant to the Trademark Assignment, Mr. Ting Teck Jin has undertaken that, subject to Shareholders’ approval being obtained for the Proposed Change of Name, he will not, and will procure that his Associates will not, use the Koastal IP in any manner except with the prior written consent of the Company from the date of the EGM. Accordingly, the Company will be the proprietor of the Koastal IP and enjoy all rights to the Koastal IP from the date of the EGM and upon obtaining Shareholders’ approval for the Proposed Change of Name.

Having regard to the above, the Board is of the view that the Proposed Change of Name will allow the Company to build on and strengthen the “Koastal” brand identity, and further its business strategy and objectives. The Company plans to expand and diversify its business and service offerings in the marine and offshore oil and gas industry organically or through potential acquisitions and joint ventures with parties who can provide synergistic value to its existing business, as and when opportunities arise. In particular, the Company intends to move up the business value chain by expanding into asset ownership through strategic acquisitions of and investments in quality marine and offshore assets. Should the Company identify a suitable target, it will fund such expansions from internally generated funds and/or future external fund raising activities.

2.2 Approvals and Administrative Procedures

Subject to the Shareholders approving the Proposed Change of Name by way of Special Resolution at the EGM, the Company will, lodge the prescribed forms and documents with the ACRA relating to its change of name. The Proposed Change of Name will be effective upon the issue by ACRA of a certificate on change of name.

Subject to the approval of Shareholders and registration by ACRA, the Company shall change its name to “Koastal Limited” and the name “Koastal Limited” shall be substituted for “EMS Energy Limited”, wherever the latter name appears in the Company’s Constitution. The Company will make an announcement when its change of name takes effect.

The Proposed Change of Name will not affect any of the Shareholders’ rights or the Company’s daily business operations and financial standing.

2.3 Existing Share Certificates

Shareholders should take note that notwithstanding the change of name, the Company will not recall existing share certificates bearing the current name of the Company, which will continue to be *prima facie* evidence of legal title. No further action is required on the part of the Shareholders.

3. TRADEMARK ASSIGNMENT AS AN INTERESTED PERSON TRANSACTION

Mr. Ting Teck Jin is the Executive Chairman, Chief Executive Officer and Controlling Shareholder of the Company. As at the Latest Practicable Date, Mr. Ting Teck Jin has a direct interest in 1,200,000 Shares (representing approximately 0.27% of the Enlarged Share Capital), a deemed interest in 355,446,460 Shares (representing approximately 79.21% of the Enlarged Share Capital) held by Titanium Holdings LLC by virtue of Section 7 of the Companies Act, and is directly interested in 700,000 Option Shares (being 10,500,000 Option Shares prior to the Share Consolidation) granted under the EMS ESOS adopted by the Company on 22 August 2009, on the basis that the Share Consolidation of the Option Shares and the adjustment of the exercise price (subject to confirmation by the Auditors pursuant to Rule 12.3 of the Rules of the EMS ESOS) have taken place as at the Latest Practicable Date.

Pursuant to Rule 904(4) of the Catalist Rules, Mr. Ting Teck Jin is an interested person of the Company. As such, the Trademark Assignment is an interested person transaction as defined in Rule 904(5) of the Catalist Rules.

As the consideration and value at risk for the Trademark Assignment is S\$1, the requirements of Rules 905(1) and 905(2) do not apply.

4. THE PROPOSED GRANT OF AWARD TO A CONTROLLING SHAREHOLDER UNDER THE EMS ENERGY PERFORMANCE SHARE PLAN

4.1 The EMS PSP

The EMS PSP was approved by Shareholders and adopted by the Company at the extraordinary general meeting held on 22 August 2009 (“**2009 EGM**”). Details of the EMS PSP can be found in the 2009 Circular. As at the Latest Practicable Date, the following Options have been granted pursuant to the EMS ESOS on the basis that the Share Consolidation at the Option Shares have taken place as at the Latest Practicable Date:

- (a) A total of 49,998 Option Shares (being 750,000 Option Shares prior to the Share Consolidation) have been granted to the independent Directors of the Company as follows:

Independent Directors	Number of Option Shares granted as at the Latest Practicable Date
Mr Lim Shiong Sheng	16,666
Mr Lim Poh Boon	16,666
Mr Ung Gim Sei	16,666

The above Options granted to the independent Directors of the Company are exercisable from 23 February 2015 to 22 February 2020 at an exercise price of S\$0.405 (being S\$0.027 prior to the Share Consolidation) subject to confirmation by the Auditors pursuant to Rule 12.3 of the Rules of the EMS ESOS.

- (b) A total of 200,000 Option Shares (being 3,000,000 Option Shares prior to the Share Consolidation) have been granted to the employees of the Company who are not Directors, Controlling Shareholders or their Associates. These Options are exercisable from 23 February 2015 to 22 February 2025 at an exercise price of S\$0.405 (being S\$0.027 prior to the Share Consolidation) subject to confirmation by the Auditors pursuant to Rule 12.3 of the Rules of the EMS ESOS.
- (c) A total of 700,000 Option Shares (being 10,500,000 Option Shares prior to the Share Consolidation) have been granted to Mr Ting Teck Jin, who is a Controlling Shareholder. These Options are exercisable from 27 April 2015 to 26 April 2025 at an exercise price of S\$0.405 (being S\$0.027 prior to the Share Consolidation) subject to confirmation by the Auditors pursuant to Rule 12.3 of the Rules of the EMS ESOS.

4.2 Participation of Mr Ting Teck Jin in the EMS ESOS and EMS PSP

In addition to Shareholders’ approval being obtained for the EMS ESOS and EMS PSP at the 2009 EGM, the participation of Mr Ting Teck Jin in the EMS ESOS and EMS PSP was also approved at the same 2009 EGM. On 24 April 2014, an extraordinary general meeting was held where Shareholders approved the grant of an Option to subscribe for 10,500,000 new Shares to Mr Ting Teck Jin as a Controlling Shareholder, and the subsequent issue and allotment of the relevant Shares to Mr Ting Teck Jin pursuant to the exercise of the Options (whether in whole or part). The number of Shares which may be issued pursuant to the exercise of all the Options granted to Mr Ting Teck Jin will be consolidated to 700,000 Shares.

4.3 Proposed grant of Award to Mr Ting Teck Jin under the EMS PSP

Subject to the approval of independent Shareholders being obtained at the forthcoming EGM, the Company proposes to grant an Award to Mr Ting Teck Jin on the following terms:

- (a) **Number of Shares subject to the Award:** Up to 1,500,000 Shares
- (b) **Release and Vesting of the Award:** Within one (1) month after the issuance of the Group's audited financial statements for FY2016, the entire 1,500,000 Shares may be released subject to the achievement of certain predetermined performance conditions as disclosed below.

The aggregate number of Shares to be issued under the Award to Mr Ting Teck Jin has been determined after taking into account, among others, Mr Ting Teck Jin's rank, job performance, leadership and management capabilities, contribution to the success and development of the Group, and the extent of effort and resourcefulness required to achieve the performance conditions within the performance period.

The Award will be released to Mr Ting Teck Jin after the vesting period if certain predetermined performance conditions as determined by the Committee are achieved or otherwise in accordance with the rules of the EMS PSP. Awards granted under the EMS PSP are principally performance-based with performance targets to be set over a performance period. Performance targets set are intended to be based on medium-term corporate objectives covering market competitiveness, quality of returns, business growth and productivity growth. Such performance targets will be set according to the specific roles of each eligible participant of the EMS PSP ("**Participant**"), and may differ from Participant to Participant. The performance conditions are stretched targets aimed at sustaining long-term growth, tied in with the Company's corporate key performance indicators.

The performance conditions for Mr Ting Teck Jin will be based on, among others, the operational profits of the Group for FY2016 and other non-financial qualitative factors such as Mr Ting Teck Jin's rank, job performance, leadership and management capabilities, contribution to the success and development of the Group.

The aggregate number of Shares which may be issued pursuant to the EMS ESOS and EMS PSP collectively, when added to the number of new Shares issued and/or issuable in respect of all Awards granted under the EMS PSP, EMS ESOS and any other share scheme which the Company may implement from time to time, shall not exceed 15% of the Company's total issued Shares (excluding treasury shares) on the day preceding the Award Date.

The aggregate number of New Shares available to Controlling Shareholders and his/its Associates must not exceed 25% of the New Shares available under the EMS PSP and EMS ESOS. The aggregate number of New Shares available to each Controlling Shareholder or his/its Associate must not exceed 10% of the total number of new Shares which may be issued under the EMS PSP and EMS ESOS.

As at the Latest Practicable Date, the total number of Shares is 448,735,224. The total number of New Shares which may be allotted and issued pursuant to the EMS PSP is 67,310,283. Subject to Shareholders' approval being obtained for the grant of Award to Mr Ting Teck Jin under this Circular, the aggregate number of New Shares to be issued and allotted to Mr Ting Teck Jin including the Option Shares previously granted to him in April 2014, represent approximately 3.27% of the total number of New Shares which can be issued to him under the EMS PSP and EMS ESOS, which is within the limits under the EMS PSP and EMS ESOS.

Mr Ting Teck Jin currently holds 1,200,000 Shares and is deemed interested in 355,446,460 Shares held by Titanium Holdings LLC by virtue of Section 7 of the Act, representing an aggregate of approximately 79.48% of the Company's total issued share capital. For illustration purposes, assuming that all the New Shares have been issued and allotted to Mr Ting Teck Jin, and there is no other change in the Company's issued share capital and his interest prior to the exercise, Mr Ting Teck Jin's total shareholding will increase to 79.55% of the enlarged share capital of the Company.

4.4 Rationale and justification for the grant of Award to Mr Ting Teck Jin

Mr Ting Teck Jin is the Executive Chairman, Chief Executive Officer and a Controlling Shareholder of the Company. He is responsible for, *inter alia*, the overall strategic directions and management of the Group. The Directors are of the view that the proposed grant of Award to Mr Ting Teck Jin is fair given his contributions to the Group, and is consistent with the Company's objectives to motivate its employees to contribute to the long-term growth and success of the Group. The Directors consider it crucial for the Group to provide sufficient incentives which will instil a sense of commitment to the Company. For the foregoing reasons, the Directors believe that Mr Ting Teck Jin deserves the proposed grant of Award.

As at the Latest Practicable Date, Mr Ting Teck Jin holds 1,200,000 Shares and is deemed interested in 355,446,460 Shares held by Titanium Holdings LLC by virtue of Section 7 of the Act, representing an aggregate of approximately 79.48% of the Company's total issued share capital. In FY2015, Mr Ting Teck Jin received between S\$250,000 to S\$500,000 as remuneration for his services to the Group, which includes fixed salary and share options expenses incurred for the share options granted to him. Mr Ting Teck Jin does not receive any Directors' fee.

The Committee, when deciding on the number of New Shares to be offered (in accordance with the EMS PSP) has taken into consideration the financial performance of the Group, the effectiveness of the overall strategy and the prevailing remuneration package of Mr Ting Teck Jin, his responsibilities, length of service, past and present contributions, and potential for future development and contribution towards the long-term objectives of the Group.

All the Directors (other than Mr Ting Teck Jin) were involved in the deliberations in respect of the Award, the number of New Shares to be issued pursuant to the Award, and the terms of the Award. In view of the requirement of independent Shareholders being obtained for the grant of Award to Mr Ting Teck Jin, he will abstain from voting as a member of the Company. Accordingly, the Company is of the view that there is no abuse in the grant of Award to Mr Ting Teck Jin.

5. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

As at the Latest Practicable Date, the interests of the Directors and Substantial Shareholders in the capital of the Company are as follows:—

	Direct Interest		Deemed Interest	
	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾
Directors				
Mr Ting Teck Jin ⁽²⁾⁽³⁾	1,200,000	0.27	355,446,460	79.21
Mr Teo Yak Huat	—	—	—	—
Mr Lim Poh Boon ⁽³⁾	1,333,333	0.30	—	—
Mr Ung Gim Sei ⁽³⁾	—	—	—	—

Directors	Direct Interest		Deemed Interest	
	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾
Mr Lim Siong Sheng ⁽³⁾	—	—	—	—
Substantial Shareholders (Other than Directors)				
Titanium Holdings LLC ⁽²⁾	355,446,460	79.21	—	—

Notes:

- (1) The percentage shareholding interest is calculated based on 448,735,224 Consolidated Shares in the Enlarged Share Capital as at the Latest Practicable Date. The Company has no treasury shares as at the Latest Practicable Date.
- (2) As at the Latest Practicable Date, Mr Ting Teck Jin has a direct interest in 1,200,000 Consolidated Shares through his nominee, Raffles Nominees (Pte) Ltd and a deemed interest in 355,446,460 Consolidated Shares held by Titanium Holdings LLC by virtue of Section 7 of the Companies Act. On the basis that the Share Consolidation of the Option Shares have taken place as at the Latest Practicable Date he is also directly interested in 700,000 Option Shares (being 10,500,000 Option Shares prior to the Share Consolidation) granted under the EMS ESOS, which are exercisable from 27 April 2015 to 26 April 2025 at an exercise price of S\$0.405 (being S\$0.027 prior to the Share Consolidation) subject to confirmation by the Auditors pursuant to Rule 12.3 of the Rules of the EMS ESOS.
- (3) As at the Latest Practicable Date, on the basis that the Option Shares have been consolidated pursuant to the Share Consolidation, the following Options have been granted:
- (a) A total of 49,998 Option Shares (being 750,000 Option Shares prior to the Share Consolidation) have been granted to the independent Directors of the Company as follows:

Independent Directors	Number of Option Shares granted as at the Latest Practicable Date
Mr Lim Shiong Sheng	16,666
Mr Lim Poh Boon	16,666
Mr Ung Gim Sei	16,666

The above Options granted to the independent Directors of the Company are exercisable from 23 February 2015 to 22 February 2020 at an exercise price of S\$0.405 (being S\$0.027 prior to the Share Consolidation) subject to confirmation by the Auditors pursuant to Rule 12.3 of the Rules of the EMS ESOS.

- (b) A total of 200,000 Option Shares have been granted to the employees of the Company who are not Directors, Controlling Shareholders or their Associates. These Options are exercisable from 23 February 2015 to 22 February 2025 at an exercise price of S\$0.405 (being S\$0.027 prior to the Share Consolidation) subject to confirmation by the Auditors pursuant to Rule 12.3 of the Rules of the EMS ESOS.

Save as disclosed in this Circular, in particular the Trademark Assignment as an interested person transaction, none of the Directors or Substantial Shareholders has any interest, direct or indirect in the Proposed Change of Name and the proposed grant of Award to Mr Ting Teck Jin.

6. DIRECTORS' RECOMMENDATION

The Directors, having considered the rationale for the Proposed Change of Name and the proposed grant of Award to Mr Ting Teck Jin as detailed in this Circular, are of the opinion that the Proposed Change of Name and the proposed grant of Award to Mr Ting Teck Jin is in the best interests of the Company. Accordingly, they recommend that Shareholders vote in favour of the Proposed Change of Name and the proposed grant of Award to Mr Ting Teck Jin at the EGM.

7. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on pages N-1 and N-2 of this Circular, will be held at 48 Boon Lay Way, Sunflower Room 1, Level 1, Singapore 609961 on 30 April 2016 at 10:30 a.m. (or as soon as practicable immediately following the conclusion or adjournment of the First EGM to be held at 10:00 a.m. (or as soon as practicable immediately following the conclusion or adjournment of the 2016 AGM to be held at 9:00 a.m. on the same day and at the same place) for the purpose of considering, and, if thought fit, passing with or without modifications, the Special Resolution and the Ordinary Resolution set out in the notice of EGM.

8. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders who are unable to attend the EGM and wish to appoint a proxy to attend and vote at the EGM on their behalf will find a Proxy Form attached to this Circular which they should complete, sign and return in accordance with the instructions printed thereon as soon as possible and in any event so as to arrive at the registered office of the Company not less than 48 hours before the time fixed for the EGM. The sending of a Proxy Form by a Shareholder does not preclude him from attending and voting in person at the EGM in place of his proxy if he finds that he is able to do so, although the appointment of the proxy shall be deemed to be revoked by such attendance.

A Depositor shall not be regarded as a Shareholder entitled to attend the EGM and to speak and vote thereat unless his name appears in the Depository Register, as certified by CDP as at 72 hours before the EGM.

9. ABSTENTION FROM VOTING

Mr Ting Teck Jin, the subject of the specific grant of the Option, and his respective Associates who are Shareholders shall abstain from voting on the Ordinary Resolution as set out in the Notice of EGM.

10. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Change of Name and the proposed grant of Award to Mr Ting Teck Jin, and the Directors are not aware of any fact the omission of which would make any statement in this Circular misleading. Where information in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Circular in its proper form and context.

11. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the Company at 1 Robinson Road #17-00 AIA Tower Singapore 048542, during normal business hours from the date of this Circular up to and including the date of EGM:

- (a) the Constitution;
- (b) the Annual Report of the Company for the financial period ended 31 December 2014;
- (c) the application for the reservation of the Proposed Name approved by ACRA; and
- (d) the rules of the EMS PSP.

Yours faithfully,

For and on behalf of the Board of Directors of
EMS ENERGY LIMITED

Ung Gim Sei

Non-Executive Director and Chairman of the Remuneration Committee

This page has been intentionally left blank.

EMS ENERGY LIMITED

(Company Registration No. 200300485D)
(Incorporate in the Republic of Singapore)

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of EMS Energy Limited (the “**Company**”) will be held at 48 Boon Lay Way Sunflower Room 1, Level 1 Singapore 609961 on 30 April 2016 at 10:30 a.m. (or as soon as practicable immediately following the conclusion or adjournment of the First EGM on the same day and at the same place) for the purpose of considering and, if thought fit, passing with or without modifications, the resolutions as set out below:

SPECIAL RESOLUTION

THE PROPOSED CHANGE OF NAME OF THE COMPANY FROM “EMS ENERGY LIMITED” TO “KOASTAL LIMITED”

THAT:–

- (a) the name of the Company “EMS Energy Limited” be changed to “Koastal Limited” and that the name “Koastal Limited” be substituted for “EMS Energy Limited” wherever the latter name appears in the Company’s Constitution; and
- (b) each of the Directors of the Company be and is hereby authorised to complete and do all such acts and things (including executing or amending such documents as may be required) as he may consider necessary, desirable or expedient to give effect to this resolution as he may deem fit.

ORDINARY RESOLUTION

THE PROPOSED GRANT OF AWARD TO A CONTROLLING SHAREHOLDER UNDER THE EMS ENERGY PERFORMANCE SHARE PLAN

THAT:–

1. The proposed grant of a contingent award (the “**Award**”) comprising up to 1,500,000 new ordinary shares in the capital of the Company (“**Shares**”) to Mr Ting Teck Jin (who is regarded as a controlling shareholder in relation to the Company) by the Committee administering the EMS Energy Performance Share Plan (“**EMS PSP**”), be and is hereby approved; and
2. The Board of Directors of the Company be and is hereby authorised to:
 - (a) allot and issue the relevant Shares to Mr Ting Teck Jin upon the release of the Award, in whole or in parts;
 - (b) determine the date of grant of the Award; and
 - (c) do all such acts and things (including executing such documents as may be required) as they may consider necessary, expedient, incidental or in the interests of the Company to give effect to the transactions contemplated and authorised by this resolution.

BY ORDER OF THE BOARD OF DIRECTORS
EMS ENERGY LIMITED

Gwendolyn Gn
Company Secretary
8 April 2016

Notes:

- (1) Except for a member who is a Relevant Intermediary as defined under Section 181(6) of the Companies Act, Chapter 50 (the “**Act**”), a member is entitled to appoint not more than two proxies to attend, speak and vote at the EGM. Where a member appoints more than one proxy, the proportion of his concerned shareholding to be represented by each proxy shall be specified in the proxy form. A proxy need not be a member of the Company.
- (2) Pursuant to Section 181(1C) of the Act, a member who is a Relevant Intermediary is entitled to appoint more than two proxies to attend, speak and vote at the EGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the proxy form.
- (3) A member should insert the total number of shares held. If the member has shares entered against his name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act, Chapter 289 of Singapore), he should insert that number of shares. If the member has shares registered in his name in the Register of Members of the Company, he should insert that number of shares. If the member has shares entered against his name in the Depository Register and registered in his name in the Register of Members, he should insert the aggregate number of shares. If no number is inserted, this form of proxy will be deemed to relate to all the shares held by the member.
- (4) The instrument appointing a proxy or proxies must be duly deposited at the registered office of the Company at 1 Robinson Road #17-00 AIA Tower Singapore 048542 not later than 48 hours before the time for the holding of the EGM.
- (5) The instrument appointing a proxy or proxies must be signed by the appointor or his attorney duly authorised in writing. Where the instrument appointing a proxy is executed by a corporation, it must be executed either under its common seal or under the hand of any officer or attorney duly authorised.
- (6) Where an instrument appointing a proxy is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.
- (7) A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the EGM, in accordance with Section 179 of the Companies Act, Chapter 50 of Singapore.
- (8) The Company shall be entitled to reject an instrument of proxy which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the instrument of proxy. In addition, in the case of shares entered in the Depository Register, the Company may reject an instrument of proxy if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the EGM, as certified by The Central Depository (Pte) Limited to the Company.
- (9) A Depositor’s name must appear on the Depository Register maintained by The Central Depository (Pte) Limited as at 72 hours before the time fixed for holding the EGM in order for the Depositor to be entitled to attend and vote at the EGM.

PERSONAL DATA PRIVACY:

Where a member of the Company submits an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member’s personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines(collectively, the “**Purposes**”), (ii) warrants that where the member discloses the personal data of the member’s proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member’s breach of warranty.

EMS ENERGY LIMITED

(Company Registration No.: 200300485D)
(Incorporated in the Republic of Singapore)

PROXY FORM

IMPORTANT:

1. Pursuant to Section 181(1C) of the Companies Act, Chapter 50 (the "Act"), Relevant Intermediaries may appoint more than two proxies to attend, speak and vote at the Extraordinary General Meeting.
2. This proxy form is not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. Personal Data Privacy

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Extraordinary General Meeting dated 8 April 2016.

*I/We, _____ (Name) _____ (NRIC/Passport No.)

of _____ (Address)

being a member/members of EMS Energy Limited (the "Company"), hereby appoint:

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

*and/or

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

as my/our proxy/proxies to vote for me/us on my/our behalf at the Extraordinary General Meeting (the "Meeting") of the Company to be held at 48 Boon Lay Way Sunflower Room 1, Level 1 Singapore 609961 on 30 April 2016 at 10:00 a.m. (or as soon as practicable immediately following the conclusion or adjournment of the First EGM to be held at 10:00 a.m. (or as soon as practicable immediately following the conclusion or adjournment of the 2016 AGM to be held at 9:00 a.m.) on the same day and at the same place) and at any adjournment thereof. If no specific direction as to voting is given or in the event of any other matter arising at the Meeting and at any adjournment thereof, the proxy/proxies will vote or abstain from voting at his/her discretion. The authority herein includes the right to demand or to join in demanding a poll and to vote on a poll.

☐ Please tick here if more than two proxies will be appointed (Please refer to note 3). This is only applicable for intermediaries such as banks and capital markets services licence holders which provide custodial services.

All resolutions put to the vote at the Meeting shall be decided by way of poll.

(Please indicate your vote "For" or "Against" with a tick [✓] within the box provided. Alternatively, please indicate the number of votes as appropriate.)

No.	Resolutions	For	Against
1.	<u>Special Resolution</u> The Proposed Change of Name of the Company from "EMS Energy Limited" To "Koastal Limited"		
2.	<u>Ordinary Resolution</u> The Proposed Grant of Award to a Controlling Shareholder under the EMS Energy Performance Share Plan		

Dated this _____ day of _____ 2016

Total number of Shares in	No. of Shares
(a) CDP Register	
(b) Register of Members	

Signature of Shareholder(s)
or Common Seal of Corporate Shareholder

* Delete where inapplicable

Notes:

1. Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (as defined in Section 81SF of the SFA), you should insert that number of shares. If you have shares registered in your name in the Register of Members, you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the shares held by you.
2. Except for a member who is a Relevant Intermediary as defined under Section 181(6) of the Companies Act, Chapter 50 (the “**Act**”), a member is entitled to appoint not more than two proxies to attend, speak and vote at the meeting. Where a member appoints more than one proxy, the proportion of his concerned shareholding to be represented by each proxy shall be specified in the proxy form.
3. Pursuant to Section 181(1C) of the Act, a member who is a Relevant Intermediary is entitled to appoint more than two proxies to attend, speak and vote at the meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the proxy form.
4. A proxy need not be a member of the Company.
5. Where a member appoints two proxies, the appointments shall be invalid unless he/she specifies the proportion of his/her shareholding (expressed as a percentage of the whole) to be represented by each proxy.
6. The instrument appointing a proxy or proxies must be duly deposited at the Company’s registered office at 1 Robinson Road #17-00 AIA Tower Singapore 048542 not less than forty-eight (48) hours before the time appointed for the EGM.
7. The instrument appointing a proxy or proxies must be signed by the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand on an officer or duly authorised attorney. Where an instrument appointing a proxy or proxies is executed by an attorney on behalf of the appointor, the letter or power of attorney a duly certified copy thereof must be lodged with the instrument.
8. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the EGM, in accordance with Section 179 of the Act, Chapter 50 of Singapore.
9. The Company shall be entitled to reject an instrument of proxy which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the instrument of proxy. In addition, in the case of shares entered in the Depository Register, the Company may reject an instrument of proxy if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at seventy-two (72) hours before the time appointed for holding the EGM, as certified by The Central Depository (Pte) Limited to the Company.

PERSONAL DATA PRIVACY:

Where a member of the Company submits an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member’s personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the Meeting (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the “**Purposes**”), (ii) warrants that where the member discloses the personal data of the member’s proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member’s breach of warranty.

This page has been intentionally left blank.

