EMAS Offshore Limited

(Incorporated in Singapore)
(UEN/Company Registration Number: 200702224N)

BINDING TERM SHEET
WITH RESPECT TO PROPOSED INVESTMENT INTO EMAS OFFSHORE LIMITED

1. **Introduction**

1.1 The Board of Directors (the "**Board**") of EMAS Offshore Limited (the "**Company**" and together with its subsidiaries, the "**Group**") refers to the announcements made on 31 August 2017 in relation to, *inter alia*, the Company's entry into a binding term sheet ("**Term Sheet**") with certain potential investors ("**Potential Investors**") which are unrelated third-party investors in connection with the proposed cash investment ("**Investment**") by the Potential Investors as part of the financial restructuring of the Group. The Potential Investors are BT Investment Pte. Ltd. ("**BTI**"), being a wholly owned subsidiary of Baker Technology Limited, and Point Hope Pte. Ltd ("**Point Hope**") (and/or their respective nominees or funds under their management). The Term Sheet does not set forth all the material business terms and conditions for the proposed investment or the Restructuring Exercise (as defined below), and is subject to customary due diligence, final agreement and documentation.

1.2 The Group intends to undertake a proposed restructuring (the "**Restructuring Exercise**") of its existing secured and unsecured liabilities (excluding, if deemed necessary by the Company, trade creditors incurred or to be incurred in the ordinary course of business) as well as any outstanding obligations including without limitation debentures and any contingent liabilities to substantially deleverage the Company's balance sheet and strengthen its working capital position to enable the Group to continue as a going concern. It is also the intention of the Potential Investors that the key management of the EOL Group is retained to ensure that the operations of the EOL Group will not be impacted during and after the Restructuring Exercise.

1.3 The Restructuring Exercise is proposed to be carried out mainly by way of: (i) a scheme of arrangement under Section 210 or Section 211 of the Companies Act (Chapter 50 of Singapore) in Singapore to deal with settlement and discharge of outstanding debts (the "**Scheme**"); and (ii) the issuance of new shares in the Company for subscription by each of the Potential Investors. Further details about the Scheme will be provided as soon as the Potential Investors and the Company finalise the details of the Investment and the Restructuring Exercise.

2. **Salient Terms of the Term Sheet**

2.1 The Term Sheet is subject to certain conditions precedent, including, *inter alia*:

(a) satisfactory agreement to final documentation and definitive agreements by the respective parties to the entire Restructuring Exercise; and

(b) receipt of all necessary governmental and regulatory approvals, consents and permits.

2.2 The salient terms of the Term Sheet are set out in the table below.

Investment Amount	The aggregate investment amount is US$50 million for the whole and complete Restructuring Exercise ("**Investment Amount**"), with each of BTI and Point Hope individually investing an amount of US$25.0 million.
Share Issuance	The Investment Amount will result in the Potential Investors receiving at least (in aggregate) a majority of the share capital of EOL on a fully diluted basis.
Conditions precedent	The consummation of the transactions contemplated under the Term Sheet is subject to the following main conditions precedent: a) satisfactory completion of due diligence by the Potential Investors; b) satisfactory agreement to final documentation and definitive agreement; c) no material deterioration of the business and financial position and/or prospects of the Group; d) receipt of necessary corporate approvals from the Potential Investors, including but not limited to approval from the Potential Investors' shareholders; e) requisite approvals for the Restructuring Exercise, including the approval of the Company's shareholders having been duly obtained and such approvals not having been revoked and the Scheme having been sanctioned by the High Court of Singapore; f) receipt of all necessary governmental and regulatory approvals, consents and permits; and g) any further conditions as deemed necessary by the Company and/or the Potential Investors.
Termination	The Term Sheet may be terminated, and the Restructuring Exercise contemplated may be abandoned, at any time prior to closing: (a) by mutual consent of the Potential Investors and the Company; (b) by the Potential Investors or the Company, if the Restructuring Exercise is not under way by or the Scheme application is not filed by 30 October 2017; or

	(c) by any of the Potential Investors, if there has been a failure to fulfil any of the material commercial terms of the Term Sheet, which has prevented or would prevent the satisfaction of any condition to the obligations of the Potential Investors at closing of the Restructuring Exercise.

3. **General**

The Company will make an announcement to disclose further details of the Investment and Scheme upon execution of the definitive agreements and will make such other update announcement(s) from time to time. Shareholders should note as there is no certainty or assurance as at the date of this announcement that any definitive agreements will be entered into. When in doubt as to the action they should take, shareholders should consult their financial, tax or other advisers.

This announcement is subject to disclosure in accordance with section 5-12 of the Norwegian Securities Trading Act.

By Order of the Board

Lee Kian Soo
Director
4 September 2017