EMAS Offshore Limited

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

UPDATED UNAUDITED FINANCIAL INFORMATION PROVIDED TO THE HIGH COURT OF THE REPUBLIC OF SINGAPORE

1. Introduction

1.1 The Board of Directors (the "**Board**") of EMAS Offshore Limited (the "**Company**" and together with its subsidiaries, the "**Group**") wishes to refer to the announcement released by the Company dated 26 September 2017 where the Company announced that the High Court of the Republic of Singapore (the "**High Court**") had issued a Moratorium with respect to each of the Company, Emas Offshore Pte Ltd ("**EOPL**"), and Emas Offshore Services Pte. Ltd ("**EMSS**") (the "**Singapore Filing Entities**") pursuant to which, the High Court *inter alia* ordered the Singapore Filing Entities to submit to the Court the following:

(a) report on the valuation of each of its significant assets;
(b) forecasts and the profitability and the cash flow from the operations of the Group, EOPL and EMSS

1.2 Please find attached hereto the information provided to the High Court in respect of the above stated orders. The Board wishes to emphasise that the information attached hereto has not been subject to an audit review.

2. General

The Company will make further announcements in compliance with the listing requirements of the Oslo Børs when there are material developments in respect of the Restructuring.

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

By Order of the Board

Mr Lee Kian Soo
Director
2 October 2017

EMAS Offshore Limited

Financial Position as at ***31-Jul-17***

ASSETS	Amount (US$)	Estimated Realisable Value (US$)	Notes
Assets not charged			
Cash and bank balances	2,060,604	2,060,604	
Other receivables	66,545	-	Note 1
Deposits	526,537	36,198	Note 2
Prepayments	307,379	-	Note 3
Amount due from intercompanies	508,494,381	-	Note 4
Investment in subsidiaries	27,867,005	-	Note 5
Investment in joint venture companies	103,391,990	-	Note 6
Total assets not charged	**642,714,441**	**2,096,802**	
Assets subject to charges			
Other investment	**-**	**-**	
Total assets subject to charges	**-**	**-**	
Total assets	**642,714,441**	**2,096,802**	

LIABILITIES	Amount (US$)
SECURED LIABILITIES	
Liabilities secured by charges	
Bank loans and payables	104,673,986
Total Secured Creditors	**104,673,986**
UNSECURED LIABILITIES	
Preferred Unsecured Creditors	
Provision For Income Tax	133,306
GST net payable	3,276
Total Preferred Unsecured Creditors	**136,583**
Non-preferential unsecured Creditors	
Bank loans and payables	194,525,481
Contingent claims	75,035,110
Other payables	138,433,902
Amount due to intercompanies	399,396,975
- Ezra/ Ezra subsidiaries	157,520,735
- EOL/ EOL subsidiaries	241,876,177
- EOL/ EOL JV or associates	63
Total Non-preferential unsecured Creditors	**807,391,469**
Total Unsecured Creditors	**807,528,051**
Total Liabilities	**912,202,038**
Net Assets / (Liabilities)	**(910,105,236)**

EMAS Offshore Limited
Financial Position as at ***31-Jul-17***

Notes

Note 1 - Other receivables
Pertain to payment for setting up of new entity, assessed to be non-refundable.

Note 2 - Deposits
Deposits that are held with vendors with no outstanding arrears assessed to be 100% recoverable. Other deposits such as retainer fees to offset against amount in arrears are assessed to be not recoverable.

Note 3 - Prepayment
Prepayment amount would be offset against amount in arrears hence assessed to be not recoverable.

Note 4 - Amount due from intercompanies
Recoverability of intercompany receivables is based on each intercompany's distribution of its estimated realisable assets amongst its unsecured creditors. As each intercompany has insignificant estimated realisable assets after distribution to its secured creditors, amount due from intercompanies is estimated to be nil.

Note 5 - Investment in subsidiaries

Significant assets of the company are vessels held within subsidiaries of the company. These vessels are charged assets (with the exception of Lewek Lea) with insufficient estimated realisable value to pay off the secured debt. Subsidiaries are in estimated net total liability position with no excess recoverable value within the subsidiary's accounts for distribution to shareholders.

Note 6 - Investment in joint venture companies
Joint venture companies are in estimated net total liability position with no excess recoverable value within the Joint venture company's accounts for distribution to shareholders.

EOL Vessel Listing

S/N	Entity	Vessel name	Vessel type	Vessel tonnage	BHP	Year built
1	Emas Offshore (L) Bhd	Lewek Scarlet	AHTS	NA	12,240	2009
2	Emas Offshore (L) Bhd	Lewek Plover	AHTS	NA	10,800	2008
3	Emas Offshore (L) Bhd	Lewek Petrel	AHTS	NA	10,800	2008
4	Emas Offshore (L) Bhd	Lewek Stork	AHTS	NA	12,240	2005
5	Emas Offshore (L) Bhd	Lewek Ebony	AHTS	NA	5,220	2007
6	Emas Offshore (L) Bhd	Bayu Martin	AHTS	NA	7,340	2007
7	Lewek Alphard Shipping Pte Ltd	Lewek Alphard	PSV	5,000	9,928	2014
8	Lewek Altair Shipping Pvt Limited	Lewek Altair	PSV	3,100	6,222	2009
9	Lewek Altair Shipping Pvt Limited	Lewek Atlas	PSV	3,570	5,444	2007
10	Lewek Antares Shipping Pte Ltd	Lewek Atria	PSV	3,266	6,222	2010
11	Lewek Antares Shipping Pte Ltd	Lewek Antares	PSV	2,900	6,222	2011
12	Lewek Crusader Shipping Pte Ltd	Lewek Crusader	OAV/Barge	NA	NA	2011
13	Lewek Aries Pte Ltd	Lewek Aries	PSV	3,486	7,080	2008
14	Lewek Conqueror (BVI) Ltd	Lewek Conqueror	Barge	NA	NA	2004
15	Lewek Chancellor Shipping Pte Ltd	Lewek Chancellor	Barge	NA	NA	2007
16	Lewek LB1 Shipping Pte Ltd	Lewek LB1	Barge	NA	NA	2006
17	Lewek LB1 Shipping Pte Ltd	Lewek Lea	Barge	NA	NA	2006
18	Lewek Shipping Pte Ltd	Lewek Fulmar	AHTS	NA	30,000	2011
19	Lewek Shipping Pte Ltd	Lewek Sapphire	AHTS	NA	5,040	2005
20	Lewek Shipping Pte Ltd	Lewek Harrier	AHTS	NA	8,000	2006
21	Lewek Shipping Pte Ltd	Lewek Ivory	AHTS	NA	5,200	2001
22	Lewek Shipping Pte Ltd	Lewek Andes	PSV	5,279	8,716	2012
23	Lewek Shipping Pte Ltd	Lewek Aquarius	PSV	5,380	8,716	2012
24	Lewek Shipping Pte Ltd	Lewek Teal	AHTS	NA	21,456	2012
25	Lewek Shipping Pte Ltd	Lewek Penguin	AHTS	NA	10,800	2007
26	Lewek Shipping Pte Ltd	Lewek Leopard	AHTS	NA	5,150	2011
27	Lewek Shipping Pte Ltd	Lewek Lion	AHTS	NA	5,150	2010
28	Lewek Shipping Pte Ltd	Lewek Roller	AHT	NA	4,000	2006

Emas Offshore Pte Ltd
Financial Position as at ***31-Jul-17***

ASSETS	Amount (US$)	Estimated Realisable Value (US$)	Notes
UNSECURED ASSETS			
Cash and bank balances	5,059,178	5,059,178	
Stocks	1,045,849	-	Note 1
Fixed assets	101,940,579	-	Note 2
Trade receivables	14,437,878	14,437,878	Note 3
GST receivable	87,937	87,937	
Deposits	93,674	93,674	Note 4
Prepayments	3,384,866	-	Note 5
Amount due from intercompanies	18,816,788	-	Note 6
Total unsecured assets	**144,866,749**	**19,678,667**	
Total assets	**144,866,749**	**19,678,667**	

LIABILITIES	Amount (US$)	Notes
SECURED CREDITORS		
Secured contingent liabilties	73,366,612	
Total Secured Creditors	**73,366,612**	
UNSECURED CREDITORS		
Trade and other payables	126,638,818	
Accruals and Provisions	12,608,441	
Amount due to intercompanies	143,528,613	
Ezra/Ezra Subsidiary	3,055,639	
EOL/EOL Subsidiary	132,085,224	
EOL/ EOL JV or associates	8,387,750	
Total Unsecured Creditors	**282,775,872**	
Total Liabilities	**356,142,485**	
Net Assets / (Liabilities)	**(336,463,817)**	

Notes

Note 1 - Stocks
Pertains to fuel on board vessels hence assessed to be not recoverable.

Note 2 - Fixed assets
Fixed assets comprise (i) SLB Vessels which would be offset against amount in arrears hence assessed to be not recoverable, and (ii) dry docking amount which is not realisable.

Note 3 - Trade receivables
Deemed to be collectible based on historial collection pattern and receipts subsequent to 31 July 2017 .

Note 4 - Deposits
Deposits pertain to mainly tender deposits that are assessed to be refundable.

Note 5 - Prepayments
Prepayment amount would be offset against amount in arrears hence assessed to be not recoverable.

Note 6 - Amount due from intercompanies
Recoverability of intercompany receivables is based on each intercompany's distribution of its estimated realisable assets amongst its unsecured creditors. As each intercompany has insignificant estimated realisable assets after distribution to its secured creditors, amount due from intercompanies is estimated to be nil.

Emas Offshore Services Pte Ltd
Financial Position as at ***31-Jul-17***

ASSETS	Amount (US$)	Estimated Realisable Value (US$)	Notes
UNSECURED ASSETS			
Cash and Bank	1,362,674	1,362,674	
Fixed assets	142,713	75,789	Note 1
Stocks	429,474	53,681	Note 2
Other receivables	10,190,509	328,123	Note 3
Deposits	32,235	17,826	Note 4
Prepayments	30,468	-	Note 5
GST receivable	20,399	20,399	
Amount due from intercompanies	72,597,791	-	Note 6
Total assets	**84,806,263**	**1,858,492**	

LIABILITIES	Amount (US$)
UNSECURED CREDITORS	
Preferred Creditors	
Provision For Income Tax	1,549,485
Total Preferred Creditors	**1,549,485**
Non-preferential Unsecured Creditors	
Trade and other payables	18,213,155
Accruals	3,869,944
Amount due to intercompanies	27,588,392
Ezra/Ezra Subsidiary	8,879,673
EOL/EOL Subsidiary	18,708,718
Total Non-preferential Unsecured Creditors	**49,671,491**
Total Unsecured Creditors	**51,220,976**
Total Liabilities	**51,220,976**
Net Assets / (Liabilities)	**(49,362,484)**

Notes

Note 1 - Fixed assets

Fixed assets consist of a vehicle that was realised at SGD 103,800 (USD 75,789) in Sep 17, and also COMPAS Software that is assessed to have no realisable value.

Note 2 - Stocks

The value of EMSS stocks is considered as nil except for certain capital inventory, which is estimated to yield 25% recovery.

Note 3 - Trade receivables

Comprise mainly receivables from charterers for drydock costs, which are assessed to be unrecoverable. The amount also includes finance lease receivable for sale of EAC Stimulator, estimated to be recovered at 10%.

Note 4 - Deposits

Deposits pertaining to payments to agencies are assessed to be fully refundable while fund retention for salaries are assessed as not recoverable.

Note 5 - Prepayment

Pertains mainly to insurance prepayment which are assessed to be non-refundable as the amount will be used to offset outstanding arrears.

Note 6 - Amount due from Intercompanies

Recoverability of intercompany receivables is based on each intercompany's distribution of its estimated realisable assets amongst its unsecured creditors. As each intercompany has insignificant estimated realisable assets after distribution to its secured creditors, amount due from intercompanies is estimated to be nil.

Emas Offshore Group Cash flows projection

6 Month Operational Cash Flow Summary (Sep 17 - Feb 18)

In USD 000s	6M FY18
Forecast Revenue	**29,779**
VOC (cash)	(14,761)
G&A	(6,273)
Cash taxes	(413)
Insurance	(2,031)
Total vessel opex, G&A, insurance costs	**(23,478)**
Vessel EBITDA	**6,301**
Dry-docking costs	(12,150)
Cash inflows/(outflows) from operations	**(5,849)**

Assumptions

1. Forecast excludes vessels that are currently off hire, except for those which are in tendering process.
2. Direct charter rates are assumed to decrease by 15% in FY18.
3. The utilisation rate is assumed to be 80% for forecast contracts.
4. No yearly cost increase assumed for Vessel Operating cost ("VOC") and Insurance Premiums, payable over 12 months in the financial year.
5. No cost increase assumed for general and administrative expenses ("G&A") in FY18.

EMAS Offshore Pte Ltd Cash Flow Projections

6 Month Operational Cash Flow Summary (Sep 17 - Feb 18)

In USD 000s	6M FY18
Forecast Revenue	**25,358**
VOC (cash)	(12,789)
G&A	(3,628)
Insurance	(1,491)
Total vessel opex, G&A, insurance costs	**(17,909)**
Vessel EBITDA	**7,449**
Dry-docking costs	(9,200)
Cash inflows/(outflows) from operations	**(1,751)**

Assumptions

1. Forecast excludes vessels that are currently off hire, except for those which are in tendering process.
2. Direct charter rates are assumed to decrease by 15% in FY18.
3. The utilisation rate is assumed to be 80% for forecast contracts.
4. No yearly cost increase assumed for Vessel Operating cost ("VOC") and Insurance Premiums, payable over 12 months in the financial year.
5. No cost increase assumed for general and administrative expenses ("G&A") in FY18.

EMAS Offshore Services Pte Ltd Cash flows projection
6 Month Operational Cash Flow Summary (Sep 17 - Feb 18)

In USD 000s	6M FY18
Forecast Revenue	**11,585**
VOC (cash)	(10,532)
G&A	(959)
Total vessel opex, G&A, insurance costs	**(11,490)**
Vessel EBITDA	**95**
Tax	(16)
Cash inflows/(outflows) from operations	**78**

1. Forecast excludes vessels that are currently off hire, except for those which are in tendering process.
2. Revenue assumed to remain flat.
3. No yearly cost increase assumed for Vessel Operating cost ("VOC"), payable over 12 months within the financial year.
4. No cost increase assumed for general and administrative expenses ("G&A") in FY18