

UPDATE ON RESUMPTION PROPOSAL

The board of directors (the “**Board**”) of EMS Energy Limited (the “**Company**” and, together with its subsidiaries, the “**Group**”) wish to update on the resumption proposal pursuant to Catalist Rule 1304(1).

As announced on 8 March 2019, SGX-ST had granted the Company a further extension of time up to 30 June 2019 to submit a resumption proposal, subject to:

- (a) the Company announcing the Waiver granted, the reasons for seeking the Waiver, the conditions as required under Catalist Rule 106 and if the Waiver conditions have been satisfied. If the Waiver conditions have not been met on the date of the announcement, the Company must make an update announcement when the conditions have all been met;
- (b) the Company announcing that it may face delisting in the event it does not submit a resumption proposal or the resumption proposal does not address issues pertaining to financial and business viability as well as demonstrate ability to operate as a going concern. No further time extension will be granted for the Company to submit a resumption proposal;
- (c) regular updates via SGXNET on its progress in meeting key milestones of the Proposed Acquisition and execution of agreement(s) for the purpose of the resumption of trading proposal; and
- (d) the Waiver shall apply only towards the Proposed Acquisition undertaken by the Company. In the event the Proposed Acquisition is terminated, the Waiver will automatically lapse and the Company will be delisted.

The Waiver will not be effective if any of the conditions abovementioned have not been fulfilled.

The Company had announced on 28 June 2019 it is unable to submit a resumption proposal by the extended deadline and has been in close discussions with the SGX-ST via the Company's Sponsor on the next steps. The Company has since been informed by its Sponsor that SGX-ST maintains its position set out in the waiver letter of 8 March 2019 that no further extension of time will be granted to the Company to submit its resumption proposal. As such, the Company will be facing delisting pursuant to Catalist Rule 1304(1).

Pursuant to Catalist Rule 1305(2) read with Rule 1308, the issuer to be delisted from the Exchange or its controlling shareholder is required to make a fair and reasonable exit offer to its shareholders and include a cash alternative as the default alternative. The Board wishes to update that the Company is also not in the financial position to make an exit offer and it has also been informed by the controlling shareholder of the Company, Mr Ting Teck Jin that he is also not in a position to make an exit offer due to financial constraints.

The Company has in the course of last three years been attempting restructure the Group via the scheme of arrangements for the Company and its wholly-owned subsidiary EMS Energy Solutions Pte. Ltd. (“**SOAs**”). The Board understands that the Company will not be able to complete the SOAs if it is delisted and in that event, the Company will likely go into liquidation. As such, the Board is assessing with its advisors whether there are other options including the possibility of an appeal to SGX-ST against the delisting. The Board will provide further updates to shareholders as and when there are material developments.

Shareholders are advised to exercise caution when dealing in Shares. Shareholders and other stakeholders (including scheme creditors) are advised to read this announcement and any further announcements by the Company carefully. Shareholders and other stakeholders (including scheme creditors) should consult their stockbrokers, bank managers, solicitors or other professional advisers if they have any doubt about the actions they should take.

By Order of the Board
EMS Energy Limited

Wee Woon Hong

Company Secretary

29 August 2019

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 relevant rules of the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual Section B: Rules of Catalyst.

This announcement has not been examined or approved by the SGX-ST 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.

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