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PROPOSED NON-RENOUNCEABLE NON-UNDERWRITTEN PREFERENTIAL OFFERING OF NOTES WITH WARRANTS

Nothing in this announcement constitutes an offer to buy, or a solicitation of an offer to sell, securities in the United States or any other jurisdiction in which such offer or solicitation would be unlawful. Securities may not be offered or sold in the United States absent registration pursuant to the U.S. Securities Act of 1933, as amended (the "Securities Act") or an exemption from registration. The securities referred to in this Announcement will be sold only outside the United States, in "offshore transactions" in accordance with Regulation S under the Securities Act.

1. INTRODUCTION

The Board of Directors (the "**Board**" or "**Directors**") of KrisEnergy Ltd. (the "**Company**") refers to the announcement dated 3 November 2016 regarding the proposed Preferential Offering and the application for the Whitewash Waiver (the "**Proposed Preferential Offering Announcement**"). Unless otherwise specified, capitalised terms used in this announcement shall have the same meanings ascribed to them in the Proposed Preferential Offering Announcement.

2. WAIVER OF THE OBLIGATION TO MAKE A MANDATORY GENERAL OFFER GRANTED BY THE SECURITIES INDUSTRY COUNCIL OF SINGAPORE (THE "SIC")

As set out in the Proposed Preferential Offering Announcement, KOG is in discussions to provide an undertaking ("**KOG's Irrevocable Undertaking**") to the Company to, *inter alia*, subscribe and pay for, or procure that Devan subscribes and pays for, the full entitlement of Notes with Warrants arising from the Existing Devan Shares under the Preferential Offering and all the excess Notes with Warrants that are not successfully subscribed for under the Preferential Offering (the "**Excess Notes Commitment**"). Devan is currently in the process of transferring the Existing Devan Shares to its sole shareholder, KOG, a wholly-owned subsidiary of Kepventure Pte. Ltd., which is in turn wholly owned by Keppel Corporation Limited (the "**Internal Restructuring**"). The acquisition of New Shares by KOG or Devan (as the case may be) pursuant to the exercise of the Warrants to be issued pursuant to KOG's Irrevocable Undertaking may result in the Concert Party Group increasing its shareholding in the Company by more than one per cent. within a period of six months. In such event, the Concert Party Group would incur an obligation to make a mandatory general offer for the remaining Shares not already owned or controlled by the Concert Party Group pursuant to Rule 14 of the Singapore Takeover Code unless such obligation is waived by the SIC.

The SIC has on 15 November 2016 waived the requirement for Devan to make a mandatory offer under Rule 14 of the Singapore Takeover Code for the Company in the event that Devan and its concert parties (including the Devan Holding Group) increase their aggregate shareholdings in the Company by more than one per cent. based on its enlarged issued capital of the Company as a result of Devan acquiring New Shares upon the exercise of any of the Warrants acquired pursuant to the Excess Notes Commitment, subject to the following conditions:

- (a) a majority of holders of voting rights of the Company approve at a general meeting, before the Preferential Offering, a resolution (the "**Whitewash Resolution**") by way of a poll to waive their rights to receive a general offer from Devan and its concert parties (including the Devan Holding Group);



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- (b) the Whitewash Resolution is separate from other resolutions;
- (c) Devan and its concert parties (including the Devan Holding Group) and parties not independent of them abstain from voting on the Whitewash Resolution;
- (d) Devan and its concert parties (including the Devan Holding Group) did not acquire or are not to acquire any Shares or instruments convertible into and options in respect of Shares (other than subscriptions for, rights to subscribe for, instruments convertible into or options in respect of new Shares which have been disclosed in the Circular:
 - (i) during the period between the Proposed Preferential Offering Announcement and the date Shareholders' approval is obtained for the Whitewash Resolution; and
 - (ii) in the six months prior to the first announcement of the Preferential Offering, i.e. the Proposed Preferential Offering Announcement but subsequent to negotiations, discussions or the reaching of understandings or agreements with the Directors in relation to such issue;
- (e) the Company appoints an independent financial adviser to advise its Independent Shareholders on the Whitewash Resolution;
- (f) the Company sets out clearly in its Circular:
 - (i) details of the Preferential Offering including the Excess Notes Commitment;
 - (ii) the dilution effect to existing holders of voting rights upon the acquisition of New Shares upon exercise of the Warrants by Devan pursuant to the Excess Notes Commitment;
 - (iii) the number and percentage of voting rights in the Company as well as the number of instruments convertible into, rights to subscribe for and options in respect of shares in the Company held by Devan and its concert parties (including the Devan Holding Group) as at the latest practicable date of the Circular;
 - (iv) the number and percentage of voting rights to be acquired by Devan and its concert parties (including the Devan Holding Group) upon exercise of the Warrants subscribed pursuant to the Excess Notes Commitment; and
 - (v) specific and prominent reference to the fact that the exercise of Warrants by Devan could result in Devan and its concert parties (including the Devan Holding Group) holding Shares carrying over 49 per cent. of the voting rights of the Company based on its enlarged issued share capital, and the fact that Devan and its concert parties (including the Devan Holding Group) will as a result be free to acquire further Shares without incurring any obligation under Rule 14 to make a general offer;
 - (vi) specific and prominent reference to the fact that Shareholders, by voting for the Whitewash Resolution, are waiving their rights to a general offer from Devan at the highest price paid by Devan and its concert parties (including the Devan Holding



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Group) for the Shares in the past six months preceding the commencement of the offer; and

- (vii) specific and prominent reference to the fact that Shareholders, by voting for the Whitewash Resolution, could be forgoing the opportunity to receive a general offer from another person who may be discouraged from making a general offer in view of the potential dilution effect of the Warrants subscribed by Devan;
- (g) the Circular states that the waiver granted by the SIC to Devan and its concert parties (including the Devan Holding Group) from the requirement to make a general offer under Rule 14 is subject to the conditions stated at paragraphs (a) to (f) above;
- (h) Devan and its concert parties (including the Devan Holding Group) obtains the SIC's approval in advance for those parts of the Circular that refer to the Whitewash Resolution;
- (i) to rely on the Whitewash Resolution, the acquisition of the Warrants by Devan must be completed within three months of the date of the approval of the Whitewash Resolution and acquisition of New Shares upon exercise of the Warrants must be completed within five years of the date of issue of the Warrants; and
- (j) Devan provides a written undertaking to the SIC that it will comply with the disclosure requirements set out in paragraph 2 of the Note on Section 2 of Appendix 1 of the Singapore Takeover Code.

The SIC further ruled that the aforesaid waiver shall apply to KOG when, as a result of the Internal Restructuring, the Warrants are either transferred or issued to KOG, and KOG acquires New Shares as a result of the exercise of any of such Warrants acquired pursuant to the Excess Notes Commitment, subject to such ruling being disclosed in the Circular.

The Company will convene an extraordinary general meeting to seek shareholder approval for the Preferential Offering Resolution (as defined in the Proposed Preferential Offering Announcement) and the Whitewash Resolution.

BY ORDER OF THE BOARD

Jeffrey S MacDonald
Executive Director and Interim Chief Executive Officer
17 November 2016
Singapore