KRISENERGY LTD

Company Registration No: 231666
(Incorporated in the Cayman Islands)

Unaudited First Quarter 2019 Financial Statements Announcement

13 May 2019

The following announcement may contain forward-looking statements by KrisEnergy Ltd. (the "**Company**" or "**KrisEnergy**", and collectively with its subsidiaries, the "**Group**") relating to financial trends for future periods.

Some of the statements in this presentation, which are not historical facts, are statements of future expectations with respect to, among others, the financial condition, results of operation and business, and the related plans and objectives of the Company and/or the Group. These forward-looking statements are based on the Company's current views, intentions, plans, expectations, assumptions and beliefs about future events and are subject to risks, uncertainties and other factors, many of which are outside our control. Important factors that could cause actual results to differ materially from the expectations expressed or implied in the forward-looking statements include known and unknown risks and uncertainties. As actual results could differ materially from the Company's current views, intentions, plans, expectations, assumptions and beliefs about the future, such forward-looking statements are not and should not be construed as a representation, forecast or projection of future performance of the Company and/or the Group. It should be noted that our actual performance may vary significantly from such statements. No undue reliance should be placed on forward-looking statements and the Company does not undertake to revise forward-looking statements to reflect future events or circumstances.

Financial and Operations Update

KrisEnergy Ltd. is an independent upstream oil and gas company focused on the appraisal, development and production of oil and gas in Asia. As at the date of this announcement, we hold working interests in a diverse portfolio of 14[1] *contract areas in Asia, nine of which we operate, balancing cash flow from oil and gas production with significant development potential and exploration upside. Today, we present our unaudited financial statements reflecting the financial and operating results for the three months ended 31 March 2019 (the "**Results**" or "**1Q2019**"). References made to the Company pertain to KrisEnergy Ltd. and references made to the Group pertain to the Company and its subsidiaries.*

	For the three months ended 31 March		
	2019	**2018**	**% Change**
	(US$ thousands, except where otherwise indicated)		
Financial			
Sale of crude oil & liquids	21,595.3	38,986.5	(44.6)
Sale of gas	3,990.7	3,521.6	13.3
Revenue	**25,586.0**	**42,508.1**	**(39.8)**
Adjusted EBITDAX(2)	**9,070.8**	**13,886.9**	**(34.7)**
Cash and bank balances	55,590.2	52,663.0	5.6
Operations(3)			
Oil and liquids (bopd)	4,643	6,891	(32.6)
Gas (mmcfd)	32.9	31.5	4.5
Production volumes (*boepd*)	10,120	12,132	(16.6)
Average sales price			
• Oil and liquids (*US$/bbl*)	58.20	61.40	(5.2)
• Gas – B8/32 (*US$/mcf*)	5.07	4.10	23.7
• Gas – Block 9 (*US$/mcf*)	2.32	2.32	-
Average lifting costs (*US$/boe*)(3)	22.00	20.25	8.6

Notes:

(2) EBITDAX is a non-IFRS measure and is defined as earnings before interest, taxation, depreciation, amortisation, geological and geophysical expenses and exploration expenses. Adjusted EBITDAX excludes unrealised foreign exchange differences.

(3) Average lifting cost reflect the Group's working interest share of joint-venture operating expenditure incurred versus production in the same period.

[1] The Company intends in 2019 to relinquish its 33.33% working interest in Block 120, offshore Vietnam

EBITDAX Computation

		For the three months ended 31 March	
		2019	2018
		(unaudited)	
		(US$ thousands)	
Cash	**Revenue**	**25,586.0**	**42,508.1**
	Adjusted operating costs[4]	(13,429.5)	(24,493.0)
	Thai petroleum royalties paid	(2,144.7)	(3,273.1)
	Gross profit before depreciation, depletion and amortisation	**10,011.8**	**14,742.0**
	Corporate general and administrative expense	(941.0)	(855.1)
	Adjusted EBITDAX[5]	**9,070.8**	**13,886.9**
	Geological and geophysical expenses	(1,023.8)	(2,250.8)
	Exploration expenses	55.8	(600.0)
	Adjusted EBITDA[5]	**8,102.8**	**11,036.1**
	Finance costs	(6,576.6)	(5,580.7)
Non-Cash	Non-cash items:		
	Finance costs (accretion of bond discount[6], decommissioning provision and lease liability)	(4,896.3)	(5,647.8)
	Depreciation, depletion and amortisation	(11,559.9)	(11,910.6)
	Net fair value loss on financial instruments	(514.7)	(789.7)
	Unrealised exchange loss on 2022 Notes, 2023 Notes and 2024 ZCNs	(4,858.0)	(4,953.9)
	Other unrealised exchange differences	181.7	592.1
	Adjusted loss before tax[7]	**(20,121.0)**	**(17,254.5)**

Notes:

(4) Adjusted operating costs is a non-IFRS measure and includes the bareboat charters for oil and gas production, which are classified under depreciation, depletion and amortisation in the profit and loss statement in accordance with IFRS.

(5) EBITDAX and EBITDA are supplemental measures of our performance that are not required under IFRS. EBITDAX and EBITDA should not be considered as an alternative to net income, operating income or any other performance measures derived in accordance with IFRS or as an alternative to cash flow from operating activities as a measure of liquidity. EBITDAX and EBITDA are not standardised terms, hence, a direct comparison between companies using such terms may not be possible. Adjusted EBITDAX and Adjusted EBITDA excludes unrealised foreign exchange differences.

(6) Pursuant to the financial restructuring in the first quarter 2017 ("**1Q2017**"), the Group recognised a one-off non-cash fair value gain on exchange of the 2022 Notes and 2023 Notes amounting to US$73.9 million (the "**Notes Exchange Gain**") as the 2022 Notes and 2023 Notes were recognised at a discount to par value upon exchange. Each reporting quarter until maturity or redemption of the 2022 Notes and 2023 Notes, the non-cash accretion of the bond discount, computed on the effective interest method in accordance with IFRS, will be charged to the Group's profit and loss as finance costs to offset the Notes Exchange Gain. In addition, non-cash accretion of bond discount on the 2024 ZCNs will be charged to finance costs as the 2024 ZCNs were initially recognised at a discount to par value on issuance in 1Q2017.

(7) Adjusted profit/loss before tax deducts SRB taxes from the calculation of Adjusted EBITDA.

First Quarter 2019 Financial Update

Production volumes in the Gulf of Thailand were disrupted in 1Q2019 as a result of Tropical Storm Pabuk, which caused a week-long unscheduled shutdown of operations as facilities were evacuated as a safety precaution. Generally, however, well intervention work and infill drilling led to improved performance at each of the Company's producing assets versus the fourth quarter 2018 ("**4Q2018**"), in which working interest production was 9,847 barrels of oil per day ("**boepd**").

Benchmark oil prices remained on the downtrend triggered in the final months of 2018, and the average oil and liquids price achieved by the Group slipped to the lowest quarterly level since the fourth quarter 2017, declining 23.8% from 4Q2018. Lower production and oil prices negatively impacted revenues year-on-year, however, higher sales volumes of Wassana crude oil in 1Q2019 led to a 47.0% increase in revenues versus 4Q2018.

Non-cash charges remained at significantly high levels (US$21.6 million in 1Q2019 compared with revenue of US$25.6 million in the same period) and the Group recorded a 1Q2019 loss before tax despite a gross profit before depreciation, depletion and amortisation ("**DD&A**") and positive cash flow. The net loss for the period further eroded the Group's total equity with the result that gearing rose to 99.6%.

Effective from 1 January 2019, the Company adopted IFRS 16 Leases ("**IFRS 16**"), which supersedes IAS 17 Leases. Under IFRS 16, the bareboat charters for the Wassana field operations – namely the mobile offshore production unit ("**MOPU**") and the floating storage and offloading vessel ("**FSO**"), are accounted for as DD&A in cost of sales. Prior to 1 January 2019, the bareboat charters were recognised as operating costs in cost of sales in accordance with IAS 17. Further information regarding the adoption of IFRS 16 is set out in Section 5 of this *Financial Statements Announcement*.

- **Production:** Working interest production in 1Q2019 averaged 10,120 barrels of oil equivalent per day ("**boepd**"), 16.6% lower than the same period last year (1Q2018: 12,132 boepd). The 1Q2018 period included five months of working interest volumes from the Nong Yao oil field in G11/48, Gulf of Thailand, which the Group exited in June 2018. On a *pro forma* basis, excluding G11/48, the Group's three remaining producing assets – Block 9, B8/32 and G10/48 – recorded working interest production of 10,287 boepd in 1Q2018. The 1.6% decrease on a *pro forma* basis was a result of temporary shut-ins in January 2019 at the Wassana field in G10/48 and the B8/32 oil and gas complex due to Tropical Storm Pabuk.

- **Realised Pricing:** The average realised price for oil and liquids in 1Q2019 was US$58.20 per barrel ("**bbl**"), a 5.2% decrease compared to a year ago (1Q2018: US$61.40/bbl) partly as a result of lower benchmark oil prices as well as the exclusion of Nong Yao crude sales, which were included in the 1Q2018 average realised price computation. The average realised gas price for the B8/32 licence increased 23.7% to US$5.07 per thousand cubic feet ("**mcf**") (1Q2018: US$4.10/mcf) in line with higher prices for benchmark medium sulphur fuel oil. The realised gas price from the onshore Bangladesh Bangora field in Block 9 remained flat at US$2.32/mcf.

- **Revenue:** Lower production volumes year-on-year and the drop in the average realised selling price for oil and liquids was partially offset by higher gas production volumes and the higher average realised price for Thai gas sales. The overall impact was a 39.8% decrease in 1Q2019 revenue to US$25.6 million (1Q2018: US$42.5 million). However, on a quarter-on-quarter basis, higher sales volumes of Wassana crude oil increased 1Q2019 revenue by 47.0% compared with US$17.4 million achieved in 4Q2018.

- **Adjusted Operating Costs**: Operating costs including the bareboat charters for the Wassana field operations – namely the mobile offshore production unit (**MOPU**") and the floating storage and offloading vessel ("**FSO**"), in 1Q2019 was US$13.4 million. The decline from the 2018 period was primarily a result of lower barrels of crude oil lifted at the Wassana field versus the year-ago period. In accordance with the Group's accounting policies and industry practice, operating costs are incurred and matched with revenue earned at the time of offtake. Although operating expenditure associated with the Wassana field is largely fixed, the accounting recognition of costs will fluctuate in line with the timing of liftings and hence, revenue earned.

- **Lifting Costs:** Average lifting costs reflect the Group's working interest share of joint-venture operating expenditure incurred versus production in the same period. In 1Q2019, the average lifting cost was US$22.00 per barrel of oil equivalent ("**boe**") compared with US$20.25/boe for 1Q2018. The 8.6% increase was attributed to higher operating expenditure and lower production volumes related to the Wassana and B8/32 assets as a result of the evacuations and temporary shutdown of facilities during Tropical Storm Pabuk.

- **Adjusted EBITDAX:** Decreased to US$9.1 million in 1Q2019 (1Q2018: US$13.9 million) mainly as a result of lower gross profit for the period.

- **Loss Before Tax**: Amounted to US$20.1 million in 1Q2019 (1Q2018: US$17.3 million). Material non-cash charges to the profit and loss statement in 1Q2019 amounted to US$21.6 million, comprising: (i) US$11.5 million for DD&A charges; (ii) US$4.7 million for net unrealised foreign exchange losses; (iii) US$0.5 million for fair value adjustments on financial instruments; and (iv) US$4.9 million related to the non-cash accretion of bond discount, lease liability and decommissioning provision.

- **Cash & Bank Balances:** As at 31 March 2019, the Group's cash and bank balances amounted to US$55.6 million and, after taking into account restricted cash of US$8.3 million, the Group's cash and cash equivalents, including amounts held under joint operations amounted to US$47.3 million. Total unused sources of liquidity excluding amounts held under joint operations amounted to US$7.1 million.

Further discussion of the Group's financial results is set out in Section 8 of this *Financial Statements Announcement*.

Group Capital Management

- **Total Debt & Gearing:** As at 31 March 2019, total debt recognised on the Group's balance sheet amounted to US$468.2 million and the Group's gearing was 99.6%.

- On 9 April 2018, DBS Bank Ltd ("**DBS**") provided an additional commitment of US$20.0 million (the "**Bridge Upsize**") under the RCF to support the Group's liquidity requirements. In 1Q2019 and up to the date of the Results, KrisEnergy Energy (Asia) Limited as subsidiary of the Company and borrower under the RCF entered into four further transactions with DBS:
  - On 8 January 2019, the Bridge Upsize maturity date was extended for one month to 8 February 2019;
  - On 1 February 2019, the Bridge Upsize maturity date was extended for one month to 8 March 2019;
  - On 5 March 2019, the Bridge Upsize maturity date was extended for one month to 8 April 2019; and
  - On 4 April 2019, DBS increased the RCF by an amount which would not result in the total commitments exceeding US$200 million, whereby DBS provided an additional commitment of US$31.7 million (the "**RCF Upsize**") under the RCF and the Bridge Upsize was subsumed under the RCF.

- The Group appointed advisors to review all available options to the Group in order to improve the financial condition of the Group, which is critical. To provide the Group with a short-term liquidity buffer, DBS increased the total commitments under the RCF to US$200.0 million, although utilisation of this commitment will increase the Group's finance cost and gearing. The Group will continue to exercise extreme caution over all expenditures until a holistic solution can be developed and subsequently implemented.

First Quarter 2019 Operational Update

Production & Development

- Average gross production at the KrisEnergy-operated Bangora gas field in Block 9, onshore Bangladesh, was 296 barrels of condensate per day and 96.3 million cubic feet per day ("**mmcfd**") in 1Q2019 and the Group's working interest share of production averaged 4,903 boepd. Production has maintained at steady higher levels since a workover on the B-5 well in November 2018 to open new producing zones. However, gas production has been reduced intermittently in 2019 at the request of the state gas transmission authorities to balance the national distribution grid.

- Average gross production at the Wassana oil field in the KrisEnergy-operated G10/48 concession was 3,917 barrels of oil per day ("**bopd**") in 1Q2019 and the Group's working interest share of production was 3,486 bopd. Production was shut in twice during January 2019. Subsequently, following optimisation of equipment and production, the field has been running at approximately 4,700 bopd throughout April and May 2019. The following shutdowns occurred in January 2019:
  - On 2 January 2019, the Wassana field was shut in, the FSO was decoupled from the mooring and sailed to safe haven and all personnel were evacuated as a precaution to Tropical Storm Pabuk. The FSO and personnel remobilised to the field on 6 January 2019 without incident and production resumed on 8 January 2019; and
  - The field was shut-in for 24 hours on 26 January 2019 for the hook up of a new export pump for the 4-inch subsea flowline and replacement of a section of a 6-inch surface hose.
- The *Mist* jack-up rig demobilised from the Wassana field on 19 February 2019 following completion of the second Wassana infill drilling program, which commenced in December 2018: The infill program comprised:
  - Existing wells A-17H, A-10H and A-06D were plugged and abandoned;
  - Workovers were performed on A-23H, A-03H and A-25H;
  - Drilling of A-30H extended reach well commenced on 10 January 2019 and reached total depth at 13,662 feet measured depth ("**MD**") (-5,226 feet true vertical depth ("**TVDSS**")). A-30H was completed on 4 February 2019 and was put on stream at a rate of 920 bopd on 5 February 2019;
  - Drilling of A-26H infill well commenced on 21 January 2019 and reached total depth at 8,998 feet MD (-5,162 feet TVDSS). A-26H was completed on 9 February 2019 and was put on stream at a rate of 570 bopd; and
  - Drilling of A-27H infill well commenced on 29 December 2018 and reached total depth at 9,925 feet MD (-5,413 feet TVDSS). A-27H was completed on 14 February 2019 and was put on stream at a rate of 1,000 bopd.
- A lifting of 300,678 barrels of Wassana crude was completed on 22 January 2019.
- On 30 January 2019, the Department of Mineral Fuels in Thailand approved KrisEnergy's proposal for the relinquishment of a portion of the reservation area in the G10/48 licence. The reservation area was reduced to 114.4 sq. km compared with 283.6 sq. km. The Wassana production area remains unchanged at 132.2 sq. km.

- Average gross oil production in the non-operated B8/32 oil and gas fields was 23,067 bopd and gas production was 85.8 mmcfd in 1Q2019 and the Group's working interest share of production was 1,732 boepd. All production at the B8/32 oil and gas complex was shut in on 1 January 2019 and personnel were evacuated due to Tropical Storm Pabuk. Production resumed on 7 January 2019. The 1Q2019 gross oil production average is the highest rate since the third quarter 2017 due to zonal recompletions workovers and infill drilling.

- 27 infill wells have been drilled and completed so far in the 2019 infill program for B8/32 and 16 of the wells are on production. The 2019 program schedules 40 infill wells.

- Refurbishment and upgrading of the production barge for the Apsara oil development in Cambodia Block A commenced in the fourth quarter of 2018 and is proceeding. The vessel entered the Gul drydock in Singapore on 1 March 2019 for hull refurbishment and life extension and returned to the Benoi yard in April for installation of the living quarters and helideck.

For activities and developments since 31 March 2019, see paragraph 10 of these Results entitled *Recent Developments*.

Capital Expenditure

As set out in the *Unaudited Full-Year 2018 Financial Statements Announcement* dated 26 February 2019, planned capital expenditure for 1Q2019 was estimated at US$22.4 million. In 1Q2019, the Group incurred capital expenditure, excluding non-cash items, amounting to US$18.5 million. The variance was mainly attributed to a delay in billing for infill drilling in the Wassana oil field.

Planned capital expenditure for the second quarter 2019 is estimated to be approximately US$17.6 million of which 95% will be utilised for producing and development assets and the balance is intended to be allocated to mandatory work commitments.

	For the 3 months ending 30 June 2019
	(unaudited) *(US$ thousands)*
Producing assets (1)	4,100.1
Assets under development (2)	12,690.0
Non-producing assets (3)	794.4
Total capital expenditure	**17,584.5**

Notes:
(1) Expenditure for assets in production, which include G10/48 and Block 9
(2) Expenditure for assets under development, which include Cambodia Block A, the production barge and G6/48
(3) Expenditure for exploration assets, which include SS-11 and the Group's assets in Indonesian and Vietnam

The Group intends to fund planned capital expenditures through a combination of, including but not limited to, free cash flow from operations, the RCF and development funding.

Actual capital expenditure may differ significantly from the amounts set out above due to various factors, including but not limited to, future cash flows, results of operations and financial condition, changes to the local economies in Bangladesh, Cambodia, Indonesia, Singapore, Thailand and Vietnam, in which the group has a business presence, the availability of financing on terms acceptable to us, matters relating to possible construction/development delays, defects or cost overruns, delays in obtaining or receipt of governmental approval, acceleration or delays in our exploration and development programs, changes in the legislative and regulatory environment, and other factors that are beyond our control.

Financial Statements Announcement
First Quarter ended 31 March 2019

Figures for the three months ended 31 March 2019 have not been audited.

PART I – INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL-YEAR RESULTS

1 (a)(i) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year

	For the three months ended 31 March	
	2019	**2018**
	(unaudited)	
	(US$ thousands)	
Sales of crude oil	21,595.3	38,986.5
Sales of gas	3,990.7	3,521.6
Revenue	**25,586.0**	**42,508.1**
Cost of sales:		
Operating costs	(3,491.8)	(24,493.0)
Thai petroleum royalties paid	(2,144.7)	(3,273.1)
Depreciation, depletion and amortisation	(21,360.2)	(11,886.9)
Gross (loss)/profit	**(1,410.7)**	**2,855.1**
Other income	2,713.5	1,511.5
General and administrative expenses	(3,815.2)	(4,638.7)
Other operating expenses	(5,162.5)	(5,826.5)
Finance income	250.6	72.6
Finance costs	(12,696.7)	(11,228.5)
Loss before tax	**(20,121.0)**	**(17,254.5)**
Tax expense	(734.4)	(933.0)
Loss after tax for the period	**(20,855.4)**	**(18,187.5)**
Other comprehensive (loss)/income		
Items that may be reclassified subsequently to profit or loss		
Exchange differences on translation of foreign operations	29.0	31.6
Total comprehensive loss for the period	**(20,826.4)**	**(18,155.9)**
Loss per share attributable to owners of the Company (cents per share)		
Basic	(1.4)	(1.2)
Diluted	(1.4)	(1.2)

Extraordinary items

There were no extraordinary items during the period.

1 (b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year

	The Group		The Company	
	As at 31 March 2019	As at 31 December 2018	As at 31 March 2019	As at 31 December 2018
	(unaudited)	*(audited)*	*(unaudited)*	*(audited)*
	(US$ thousands)			
ASSETS				
Non-current assets				
Exploration and evaluation assets	315,334.9	307,892.3	-	-
Oil and gas properties	165,740.4	163,769.7	-	-
Right-of-use assets[1]	55,911.5	-	-	-
Other property, plant and equipment	18,396.3	13,500.8	-	-
Intangible assets	8,444.9	8,444.9	-	-
Investment in subsidiaries	-	-	336,695.8	336,744.4
Other receivables	4,089.9	4,088.5	202,495.3	209,518.9
	567,917.9	**497,696.2**	**539,191.1**	**546,263.3**
Current assets				
Inventories	27,648.1	21,930.2	-	-
Trade and other receivables	37,705.0	37,950.9	3.7	-
Prepayments	7,876.1	5,686.1	233.2	143.8
Cash and bank balances	55,590.2	77,606.4	75.4	274.1
	128,819.4	**143,173.6**	**312.3**	**417.9**
Total Assets	**696,737.3**	**640,869.8**	**539,503.4**	**546,681.2**
EQUITY AND LIABILITIES				
Equity				
Share capital	1,878.6	1,878.6	1,878.6	1,878.6
Share premium	730,302.2	730,302.2	730,302.2	730,302.2
Other reserves	30,796.7	30,707.8	41,372.4	41,312.5
Accumulated losses	(761,005.4)	(740,150.0)	(572,046.5)	(559,149.4)
Total Equity	**1,972.1**	**22,738.6**	**201,506.7**	**214,343.9**
Non-current liabilities				
Employee benefit liability	649.1	611.6	-	-
Lease liability[1]	15,691.4	-	-	-
Loans and borrowings	441,299.9	439,072.4	293,029.9	290,802.4
Derivative liabilities	3,536.7	2,966.7	3,536.7	2,966.7
Deferred tax liabilities	34,599.3	35,344.6	-	-
Provisions	22,761.8	22,206.6	-	-
Other payables	-	-	22,470.7	25,628.4
	518,538.2	**500,201.9**	**319,037.3**	**319,397.5**
Current liabilities				
Trade and other payables	75,833.7	73,545.3	10,851.1	11,062.8
Accrued operating expenses	29,234.6	21,935.8	1,224.7	1,877.0
Lease liability[1]	40,777.1	-	-	-

Loans and borrowings	26,883.6	20,000.0	6,883.6	-
Withholding tax payable	139.5	197.8	-	-
Tax payable	3,358.5	2,250.4	-	-
	176,227.0	**117,929.3**	**18,959.4**	**12,939.8**
Total Liabilities	**694,765.2**	**618,131.2**	**337,996.7**	**332,337.3**
Total Equity and Liabilities	**696,737.3**	**640,869.8**	**539,503.4**	**546,681.2**

Note:
(1) Pursuant to the application of the new IFRS 16 *Leases* effective 1 January 2019, the Group has recognised right-of-use assets and lease liability on the Balance Sheet. See Section 5 of this *Financial Statements Announcement* for further information regarding the adoption of IFRS 16.

1 (b)(ii) Aggregate amount of group's borrowings and debt securities

Amount repayable in one year or less, or on demand

As at 31 March 2019		As at 31 December 2018	
Secured	**Unsecured**(1)	**Secured**	**Unsecured**
(US$ thousands)			
20,000	6,883.6	20,000.0	-

Amount repayable after one year

As at 31 March 2019		As at 31 December 2018	
Secured(2)	**Unsecured**(3)	**Secured**	**Unsecured**
(US$ thousands)			
217,632.4	223,667.4	214,979.6	224,092.9

Notes:
(1) Aggregate of the unsecured term loan principal repayable in August 2019 and February 2020
(2) Aggregate of the RCF and 2024 ZCNs
(3) Aggregate of the 2022 Notes, 2023 Notes and the non-current unsecured term loan principal

Details of any collateral

As at 31 March 2019, certain subsidiaries of the Company have assets pledged under the RCF. On 29 March 2018, the RCF was extended by two years to 30 June 2020. There were no changes to the existing terms and conditions of the RCF. On 9 April 2018, DBS provided the Bridge Upsize under the RCF for a period of up to three months to support the Group's liquidity requirements. On 5 July 2018, the Bridge Upsize was extended for three months to 8 October 2018, and subsequently for another three months to 8 January 2019. On 8 January 2019, the Bridge Upsize maturity date was extended monthly to 8 February 2019, 8 March 2019 and subsequently to 8 April 2019. On 4 April 2019, DBS increased the RCF by an amount which would not result in the total commitments exceeding US$200 million, whereby DBS provided an additional commitment of US$31.7 million (the "**RCF Upsize**") under the RCF and the Bridge Upsize was subsumed under the RCF.

The 2024 ZCNs, issued under the terms of the Preferential Offering, have a first ranking security interest over the shares and certain accounts of SJ Production Barge Ltd., a wholly-owned subsidiary of the Company, and a junior ranking security interest over the assets secured or to be secured from time to time under the RCF.

For further information on the RCF security, see the offering circular for the Preferential Offering dated 6 January 2017 and the final information memorandum in relation to the 2022 Notes and 2023 Notes dated 11 January 2017.

1 (c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year

	The Group	
	For the three months ended 31 March	
	2019	2018
	(unaudited) *(US$ thousands)*	
Operating activities		
Loss before tax	(20,121.0)	(17,254.5)
Adjustments to reconcile loss before tax to net cash flows		
Depreciation, depletion and amortisation	11,418.1	11,886.9
Depreciation of other property, plant and equipment	7.8	23.7
Depreciation of right-of-use assets	10,076.2	-
Decommissioning provisions	-	(390.2)
Employee defined benefits	37.5	(115.9)
Equity-settled share transactions with employees	59.9	61.5
Net fair value loss on financial instruments	514.7	789.7
Unrealised foreign exchange loss on financial instruments	4,858.0	4,953.9
Finance cost	6,576.6	5,580.7
Unwinding of discount on bonds	4,308.3	5,158.1
Unwinding of discount on decommissioning provisions	555.2	489.7
Unwinding of discount on lease liability	1,256.6	-
Interest income	(250.6)	(72.6)
Operating cash flows before changes in working capital	**19,297.3**	**11,111.0**
Inventories	(5,717.9)	2,777.6
Trade and other receivables	(1,945.6)	(6,268.9)
Trade and other payables	1,990.4	(404.3)
Cash flows generated from operations	**13,624.2**	**7,215.4**
Interest received	250.6	72.6
Interest paid	(4,105.5)	(3,509.9)
Net cash from operating activities	**9,769.3**	**3,778.1**
Investing activities		
Additions to exploration and evaluation assets	(7,442.6)	(6,067.2)
Additions to oil and gas properties	(13,388.8)	(17,049.9)
Expenditure on assets refurbishment	(74.6)	(292.2)
Purchase of other property, plant and equipment	(111.9)	(4.1)
Net cash used in investing activities	**(21,017.9)**	**(23,413.4)**
Financing activities		
Lease payments	(7,719.2)	-
Payment of bond interest	(3,076.9)	(1,557.8)
Net cash used in financing activities	**(10,796.1)**	**(1,557.8)**
Net decrease in cash and cash equivalents	(22,044.7)	(21,193.1)
Effects of foreign exchange rate changes on the balance of cash held in foreign currencies	28.5	31.3
Cash and cash equivalents at beginning of the period	69,336.4	65,554.8
Cash and cash equivalents at end of the period	**47,320.2**	**44,393.0**

Add: restricted cash	8,270.0	8,270.0
Cash and bank balances at end of the period	**55,590.2**	**52,663.0**

As at 31 March 2019, aggregate cash and cash equivalents were US$47.3 million compared with US$44.4 million as at 31 March 2018 and unused sources of liquidity as at 31 March 2019 amounted to US$47.3 million.

Net Cash Flow from Operating Activities

In 1Q2019, net cash from operations amounted to US$9.8 million compared with US$3.8 million in 1Q2018 as a result of movements in working capital.

Net Cash Flow used in Investing Activities

In 1Q2019, net cash used in investing activities amounted to US$21.0 million compared with US$23.4 million in 1Q2018. Material movements in capital expenditure include (i) the infill drilling program in G10/48 of US$12.0 million; and (ii) development activities in Cambodia Block A of US$3.6 million.

Net Cash Flow from Financing Activities

In 1Q2019, net cash used in financing activities amounted to US$10.8 million compared with US$1.6 million in 1Q2018. In 1Q2019, the Group made principal lease payments on the right-of-use assets of US$7.7 million, and paid 4% bond coupon payment for the 2023 Notes as compared to 2% bond coupon payment in the same period last year.

Borrowings

As at 31 March 2019, the total amount drawn from the RCF was US$148.27 million and the total amount drawn from the Bridge Upsize was US$20.0 million. Unused sources of liquidity (comprising cash and cash equivalents) amounted to US$47.3 million.

1 (d)(i) A statement (for the issuer and group), showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

THE GROUP	Share Capital	Share Premium	Accumulated Losses	Foreign Currency Translation Reserve	Employee Share Reserve	General Reserve	Total Equity
				(US$ thousands)			
At 1 January 2019	**1,878.6**	**730,302.2**	**(740,150.0)**	**(1,923.5)**	**1,012.1**	**31,619.2**	**22,738.6**
Loss net of tax	-	-	(20,855.4)	-	-	-	(20,855.4)
<u>Other comprehensive income:</u>							
Exchange differences on translation of foreign operations	-	-	-	29.0	-	-	29.0
Total comprehensive loss for the period	-	-	(20,855.4)	29.0	-	-	(20,826.4)
Equity-settled share transactions with employees	-	-	-	-	59.9	-	59.9
At 31 March 2019	**1,878.6**	**730,302.2**	**(761,005.4)**	**(1,894.5)**	**1,072.0**	**31,619.2**	**1,972.1**

THE GROUP	Share Capital	Share Premium	Accumulated Losses	Foreign Currency Translation Reserve	Employee Share Reserve	General Reserve	Total Equity
				(US$ thousands)			
At 1 January 2018	**1,878.6**	**730,302.2**	**(602,978.9)**	**(1,862.0)**	**767.2**	**31,619.3**	**159,726.4**
Loss net of tax	-	-	(18,187.5)	-	-	-	(18,187.5)
Other comprehensive income:							
Exchange differences on translation of foreign operations	-	-	-	31.6	-	-	31.6
Total comprehensive loss for the period	-	-	(18,187.5)	31.6	-	-	(18,155.9)
Equity-settled share transactions with employees	-	-	-	-	61.4	-	61.4
At 31 March 2018	**1,878.6**	**730,302.2**	**(621,166.4)**	**(1,830.4)**	**828.6**	**31,619.3**	**141,631.9**

THE COMPANY	Share Capital	Share Premium	Accumulated Losses	Employee Share Option Reserve	General Reserve	Total Equity
			(US$ thousands)			
At 1 January 2019	**1,878.6**	**730,302.2**	**(559,149.4)**	**1,012.1**	**40,300.3**	**214,343.9**
Loss net of tax	-	-	(12,897.1)	-	-	(12,897.1)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive loss for the period	-	-	(12,897.1)	-	-	(12,897.1)
Grant of equity-settled transactions with employees	-	-	-	59.9	-	59.9
At 31 March 2019	**1,878.6**	**730,302.2**	**(572,046.5)**	**1,072.0**	**40,300.3**	**201,506.7**

THE COMPANY	Share Capital	Share Premium	Accumulated Losses	Employee Share Option Reserve	General Reserve	Total Equity
			(US$ thousands)			
At 1 January 2018	**1,878.6**	**730,302.2**	**(24,307.8)**	**767.2**	**40,300.3**	**748,940.5**
Loss net of tax	-	-	(14,080.0)	-	-	(14,080.0)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive loss for the period	-	-	(14,080.0)	-	-	(14,080.0)
Grant of equity-settled transactions with employees	-	-	-	61.4	-	61.4
At 31 March 2018	**1,878.6**	**730,302.2**	**(38,387.8)**	**828.6**	**40,300.3**	**734,921.9**

1 (d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury

shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year

The Company does not hold any treasury shares or have any subsidiary holdings as at 31 March 2019 (31 March 2018: Nil).

KrisEnergy Employee Share Option Scheme ("KrisEnergy ESOS")
The KrisEnergy ESOS was implemented and adopted during the Company's initial public offering ("**IPO**"). The duration of the KrisEnergy ESOS is 10 years commencing from 10 July 2013. As at 31 March 2019, there were no outstanding options under the KrisEnergy ESOS.

KrisEnergy Performance Share Plan ("KrisEnergy PSP")
The KrisEnergy PSP was implemented and adopted during the IPO. The duration of the KrisEnergy PSP is 10 years commencing from 10 July 2013. The awards granted under the KrisEnergy PSP are as follows:

- As disclosed and further described in the Prospectus dated 12 July 2013, under the management shareholders awards ("**MS-Awards**") granted pursuant to the KrisEnergy PSP during the IPO, up to 3.0% (issued under equal First Tranche and Second Tranche) of the issued ordinary shares in the capital of the Company ("**Shares**") may be vested upon the satisfaction of the conditions of the MS-Awards. Following the exit of First Reserve Fund, XII LP on 6 April 2018, the First Tranche Condition (as defined in the Prospectus) had been satisfied. However, in accordance with and as permitted under the terms of the MS-Awards, as the Company does not have sufficient distributable reserves or amounts credited to its premium account at the relevant junctures to make the required issue of Shares (being the first one-third and the next one-third of the First Tranche), the Company has determined to pay a cash sum equal to the aggregate fair market value of the Shares that would otherwise have been issued. The cash sum has been paid for the first one-third of the First Tranche, while the cash sum will be paid on a delayed basis for the next one-third of the First Tranche (taking into account cash reserves and budgeted commitments for the following 12 months).

- On 13 November 2013, awards comprising 5,429,689 Shares were granted to employees, including 963,624 Shares to the Executive Directors.

- On 25 June 2014, awards comprising 1,713,111 Shares were granted to employees, including 963,624 Shares to the Executive Directors.

- On 31 December 2014, awards comprising 3,473,737 Shares were granted to employees, including 1,680,840 Shares to the Executive Directors.

- On 17 March 2015, awards comprising 647,325 Shares were granted to employees. No awards were granted to any Executive Directors.

- On 9 November 2015, awards comprising 11,613,474 Shares were granted to employees, including 1,622,244 Shares to the Executive Directors.

As at 31 March 2019, the number of Shares granted as awards under the KrisEnergy PSP, but not yet vested was (a) up to 2.5% of the Shares may be vested upon the satisfaction of the conditions of the MS-Awards; and (b) 5,186,848 Shares.

The awards allotted and issued under the KrisEnergy PSP are as follows:

- On 21 July 2014, pursuant to the partial vesting of awards granted on 13 November 2013 under the KrisEnergy PSP, 1,809,898 Shares were allotted and issued to employees, including 321,207 Shares to Executive Directors.

- On 20 July 2015, pursuant to the partial vesting of awards granted on 13 November 2013 and 17 March 2015 under the KrisEnergy PSP, 2,025,674 Shares were allotted and issued to employees, including 321,207 Shares to Executive Directors.

- On 31 December 2015, pursuant to the partial vesting of awards granted on 9 November 2015 under the KrisEnergy PSP 3,916,835 Shares were allotted and issued to employees, including 540,747 Shares to Executive Directors.

- On 19 July 2016, pursuant to the partial vesting of awards granted on 13 November 2013 and 17 March 2015 under the KrisEnergy PSP, 1,921,278 Shares were allotted and issued to employees, including 214,140 Shares to Executive Directors.

- On 30 December 2016, pursuant to the partial vesting of awards granted on 9 November 2015 under the KrisEnergy PSP, 3,649,501 Shares were allotted and issued to employees, including 360,498 Shares to Executive Directors.

- On 19 July 2017, pursuant to the partial vesting of awards granted on 17 March 2015 under the KrisEnergy PSP, 205,154 Shares were allotted and issued to employees.

- On 29 December 2017, pursuant to the partial vesting of awards granted on 9 November 2015 under the KrisEnergy PSP, 3,010,511 Shares were allotted and issued to employees, including 288,400 Shares to Executive Directors.

On 2 February 2017, along with the 2024 ZCNs, 1,255,183,632 Warrants were issued by the Company. Each Warrant converts to one share in the ordinary share capital of the Company.

On 17 February 2017 and 7 March 2017, 9,000 Warrants and 2,376 Warrants were exercised and converted into 9,000 Shares and 2,376 Shares, respectively.

As at 31 March 2019, the Company's issued share capital was 1,502,849,065 Shares and 1,255,172,256 outstanding Warrants.

1 (d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at end of the immediately preceding year

SHARE CAPITAL	As at 31 March 2019		As at 31 December 2018	
	(unaudited)		*(audited)*	
	No. of shares	*US$*	*No. of shares*	*US$*
Issued and fully paid ordinary shares				
At 1 January	1,502,849,065	1,878,562	1,502,849,065	1,878,562
At reporting date	**1,502,849,065**	**1,878,562**	**1,502,849,065**	**1,878,562**

SHARE PREMIUM	As at 31 March 2019	As at 31 December 2018
	(unaudited)	*(audited)*
	US$	
At 1 January	730,302,151	730,302,151
At reporting date	**730,302,151**	**730,302,151**

1 (d)(iv) A statement showing all sales, transfers, cancellation and/or use of treasury shares as at end of the current financial period reported on.

There were no sales, transfer, cancellation and/or use of treasury shares as at 31 March 2019 (31 March 2018: Nil).

1 (d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at end of the current financial period reported on.

There were no sales, transfer, cancellation and/or use of subsidiary holdings as at 31 March 2019 (31 March 2018: Nil).

2. Whether the figures have been audited, or reviewed and in accordance with which standard (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard)

The financial statements have not been audited or reviewed by the Group's external auditors.

3. Where the figures have been audited or reviewed, the auditor's report (including any qualifications or emphasis of matter)

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied

The Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period compared with those of the audited financial statements as at 31 December 2018, except for those disclosed under paragraph 5.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change

The Group has adopted the new and revised standards that are effective for annual periods beginning on or after 1 January 2019. The adoption of these standards did not have any material effect on the financial performance of the Group for the current financial period except for the following.

IFRS 16 *Leases*

IFRS 16 introduces a comprehensive model for the identification of lease arrangements and accounting treatments for both lessors and lessees. IFRS 16 will supersede the current lease guidance including IAS 17 *Leases* and the related Interpretations when it becomes effective.

IFRS 16 distinguishes leases and service contracts on the basis of whether an identified asset is controlled by a customer. Distinctions of operating leases (off balance sheet) and finance leases (on balance sheet) are removed for lessee accounting and is replaced by a model where a right-of-use asset and a corresponding liability have to be recognised for all leases by lessees (i.e. all on balance sheet) except for short-term leases and lease of low value assets.

The right-of-use asset is initially measured at cost and subsequently measured at cost (subject to certain exception) less accumulated depreciation and impairment losses, adjusted for any remeasurement of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at that date. Subsequently, the lease liability is adjusted for interest and lease payments, as well as the impact of lease modifications, amongst others. Furthermore, the classification of cash flows will also be affected as operating lease payments under IAS 17 are presented as operating cash flows; whereas under the IFRS 16 model, the lease payments will be split into a principal and an interest portion which will be presented as financing and operating cash flows respectively.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends

	For the three months ended 31 March	
	2019	**2018**
Loss per share attributable to owners of the Group:		
(i) Based on a weighted average number of shares (cents per share)	(1.4)	(1.2)
- Weighted average number of shares	1,502,849,065	1,502,849,065
(ii) On a fully diluted basis (cents per share)	(1.4)	(1.2)
- Adjusted weighted average number of shares	1,508,035,913	1,508,035,913

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the (a) current financial period reported on and (b) immediately preceding financial year

	The Group		The Company	
	As at 31 March 2019	As at 31 December 2018	As at 31 March 2019	As at 31 December 2018
	(Unaudited) *(US$)*			
Net asset value per ordinary share [(1)]	0.00	0.02	0.13	0.14
Net tangible asset per ordinary share [(1)]	0.00	0.01	0.13	0.14

Note:
(1) Based on share capital of 1,502,849,065 ordinary shares as at 31 March 2019 and 31 December 2018

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonable or cyclical factors and (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on

The following table sets forth a selected summary of our income statement for the first quarter ended 31 March 2019.

	For the three months ended 31 March	
	2019	2018
	(unaudited) *(US$ thousands)*	
Sales of crude oil	21,595.3	38,986.5
Sales of gas	3,990.7	3,521.6
Revenue	**25,586.0**	**42,508.1**
Cost of sales:		
Operating costs	(3,491.8)	(24,493.0)
Thai petroleum royalties paid	(2,144.7)	(3,273.1)
Depreciation, depletion and amortisation	(21,360.2)	(11,886.9)
Gross (loss)/profit	**(1,410.7)**	**2,855.1**
Other income	2,713.5	1,511.5
General and administrative expenses	(3,815.2)	(4,638.7)
Other operating expenses	(5,162.5)	(5,826.5)
Finance income	250.6	72.6
Finance costs	(12,696.7)	(11,228.5)
Loss before tax	**(20,121.0)**	**(17,254.5)**
Tax expense	(734.4)	(933.0)
Loss after tax for the period	**(20,855.4)**	**(18,187.5)**

Revenue

Working interest production in 1Q2019 averaged 10,120 boepd, 16.6% lower than the same period last year (1Q2018: 12,132 boepd). The 1Q2018 period included five months of working interest volumes from the Nong Yao oil field in G11/48, Gulf of Thailand, which the Group exited in June 2018. On a *pro forma* basis, excluding G11/48, the Group's three remaining producing assets – Block 9, B8/32 and G10/48 – recorded working interest production of 10,287 boepd in 1Q2018. The 1.6% decrease on a *pro forma* basis was a result of temporary shut-ins of production at the Wassana field in G10/48 and the B8/32 oil and gas complex due to Tropical Storm Pabuk in January 2019.

Lower crude oil production volumes and drop in the average realised selling price for oil and liquids was partially offset by higher gas production volumes and a higher realised gas sale price in Thailand and resulted in a 39.8% decrease in 1Q2019 revenue to US$25.6 million (1Q2018: US$42.5 million).

The average realised price for oil and liquids in 1Q2019 was US$58.20/bbl, a 5.2% decrease compared to a year ago (1Q2018: US$61.40/bbl) partly as a result of lower benchmark oil prices as well as the exclusion of Nong Yao crude sales, which were included in the 1Q2018 average realised price computation. The average realised gas price for the B8/32 licence increased 23.7% to US$5.07/mcf (1Q2018: US$4.10/mcf) in line with higher prices for benchmark medium sulphur fuel oil. The realised gas price from the Bangora field remained flat at US$2.32/mcf.

	For the three months ended 31 March	
	2019	**2018**
Production volumes		
Oil and liquids (bopd)	4,643	6,891
Gas (mmcfd)	32.9	31.5
Total (boepd)	**10,120**	**12,132**
Average sales price		
Oils and liquids (US$/bbl)	58.20	61.40
Gas – B8/32 and B9A (US$/mcf)	5.07	4.10
Gas – Block 9 (US$/mcf)	2.32	2.32

Cost of Sales

Following the adoption of IFRS 16, operating costs amounted to US$3.5 million in 1Q2019 (1Q2018: US$24.5 million), as the bareboat charters for the Wassana field operations – namely the MOPU and FSO – are accounted for as DD&A. However, adjusted operating cost per EBITDAX computation was US$13.4 million, the decline from the 2018 period was primarily a result of lower barrels of crude oil lifted at the Wassana field versus the year-ago period. In accordance with the Group’s accounting policies and industry practice, operating costs are incurred and matched with revenue earned at the time of offtake. Although operating expenditure associated with the Wassana field is largely fixed, the accounting recognition of costs will fluctuate in line with timing and sales volumes and hence, revenue earned.

Average lifting cost reflect the Group's working interest share of joint-venture operating expenditure incurred versus production in the same period. In 1Q2019, the average lifting cost was US$22.00/boe compared with US$20.25/boe for 1Q2018. The 8.6% increase was attributed to higher operating expenditure and lower production volumes related to the Wassana and B8/32 fields as a result of the evacuations and temporary production shutdowns during Tropical Storm Pabuk.

DD&A charges increased 79.7% in 1Q2019 to US$21.3 million (1Q2018: US$11.9 million) mainly as a result of additional DD&A for the Wassana facilities in accordance with IFRS 16.

	For the three months ended 31 March	
	2019	2018
Average lifting cost [1]		
Oil, liquids and gas (US$/boe)	22.00	20.25
Net operating expenditure (US$'000)	20,034.7	22,110.2
Total production (boe)	910,834	1,091,903

Note:
(1) Average lifting cost reflect the Group's working interest share of joint-venture operating expenditure incurred versus production in the same period.

Other Income
Other income amounted to US$2.7 million in 1Q2019 (1Q2018: US$1.5 million) due to the recognition of leasing income on the joint operations partner's working interest share of the bareboat charters for the Wassana field per IFRS 16.

General and Administrative Expenses
General and administrative expenses decreased 17.8% to US$3.8 million in 1Q2019 (1Q2018: US$4.6 million). The decrease was primarily attributable to lower joint operations general and administrative expenses.

Other Operating Expenses
Other operating expenses decreased to US$5.2 million in 1Q2019 (1Q2018: US$5.8 million). In 1Q2019, the Group recognised net foreign exchange losses of US$4.7 million and net fair value loss on financial instruments of US$0.5 million.

Finance Income
Finance income amounted to US$0.3 million in 1Q2019 (1Q2018: US$0.1 million) as a result of higher bank interest rate.

Finance Costs
Finance costs increased 13.1% to US$12.7 million in 1Q2019 (1Q2018: US$11.2 million). The increase was mainly due to (i) non-cash accretion of lease liability of US$1.3 million; and (ii) higher bank loan interest on the RCF, partially offset by lower non-cash accretion of bond discount on the 2022 Notes, 2023 Notes and 2024 ZCNs.

Loss Before Tax
Loss before tax was US$20.1 million in 1Q2019 (1Q2018: US$17.3 million) as a result lower gross margin coupled with US$21.6 million of non-cash charges.

Tax Expense
Tax expense amounted to US$0.7 million in 1Q2019 (1Q2018: US$0.9 million) due to a lower provision of tax expenses in line with lower revenue.

Loss After Tax
We recorded a net loss of US$20.9 million in 1Q2019 (1Q2018: US$18.2 million) as a result of the above-mentioned factors.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results

No forecast or prospect statement was previously provided.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

Oil prices remain volatile and there is much uncertainty related to geopolitical factors and economic drivers. The Group continues to tightly manage its liquidity position and take all measures to reduce costs and curtail discretionary expenditure. Managing liquidity while progressing development projects remain the Group's primary challenge.

Recent Developments

- On 11 April 2019, KrisEnergy announced that James Parkin had resigned as Chief Operating Officer to pursue other interests. Mr. Parkin's last day of service will be 3 October 2019.

- On 18 April 2019, KrisEnergy announced that Kiran Raj has resigned as Chief Financial Officer ("CFO") to pursue other interests. Mr. Raj also resigned as Alternate Executive Director (to Kelvin Tang, Executive Director and Chief Executive Officer) and as Vice President Finance and Administration. Joanne Ang, Group Treasury Manager, has taken the role of Interim CFO. Mr. Raj's last day of service will be on 17 October 2019. The Board will commence a process to appoint a successor to Mr. Raj.

- Front end engineering design was completed by end-April 2019 for the Rossukon oil development in the KrisEnergy-operated G6/48 licence in the Gulf of Thailand.

- As at 10 May 2019, PGS vessel *MGS Apollo* had acquired approximately 98.3% of a 2,720 sq. km 3D seismic survey in the non-operated Andaman II production sharing contract, offshore North Sumatra in the Malacca Strait, Indonesia. The seismic program is expected to complete in the next few days.

11. Dividend

(a) Any dividend declared for the current financial period reported on

None.

(b) Any dividend declared for the corresponding period of the immediately preceding financial year

None.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

12. If no dividend has been declared / recommended, a statement to that effect and the reason(s) for the decision

Due to the Group's accumulated losses, no dividend has been declared or recommended for the three months ended 31 March 2019.

13. If the group has obtained a general mandate from shareholders for Interested Person Transactions ("IPTs"), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect

As at 31 March 2019, the Group had obtained a general mandate from shareholders for interested person transactions. This general mandate was not renewed at the annual general meeting of the Company held on 26 April 2019 and has accordingly lapsed. The aggregate value of the interested person transaction with Keppel Corporation Limited (and/or its subsidiaries including Keppel Shipyard Limited) conducted under the then existing general mandate is S$30,000,000.

14. Negative confirmation pursuant to Rule 705(5)

Pursuant to Rule 705(5), we, Tan Ek Kia and Kelvin Tang, being two directors of the Company, do hereby confirm on behalf of the directors of the Company that, to the best of their knowledge, nothing has come to the attention of the board of directors of the Company which may render the unaudited financial results for the three months ended 31 March 2019 to be false or misleading in any material aspect.

15. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1)

The Company has procured undertakings from all its directors and executive officers pursuant to Rule 720(1).

On behalf of the board of directors.

Tan Ek Kia
Independent Non-Executive Chairman

Kelvin Tang
Executive Director &
Chief Executive Officer

Singapore, 13 May 2019