

KRISENERGY LTD

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

Unaudited Fourth Quarter & Full Year ended 31 December 2020 Financial Statements Announcement



24 February 2021

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 10 contract areas in Asia, eight of which we operate. Today, we present our unaudited financial statements reflecting the financial and operating results for the three months (“4Q2020”) and full year (“FY2020”) ended 31 December 2020 (the “Results”). 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 December			For the full year ended 31 December		
	2020	2019	% Change	2020	2019	% Change
<i>(US\$ thousands, except where otherwise indicated)</i>						
Financial						
Sale of crude oil & liquids	3,011.8	31,397.9	(90.4)	32,816.1	110,644.7	(70.3)
Sale of gas	3,122.2	3,674.3	(15.0)	12,573.6	15,886.4	(20.9)
Revenue	6,134.0	35,072.2	(82.5)	45,389.7	126,531.1	(64.1)
Adjusted EBITDAX⁽¹⁾	1,304.9	(398.9)	(427.1)	(14,631.9)	24,743.6	(159.1)
Cash and bank balances	44,632.5	51,361.1	(13.1)	44,632.5	51,361.1	(13.1)
Operations						
Oil and liquids (<i>boepd</i>)	841	4,500	(81.3)	2,122	4,750	(55.3)
Gas (<i>mmcf</i>)	30.8	33.2	(7.2)	29.7	32.9	(9.8)
Production volumes (<i>boepd</i>)	5,974	10,030	(40.4)	7,065	10,229	(30.9)
Average sales price						
• Oil and liquids (<i>US\$/bbl</i>)	44.69	59.82	(25.3)	42.14	60.04	(29.8)
• Gas – B8/32 (<i>US\$/mcf</i>)	3.54	4.81	(26.4)	4.04	4.94	(18.3)
• Gas – Block 9 (<i>US\$/mcf</i>)	2.32	2.32	-	2.32	2.32	-
Average lifting costs (<i>US\$/boe</i>) ⁽²⁾	4.97	24.31	(79.5)	14.90	22.98	(35.1)

Notes:

- (1) 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.
- (2) Average lifting cost reflect the Group's working interest share of joint-venture operating expenditure incurred versus production in the same period. Following suspension of the Wassana field in the second quarter 2020 (“2Q2020”), the Group's operating costs and production volumes no longer include any contribution from the G10/48 concession as from the third quarter 2020 onwards.

EBITDAX Computation

		For the three months ended 31 December		For the full year ended 31 December	
		2020	2019	2020	2019
<i>(unaudited)</i>					
<i>(US\$ thousands)</i>					
Cash	Revenue	6,134.0	35,072.2	45,389.7	126,531.1
	Adjusted operating costs ⁽³⁾	(2,195.0)	(32,482.9)	(52,664.9)	(88,557.0)
	Thai petroleum royalties paid	(384.1)	(2,623.0)	(3,192.7)	(10,024.7)
	Gross profit/(loss) before depreciation, depletion and amortisation	3,554.9	(33.7)	(10,467.9)	27,949.4
	Corporate general and administrative expense	(2,250.1)	(365.2)	(4,523.6)	(3,205.8)
	Gain on early termination of lease	-	-	359.5	-
	Adjusted EBITDAX⁽⁴⁾	1,304.8	(398.9)	(14,632.0)	24,743.6
	Geological and geophysical expenses	832.9	(3,566.0)	(3,988.7)	(7,625.5)
	Gain on disposal of exploration and evaluation assets	-	-	11,077.0	-
	Loss on commitments of exploration and evaluation assets	(5,500.0)	-	(5,500.0)	-
	Provision for decommissioning costs	(293.7)	-	(7,955.7)	-
	Exploration expenses	-	(40.8)	-	45.3
	Adjusted EBITDA⁽⁴⁾	(3,656.0)	(4,005.7)	(20,999.4)	17,163.4
	Finance costs	(10,351.3)	(9,321.6)	(38,107.6)	(32,537.5)
Adjusted cash loss before tax	(14,007.3)	(13,327.3)	(59,107.0)	(15,374.1)	
Non-Cash	Finance costs (accretion of bond discount ⁽⁵⁾ , decommissioning provision and lease liability)	(5,674.6)	(5,198.7)	(21,786.7)	(20,311.3)
	Depreciation, depletion and amortisation	(3,019.0)	(10,490.8)	(22,433.1)	(46,933.6)
	Impairment of goodwill	-	-	(1,300.3)	-
	Impairment of assets	(42,959.0)	(53,058.4)	(95,700.7)	(87,310.9)
	Inventories written down	-	(1,877.5)	-	(1,877.5)
	Provision for obsolete inventories	-	-	(3,253.7)	-
	Net fair value (loss)/gain on financial instruments	(467.9)	(545.2)	1,386.5	633.7
	Unrealised exchange loss on 2022 Notes, 2023 Notes and 2024 ZCNs	(6,103.9)	(4,380.1)	(5,691.6)	(1,890.8)
	Other unrealised exchange differences	629.3	1,238.1	(1,508.6)	1,719.4
	Adjusted loss before tax⁽⁶⁾	(71,602.4)	(87,639.9)	(209,395.2)	(171,345.1)

Notes:

- (3) 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 (“DD&A”) in the profit and loss statement in accordance with IFRS 16, effective from 1 January 2019.
- (4) 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.

- (5) 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 S\$130 million senior unsecured notes due 2022 (“**2022 Notes**”) and the S\$200 million senior unsecured notes due 2023 (“**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 Zero Coupon Notes (“**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.
- (6) Adjusted profit/loss before tax deducts Special Remuneratory Benefit taxes from the calculation of Adjusted EBITDA.

Full Year 2020 Financial Update

The suspension in 2Q2020 of production the Wassana oil field in the G10/48 concession in the Gulf of Thailand resulted in an 81.3% drop in the Group's working interest oil production in 4Q2020 compared with the fourth quarter 2019 ("4Q2019") and a 55.3% decline in FY2020 from a year ago with a corresponding reduction in sales volumes.

Lower prices and sales volume impacted FY2020 Group revenue, which decreased 64.1% to US\$45.4 million. Non-cash impairment charges of goodwill and assets amounted to US\$97.0 million as a result of lower future oil price assumptions and expiry of an exploration concession; DD&A charges of oil and gas properties, right-of-use assets and other property, plant and equipment amounting to US\$40.8 million; non-cash provision for obsolete inventories of US\$3.3 million; and finance costs of US\$60.5 million. The aforementioned charges led to a loss before tax of US\$209.4 million in FY2020. Net cash flow from operating activities in FY2020 and 4Q2020 remained positive at US\$11.5 million and US\$6.1 million, respectively.

The net loss recorded in FY2020 deepened the Group's capital deficiency position to US\$346.1 million and the net current liability position to US\$604.9 million as at 31 December 2020. Total debt recognised on the Group's balance sheet was US\$578.8 million and gearing increased to 248.7%.

- **Production:** Working interest production in FY2020 averaged 7,065 barrels of oil equivalent ("boepd"), 30.9% lower than a year ago (FY2019: 10,229 boepd) mainly as a result of the suspension of production at the Wassana field. However, other factors impacting production included reduced contracted gas sales from B8/32 in the Gulf of Thailand¹ and government-mandated cuts to gas production rates in Block 9 onshore Bangladesh.
- **Realised Pricing:** In FY2020, the Group's average realised price for oil and liquids was US\$42.14 per barrel ("bbl"), 29.8% lower than a year ago (FY2019: US\$60.04/bbl) and in line with movements in benchmark prices for the year and the quarter following the sharp contraction in global fuel demand due to the COVID-19 pandemic. Quarter-on-quarter, the average realised oil sales price fell 25.3% in 4Q2020 to US\$44.69/bbl (4Q2019: US\$59.82/bbl). The average realised gas price for the B8/32 licence decreased 18.3% to US\$4.04 per thousand cubic feet ("mcf") (FY2019: US\$4.94/mcf) as a result of the redetermination of the gas price formula which is set on a trailing six-month basis. The realised gas price from the onshore Bangladesh Bangora field in Block 9 remained flat at US\$2.32/mcf.
- **Revenue:** Revenue for FY2020 decreased 64.1% to US\$45.4 million (FY2019: US\$126.5 million) due to lower production volumes and lower average realised selling prices for oil and liquids.
- **Adjusted Operating Costs:** Operating costs including the bareboat charters for Wassana field operations in G10/48 – namely the mobile offshore production unit

¹ As at 1 October 2019, gas sales from B8/32 were permanently reduced. The daily contracted sales quantity /maximum contracted quantity was reduced from 65.0/75.0 million cubic feet per day ("mmcfd") to 45.0/51.75 mmcfd, respectively

("MOPU") and the floating storage and offloading vessel ("FSO"), were US\$52.7 million in FY2020 (FY2019: US\$88.6 million). In FY2020, there were three liftings of Wassana crude oil prior to the suspension of the operations. As the operating expenditure for the Wassana field is largely fixed, the operating cost per barrel of crude oil lifted in FY2020 was higher as a result of lower production. 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.

- **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 FY2020, the average lifting cost was US\$14.90 per barrel of oil equivalent ("boe") compared with US\$22.98/boe for FY2019. The 35.1% decrease was primarily attributed to the suspension of Wassana field which resulted in lower joint-venture operating expenditure for the year.
- **Adjusted EBITDAX:** In FY2020, adjusted EBITDAX amounted to a loss of US\$14.6 million compared to a gain of US\$24.7 million in FY2019 due to a gross loss before DD&A of US\$10.5 million for the year. In 4Q2020, adjusted EBITDAX amounted to US\$1.3 million compared to a loss of US\$0.4 million in 4Q2019 as operations from B8/32 and Block 9 amounted to a gross profit before DD&A of US\$3.6 million for the period.
- **Loss Before Tax:** The FY2020 loss before tax was US\$209.4 million (FY2019: US\$171.3 million). Material non-cash charges to the profit and loss statement in FY2020 amounted to US\$150.3 million, comprising: (i) US\$22.4 million for DD&A charges; (ii) impairment of goodwill of US\$1.3 million; (iii) impairment of oil and gas properties of US\$20.8 million on revised economic limits due to oil price projections; (iv) impairment and write-offs of exploration and evaluation assets of US\$74.9 million as a result of lower oil price projections and the relinquishment of assets; (v) provision for obsolete inventories of US\$3.3 million; (vi) US\$21.8 million related to the non-cash accretion of the bond discount, lease liability and decommission provision; and (vii) net loss on fair value adjustment and foreign exchange differences of US\$5.8 million.
- **Cash & Bank Balances:** As at 31 December 2020, the Group's cash and bank balances amounted to US\$44.6 million and, after taking into account restricted cash of US\$0.8 million, the Group's cash and cash equivalents, including amounts held under joint operations, amounted to US\$43.9 million. Total unused sources of liquidity, excluding amounts held under joint operations and including undrawn amounts of the US\$200.0 million revolving credit facility with DBS ("RCF"), amounted to US\$18.9 million.

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

Group Capital Management

- **Going Concern:** The Group's financial statements for the period ending 31 December 2020 have been prepared on a going concern basis. As disclosed in previous financial statements announcements of the Company, the Group is over-gearred and under-equitised and is undergoing a restructuring process. The Group's auditors' view, as stated in the audited consolidated full-year 2019 financial statements, is that material uncertainty exists over the Group's ability to continue as a going concern.
- **Financial restructuring:** The Group has been and continues to work towards alleviating its above-mentioned financial difficulties through a restructuring process. The Company announced on 14 August 2019 that it had made an application to the High Court of the Republic of Singapore ("**Singapore High Court**") to commence a court-supervised process to reorganise its liabilities and to seek a moratorium against enforcement actions and legal proceedings by creditors against the Company pursuant to section 211B of the Companies Act (Cap. 50) (the "**Moratorium Application**"). Please refer to the announcement entitled *Application for moratorium pursuant to Section 211B of the Companies Act (Cap. 50)* dated 14 August 2019 for more details. Information and documents pertaining to the restructuring process and progress, including past developments, may be found on SGXNET or the Company's website at <https://krisenergy.com/Investors/restructuring-information-centre/>.

- On 16 October 2020, the Company filed an application with the Singapore High Court under Section 210(1) of the Companies Act seeking, amongst others, leave to convene a meeting of creditors for the purposes of considering and approving the Scheme ("**Court Meeting**").

On 16 November 2020, the Singapore High Court granted leave to convene a Court Meeting. See announcement entitled *Updates on restructuring process – Scheme of Arrangement: Outcome of Scheme Applications* dated 16 November 2020.

- On 27 October 2020, the Company submitted a trading resumption proposal ("**TRP**") to the SGX-ST. See announcement entitled *Updates on restructuring process – Submission of Trading Resumption Proposal* dated 27 October 2020.

On 3 November 2020, the SGX-ST granted the Company's application dated 4 August 2020 for an extension of time of 2.5 months until 27 October to submit the TRP to comply with Rule 1304(1) of the Listing Manual. See announcement entitled *Updates on restructuring process – Outcome of the Application for the extension of time to comply with Rule 1304(1) of the listing manual* dated 3 November 2020.

- On 20 November 2020, the Company published its *Scheme of Arrangement* and the *Explanatory Statement*, together with a *Notice of Court Meeting*. See announcement entitled *Notice for Court Meeting and relevant documents relating to the proposed scheme of arrangement* dated 20 November 2020.

On 27 November 2020, the Company published its amended *Explanatory Statement*. See announcement entitled *Updates on restructuring process – Amendments to the Explanatory Statement* dated 27 November 2020.

- On 6 December 2020, the Company published a list of unsecured creditor parties, which had filed a proof of debt as required under the Scheme. See announcement entitled *Updates on restructuring process – List of parties that have filed a Proof of debt* dated 6 December 2020.
- On 23 December 2020, the Company published questions and answers (“**Q&A**”) related to stakeholder enquiries regarding the Scheme of Arrangement and the broader restructuring process. See announcements entitled *Updates on restructuring process – KrisEnergy Ltd.’s Q&A* dated 23 December 2020.

On 24 December 2020, the Company published the results of the adjudication of all proofs of debt. See announcement entitled *Updates on restructuring process – Results of Adjudication* dated 24 December 2020.

Further details of the restructuring process since 31 December 2020 may be found under paragraph 10 entitled *Recent Developments* of this Financial Statements Announcement.

- **RCF:** The Group has entered into agreements with DBS Bank Ltd (“**DBS**”), as lender of the RCF, to extend the maturity of the RCF.
 - On 30 June 2020, the maturity date of the RCF was extended by six months to 31 December 2020. See announcement entitled *KrisEnergy extends revolving credit facility to 31 December 2020* dated 30 June 2020.
 - On 30 December 2020, the maturity date of the RCF was further extended by six months to 30 June 2021, with a further extension to 30 June 2024 upon satisfaction of certain conditions precedent including the successful completion of the other necessary elements of the restructuring exercise. See announcement entitled *KrisEnergy extends revolving credit facility to 30 June 2021* dated 30 December 2020.
- **CBA Loan Facility:** The Group has secured the funding for the development of the Group’s near-term development project at Cambodia Block A an offshore development oil and gas asset located in the Khmer Basin of the Gulf of Thailand.
 - On 30 April 2020, the indirect wholly-owned subsidiaries KrisEnergy (Apsara) Company Ltd and KrisEnergy (Cambodia) Ltd, entered into a credit facility agreement with Kepinvest Singapore Pte. Ltd. (“**Kepinvest**”), a subsidiary of Keppel Corporation Limited, for the aggregate principal amount of up to US\$87.0 million to fund the development of the Apsara oil field in Cambodia Block A (“**CBA Loan Facility**”). See announcement entitled *KrisEnergy secures loan facility for Cambodia Apsara oil development, seeks IPT approval* dated 30 April 2020.

- On 29 June 2020, the Company convened an Extraordinary General Meeting to approve the provision of the CBA Loan Facility by Kepinvest as an Interested Person Transaction (“IPT”) as set out in the *Circular to Shareholders* dated 10 June 2020. The IPT resolution was passed with 99.85% of the total number of votes. Accordingly, the interest cap in relation to the CBA Loan Facility has ceased to apply on and from 29 June 2020. See announcements entitled *Resolution passed at KrisEnergy Ltd.’s Extraordinary General Meeting* dated 29 June 2020, *KrisEnergy Ltd: Minutes of extraordinary General Meeting* dated 7 July 2020 and *Amendment of Loan Agreement with Kepinvest Singapore Pte. Ltd.* dated 8 July 2020.
- On 8 July 2020, the Company announced that in relation to the CBA Loan Facility, Kepinvest had entered into an amendment agreement for the extension of the completion date for the Company’s financial restructuring (which is a mandatory prepayment event under the CBA Loan Facility) from 15 July 2020 to 30 September 2020. See announcement entitled *Amendment of Loan Agreement with Kepinvest Singapore Pte. Ltd.* dated 8 July 2020.
- On 23 September 2020, the Company announced that in relation to the CBA Loan Facility, Kepinvest had entered into an additional agreement for a further extension of the completion date for the Company’s financial restructuring (which is a mandatory prepayment event under the CBA Loan Facility) from 30 September 2020 to 30 November 2020. See announcement entitled *Updates on (A) Loan Agreement with Kepinvest Singapore Pte. Ltd. And (B) Disposal of Andaman II PSC* dated 23 September 2020.

Full Year 2020 Operational Update

Operations in 2020 remained focused on maximising existing production and the development of Cambodia's maiden oil field, Apsara, to achieve first oil before the Royal Government of Cambodia's goal of 31 December 2020.

"I, on behalf of the Royal Government of the Kingdom of Cambodia, am very pleased to inform all our compatriots about the start of Cambodia's first oil production in Block A, Gulf of Cambodia, which is the long-awaited oil production for Cambodia," Prime Minister Hun Sen said, according to the *Khmer Times* on 29 December 2020. "COVID-19 bothered us (Cambodia), but could not destroy our efforts to produce that oil. The year 2021 is coming, although we are not as happy as in previous years because of COVID-19, but we have received a big gift for our nation, the first oil produced in our land. New Year, new achievements for the Cambodian economy from the beginning of 2021 onwards."

The emergence of the COVID-19 pandemic at the beginning of the reporting period had a marked impact on KrisEnergy's operational activities. The global lockdown measures to stem the spread of the virus resulted in an unprecedented contraction in fuel demand across the world leading to the average benchmark Brent oil price plummeting more than 35.0% in the first half of the year and reaching a low at around US\$16.00/bbl in April 2020.

In view of the many uncertainties – the duration of the pandemic, speed of global economic regeneration and recovery in petroleum demand, and the magnitude and sustainability of any upturn in oil prices – production at the KrisEnergy-operated Wassana oil field in the G10/48 concession, Gulf of Thailand, was suspended in 2Q2020.

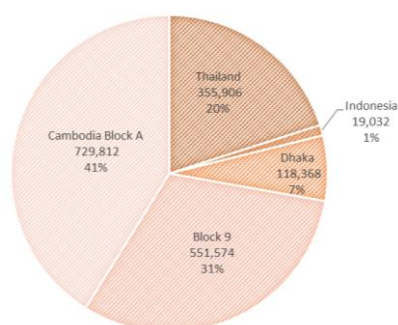
Operations at the Group's remaining producing assets – the B8/32 oil and gas fields in the Gulf of Thailand and the Bangora gas field in Block 9, onshore Bangladesh – continued although gas deliveries into the national distribution grid in Bangladesh were reduced between end March and May 2020 at the request of the government.

Environment, health, safety and security ("EHSS")

EHSS remained the foremost priority with Apsara development activities in multiple centres, namely Singapore, Batam Island in Indonesia, and on-/offshore Cambodia.

KrisEnergy activated its business continuity plan in February 2020 due to COVID-19 and implemented health and safety measures in offices and field locations as mandated by host government authorities. These measures remain in place.

The Company recorded 1,774,692 man-hours on KrisEnergy-operated assets in FY2020 and zero lost time injuries.



FY2020 man-hours on KrisEnergy-operated assets

Reserves & Resources

As at 31 December 2020, Group working interest proved plus probable (“**2P**”) reserves were estimated by Netherland, Sewell & Associates, Inc. (“**NSAI**”) at 50.5 million barrels of oil equivalent (“**mmboe**”), 13.1% down from 58.1 mmboe at the end of 2019.

Net working interest 2P reserves (FY2019: 4.4 million barrels of oil (“**mmbo**”)) associated with the Wassana oil field, G10/48, were reclassified as contingent resources as a result of the suspension of production in 2Q2020 due to low oil prices and unviable economics. NSAI also reduced the Group’s working interest 2P reserves at the Bangora gas field in Block 9 by 15.0% to 10.9 mmboe due to 2020 production volumes and a slightly lower adjustment of estimated ultimate recovery.

For Cambodia Block A, where the Apsara oil field began production in December 2020, working interest 2P reserves were shaved by 0.7 mmbo, however, following the start of production and continued development drilling, proved reserves (“**1P**”), were deemed economic and stated at 4.18 mmbo.

The B8/32 oil and gas complex in the Gulf of Thailand also received an uplift in 1P gas volumes to 4.28 billion cubic feet (“**bcf**”) (FY2019: 3.2 bcf) due to the expectation of two future platforms in mainly gas-prone zones of the contract area.

Working interest best estimate contingent resources (“**2C**”) decreased 17.8% to 53.4 mmboe. The cut came largely from the removal of 15.7 mmboe associated with the Bala-Balakang production sharing contract (“**PSC**”) in the Makassar Strait, Indonesia, which expired in December 2019. However, this was partially countered by the reclassification of approximately 4.0 mmbo G10/48 2P reserves to 2C resources development unclarified following the suspension of the Wassana field.

Production & Development

- Average gross production at the KrisEnergy-operated Bangora gas field in Block 9, onshore Bangladesh, was 261 barrels of condensate per day and 89.0 mmcf/d in FY2020 and the Group’s working interest share of production averaged 4,526 boepd.
- Average gross production at the Wassana oil field in the KrisEnergy-operated G10/48 concession was 1,397 barrels of oil per day (“**boepd**”) in FY2020 and the Group’s

working interest share of production was 1,243 bopd. Production was suspended in 2Q2020 following the plunge in oil prices in April and May as the greater extent of the COVID-19 pandemic became evident. Global travel and supply chains were shut down and governments enforced tight social, working and educational restrictions resulting in a sharp drop off in worldwide demand for fuel.

- The *Rubicon Vantage* floating storage and offloading vessel was disconnected from the calm buoy and demobilised from the Wassana location in July 2020.
- Average gross oil production in the non-operated B8/32 oil and gas fields was 17,292 bopd and gas production was 64.0 mmcf/d in FY2020. The Group's working interest share of production was 1,183 boepd.
 - The 2020 infill drilling campaign was completed in October 2020 and all 23 infill wells were online by the end of the year.

Cambodia Apsara Oil Development, Block A

Despite restrictive COVID-19 measures, development activities continued to advance throughout 2020 and the Apsara field produced first oil from a single development well, A-01D, on 28 December 2020.

Progress of the major components of the Apsara Mini Phase 1A infrastructure:

- Mini-Platform jacket & topsides: The completed jacket and topsides for the Apsara minimum facilities wellhead platform ("**Mini-Platform**") arrived at the Apsara field location at the end of August 2020. Installation of the Mini-Platform was completed in the first week of September 2020.
- *Ingenium II* production barge: Mechanical completion and commissioning of the *Ingenium II* production barge was completed in September 2020 and the vessel arrived at the Apsara field location on 12 October 2020.
- Development drilling: The *PV Drilling III* jack-up rig arrived at the Apsara field location on 21 October 2020. Drilling of the first development well commenced on 29 October 2020. Batch drilling was completed in the first half of February 2021 and the rig demobilised from Cambodia Block A on 13 February 2021. Summary of the batch drilling activities:
 - Total drilling duration: 115 days;
 - Total drilled footage: 70,035 feet measured depth ("**MD**");
 - Well A-03D: Began drilling on 29 October 2020 and drilled to a total depth of 11,209 feet MD / 8,688 feet true vertical depth subsea ("**TVDSS**"). On 28 January 2021, commenced drilling of the A-03D ST sidetrack well, which reached a total depth of 11,345 feet MD / 8,802 feet TVDSS. A-03D ST commenced production on 22 February 2021;
 - Well A-05D: began drilling on 31 October 2020 and drilled to a total depth of 11,501 feet MD / 8,923 feet TVDSS. Commenced production on 14 February 2021;
 - Well A-06D: Began drilling on 1 November 2020 and drilled to a total depth of 10,688 feet MD / 8,922 feet TVDSS. Commenced production on 5 February 2021;

- Well A-01D: Began drilling on 2 November 2020 and drilled to a total depth of 10,378 feet MD / 9,085 feet TVDSS. Commenced production on 28 December 2020;
 - Well A-04D: Began drilling on 5 November 2020 and drilled to a total depth of 13,540 feet MD / 8,189 feet TVDSS. Commenced production on 30 January 2021; and
 - Well A-02D: Began drilling on 6 November 2020 and drilled to a total depth of 12,054 feet MD / 8,625 feet TVDSS. The well was plugged and abandoned.
- Storage vessel: The *MT Strovolos* arrived at the Apsara field location on 9 November 2020 following upgrading in Singapore. The vessel is an oil products tanker built in 1999 and is under a four-month time charter with options to extend for up to two one-month periods. The *Rubicon Vantage* FSO, which was chartered to the Wassana oil field, is currently undergoing upgrading and will replace the *MT Strovolos* once upgrading is complete.

Exploration

- An application was submitted to the Indonesian authorities in November 2019 to extend the KrisEnergy-operated Sakti PSC, offshore East Java Indonesia, into the second phase exploration period for four years. The first exploration phase expired on 25 February 2020. Approval of the extension was granted by the Indonesian authorities, extending the PSC to 25 February 2024, and the gross acreage of the contract area was reduced to 989 sq. km.
- In March 2020, the Indonesian authorities confirmed the termination of the Bala-Balakang PSC. The exploration concession expired in December 2019.
- On 19 July 2020, the Udan Emas PSC expired. The Company is awaiting formal notification from the Indonesian authorities for the termination of the exploration block.
- In February 2020, the Company's wholly-owned subsidiary KrisEnergy (Vietnam 115) Ltd. entered into a farm-out agreement for the transfer of its entire 100.0% working interest in Block 115/09, offshore Vietnam. The transfer of the exploration block working interest and operatorship is subject to a number of conditions including approvals from the relevant government authorities. The long-stop date for the agreement has been extended to 31 March 2021. The transaction is pending the approval of the Vietnamese authorities.

For activities and developments since 31 December 2020, see paragraph 10 entitled *Recent Developments* of this Financial Statements Announcement.

Capital Expenditure

As set out in the *Unaudited Third Quarter 2020 Financial Statements Announcement* dated 11 November 2020, planned capital expenditure for 4Q2020 was estimated at US\$37.6 million. In 4Q2020, the Group incurred capital expenditure, excluding non-cash items, amounted to US\$24.6 million. Material capital expenditure in 4Q2020 included activities in Cambodia Block A of US\$23.9 million. The variance was mainly attributed to a delay in expenditure related to the Cambodia Block A development.

Planned capital expenditure for the first quarter 2021 is estimated to be approximately US\$31.2 million of which 97.5% will be utilised for activities related to the Cambodia Block A project.

	For the 3 months ending 31 March 2021
	<i>(unaudited)</i>
	<i>(US\$ thousands)</i>
Producing asset ⁽¹⁾	30,418.8
Assets under development ⁽²⁾	125.0
Non-producing assets ⁽³⁾	653.0
Total capital expenditure	31,196.8

Notes:

- (1) Expenditure for Block 9, Cambodia Block A
- (2) Expenditure for assets under development, which include G6/48 and Bulu PSC
- (3) Expenditure for exploration assets, which include 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 the CBA Loan Facility.

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.

Reserves and Contingent Resources Summary as estimated by NSAI as at 31 December 2020

Reserves	1P Reserves			2P Reserves			3P Reserves			Remarks
	Gross	Working Interest		Gross	Working Interest		Gross	Working Interest		
	(mmbbl) ¹	(mmbbl)	Change from previous update (%)	(mmbbl)	(mmbbl)	Change from previous update (%)	(mmbbl)	(mmbbl)	Change from previous update (%)	
Oil										
Bangladesh										
Block 9	0.35	0.10	(10.3)	0.53	0.16	(21.0)	0.71	0.21	(27.4)	2020 production volumes and a slightly lower adjustment of estimated ultimate recovery.
Cambodia										
Block A	4.40	4.18	100.0	6.12	5.82	(9.9)	8.37	7.95	(42.1)	Drilling and production started on the A Platform in December 2020; 1P volumes are now economic.
Thailand										
B8/32 & B9A ²	14.68	0.68	5.4	54.45	2.52	4.6	64.99	3.01	1.4	1P reserves are higher because of two development platforms budgeted in areas with a higher gas-oil ratio.
G6/48	-	-	-	11.70	11.70	-	15.80	15.80	-	
G10/48	-	-	-	-	-	(100.0)	-	-	(100.0)	Wassana field was shut in 2Q2020. Reserves were reclassified as contingent resources.
Gas										
Bangladesh										
Block 9	139.94	41.98	(9.4)	214.03	64.21	(14.9)	283.23	84.97	(19.0)	2020 production volumes and a slightly lower adjustment of estimated ultimate recovery.
Indonesia										
Bulu PSC	-	-	-	306.60	106.49	(3.8)	320.52	111.67	(6.1)	
Thailand										
B8/32 & B9A ²	92.42	4.28	33.4	233.74	10.83	(9.7)	282.11	13.07	(13.5)	2P and 3P reserves are lower because higher gas-oil ratio platforms are accelerated and moved to 1P reserves.

¹ mmbbl refers to millions of barrels

² The Tantawan field in B8/32 and the Rajpruek field in B9A permanently ceased operation on 31 October 2017. Abandonment activities are underway before the B9A licence is relinquished

³ bcf refers to billions of cubic feet

	1C Resources			2C Resources			3C Resources			Remarks
	Gross	Working Interest		Gross	Working Interest		Gross	Working Interest		
	(mmbbl)	(mmbbl)	Change from previous update (%)	(mmbbl)	(mmbbl)	Change from previous update (%)	(mmbbl)	(mmbbl)	Change from previous update (%)	
Oil										
Bangladesh										
Block 9	0.02	0.01	-	0.11	0.03	-	0.54	0.16	-	
Cambodia										
Block A	1.56	1.48	71.4	2.49	2.37	43.1	3.99	3.79	27.5	Volumes for well area PA-6 reclassified from reserves to resources.
Thailand										
G10/48	8.36	7.44	140.6	13.85	12.33	53.7	20.80	18.51	51.6	Wassana field was suspended in 2Q2020. Reserves were reclassified as contingent resources.

	1C Resources			2C Resources			3C Resources			Remarks
	Gross	Working Interest		Gross	Working Interest		Gross	Working Interest		
	(bcf)	(bcf)	Change from previous update (%)	(bcf)	(bcf)	Change from previous update (%)	(bcf)	(bcf)	Change from previous update (%)	
Gas										
Bangladesh										
Block 9	6.08	1.82	-	27.68	8.30	-	128.95	38.69	-	
Indonesia										
Sakti	37.24	35.37	-	221.52	210.45	-	425.36	404.10	-	
Bala-Balakang	-	-	-	-	-	(100.0)	-	-	(100.0)	Block relinquished.
Thailand										
G6/48	11.48	11.48	-	13.24	13.24	-	15.37	15.37	-	

Source: All figures estimated by NSAI

Name of Qualified Person: NSAI

Date: 31 December 2020

Professional Society Affiliation/Membership: NSAI: Texas Board of Professional Engineers Registration No. F-2699 / Mr. Scott Frost: Licensed Professional Engineer in the States of Texas (No. 88738) and Society of Petroleum Engineers / Ms. Michelle F. Herrera: Licensed Professional Geoscientist in the State of Texas, Geology (No. 11912) and American Association of Petroleum Geologists.



Financial Statements Announcement

Fourth Quarter and Full Year ended 31 December 2020

Figures for the period ended 31 December 2020 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 December		For the full year ended 31 December	
	2020	2019	2020	2019
	<i>(unaudited)</i>			
	<i>(US\$ thousands)</i>			
Sales of crude oil	3,011.8	31,397.9	32,816.1	110,644.7
Sales of gas	3,122.2	3,674.3	12,573.6	15,886.4
Revenue	6,134.0	35,072.2	45,389.7	126,531.1
Cost of sales:				
Operating costs	(2,195.0)	(22,872.0)	(35,777.2)	(49,352.6)
Thai petroleum royalties paid	(384.1)	(2,623.0)	(3,192.7)	(10,024.7)
Inventories written down	-	(1,877.5)	-	(1,877.5)
Depreciation, depletion and amortization	(1,453.4)	(20,500.0)	(38,736.1)	(86,651.4)
Gross loss	2,101.5	(12,800.3)	(32,316.3)	(21,375.1)
Other income	1,144.4	2,885.8	19,398.3	11,060.7
General and administrative expenses	(4,797.1)	(5,885.4)	(17,961.2)	(18,736.4)
Other operating expenses	(54,070.6)	(56,879.2)	(118,318.0)	(86,617.5)
Finance income	45.4	195.1	349.8	900.9
Finance costs	(16,026.0)	(15,155.9)	(60,547.8)	(56,577.7)
Loss before tax	(71,602.4)	(87,639.9)	(209,395.2)	(171,345.1)
Tax credit	935.4	4,931.4	8,305.2	2,484.6
Loss for the period	(70,667.0)	(82,708.5)	(201,090.0)	(168,860.5)
Other comprehensive loss				
<u>Items that may be reclassified subsequently to profit or loss</u>				
Exchange differences on translation of foreign operations	1,013.9	16.9	919.2	(22.2)
<u>Items that will not be reclassified to profit or loss</u>				
Remeasurement of defined benefit obligations	6.7	51.9	6.7	51.9
Total comprehensive loss for the period	(69,646.4)	(82,639.7)	(200,164.1)	(168,830.8)
Loss per share attributable to owners of the Company (cents per share)				
Basic	(4.7)	(5.5)	(13.4)	(11.2)
Diluted	(4.7)	(5.5)	(13.4)	(11.2)

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 December 2020 <i>(unaudited)</i>	As at 31 December 2019 <i>(audited)</i>	As at 31 December 2020 <i>(unaudited)</i>	As at 31 December 2019 <i>(audited)</i>
	<i>(US\$ thousands)</i>			
ASSETS				
Non-current assets				
Exploration and evaluation assets	180,745.9	268,405.2	-	-
Oil and gas properties	151,907.4	116,639.0	-	-
Right-of-use assets	11,150.4	25,110.5	-	-
Other property, plant and equipment	41,871.2	29,853.0	-	-
Intangible assets	7,144.6	8,444.9	-	-
Investment in subsidiaries	-	-	10,131.9	10,119.7
Other receivables	4,046.0	4,035.6	15,687.4	115,915.8
	396,865.5	452,488.2	25,819.3	126,035.5
Current assets				
Inventories	3,136.4	16,249.6	-	-
Trade and other receivables	33,095.6	45,857.0	0.4	2.7
Prepayments	7,523.1	7,900.2	129.6	41.7
Cash and bank balances	44,632.5	51,361.1	25.8	21.2
	88,387.6	121,367.9	155.8	65.6
Total Assets	485,253.1	573,856.1	25,975.1	126,101.1
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	31,799.9	30,880.7	41,507.5	41,507.5
Accumulated losses	(1,110,041.9)	(908,958.6)	(1,153,299.2)	(1,010,788.9)
Total Capital Deficiency	(346,061.2)	(145,897.1)	(379,610.9)	(237,100.6)
Non-current liabilities				
Employee benefit liability	801.7	490.6	-	-
Lease liabilities	7,931.8	550.8	-	-
Derivative liabilities	909.3	2,324.5	909.3	2,324.5
Deferred tax liabilities	16,576.8	27,358.6	-	-
Loans and borrowings	57,736.2	-	-	-
Provisions	35,581.3	24,753.7	-	-
Accrued operating expenses	18,513.4	11,239.8	-	-
Other payables	-	-	27,075.3	28,149.5

	138,050.5	66,718.0	27,984.6	30,474.0
Current liabilities				
Trade and other payables	121,451.4	86,775.4	33,720.3	17,286.4
Accrued operating expenses	44,124.3	35,281.4	7,837.7	4,764.2
Lease liabilities	3,757.3	25,573.0	-	-
Loans and borrowings	521,039.9	503,053.5	336,043.4	310,677.1
Withholding tax payable	1,644.4	401.0	-	-
Tax payable	1,246.5	1,950.9	-	-
	693,263.8	653,035.2	377,601.4	332,727.7
Total Liabilities	831,314.3	719,753.2	405,586.0	363,201.7
Total Equity and Liabilities	485,253.1	573,856.1	25,975.1	126,101.1

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 December 2020		As at 31 December 2019	
Secured ⁽¹⁾	Unsecured ⁽²⁾	Secured	Unsecured
<i>(US\$ thousands)</i>			
265,707.1	255,332.8	265,356.2	237,697.3

Amount repayable after one year

As at 31 December 2020		As at 31 December 2019	
Secured ⁽³⁾	Unsecured	Secured	Unsecured
<i>(US\$ thousands)</i>			
57,736.2	-	-	-

Notes:

- (1) Aggregate of the 2024 ZCNs and RCF. The RCF will mature on 30 June 2021.
- (2) Aggregate of the 2022 Notes, 2023 Notes and unsecured term loans.
- (3) Relates to CBA Loan Facility.

Details of any collateral

The RCF has a comprehensive first ranking security package over the assets of the Group. On 29 March 2018, the RCF maturity date was extended by two years to 30 June 2020. Several bridge upsizes were provided by DBS between 2018 to 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. On 30 June 2020, the Group entered into an amendment agreement with DBS, pursuant to which the RCF maturity date was extended from 30 June 2020 to 31 December 2020. On 30 December 2020, the Group entered into an amendment and restatement agreement with DBS pursuant to which the RCF maturity date was further extended to 30 June 2021. The amendment and restatement agreement also contemplates, among others, a further extension of the RCF maturity date to 30 June 2024, with such extension becoming effective upon satisfaction of certain conditions precedent including the successful completion of the other necessary elements of the restructuring exercise.

The 2024 ZCNs, issued under the terms of the Preferential Offering, have a junior ranking security interest over the assets secured under the RCF, as well as a first ranking security

interest over the shares and certain accounts of SJ Production Barge Ltd. (a wholly-owned subsidiary of the Company).

For further information on the RCF security, see the offering circular for the Preferential Offering dated 6 January 2017, the final information memorandum in relation to the 2022 Notes and 2023 Notes dated 11 January 2017 and the announcement entitled *Application for moratorium pursuant to Section 211B of the Companies Act (Cap. 50)* dated 14 August 2019.

The CBA Loan Facility has a comprehensive first ranking or second ranking (if already secured under the RCF) security package over the assets of KrisEnergy (Apsara) Company Ltd, KrisEnergy (Cambodia) Ltd and their holding companies, as well as a statutory mortgage over the barge *Ingenium II* (“**Barge**”) by SJ Production Barge Ltd (subject only to the first ranking statutory mortgage in favour of Keppel Shipyard Limited), first ranking security over the lease in respect of the barge, and first ranking security in respect of any right to receive barge revenues.

For further information on the CBA Loan Facility security, see announcement entitled *KrisEnergy secures loan facility for Cambodia Apsara oil development, seeks IPT approval* dated 30 April 2020.

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 December		For the full year ended 31 December	
	2020	2019	2020	2019
	<i>(unaudited)</i>			
	<i>(US\$ thousands)</i>			
Operating activities:				
Loss before tax	(71,602.4)	(87,639.9)	(209,395.2)	(171,345.1)
Adjustments for:				
Depreciation, depletion and amortisation	1,453.4	10,336.9	20,414.7	46,330.3
Depreciation of property, plant and equipment	1,090.9	18.8	1,148.3	64.9
Depreciation of right-of-use assets	474.7	10,298.2	19,191.4	40,859.4
Employee defined benefits	(8.9)	(166.5)	317.9	(69.2)
Equity-settled transactions with employees	-	37.8	-	195.1
Gain on early termination of lease	-	-	(359.5)	-
Gain on disposal of exploration and evaluation assets	-	-	(11,077.0)	-
Gain on disposal of other property, plant and equipment	-	-	(1.0)	-
Loss on commitments of exploration and evaluation assets	5,500.0	-	5,500.0	-
Impairment loss on goodwill	-	-	1,300.3	-
Impairment loss on exploration and evaluation assets	39,278.9	30,966.3	74,956.0	65,218.8
Impairment loss on oil and gas properties	3,680.1	22,092.1	20,744.7	22,092.1
Inventories written down	-	1,877.5	-	1,877.5
Provision for obsolete inventories	-	-	3,253.7	-
Provision for decommissioning costs	293.7	-	7,955.7	-

	The Group			
	For the three months ended 31 December		For the full year ended 31 December	
	2020	2019	2020	2019
	<i>(unaudited)</i>			
	<i>(US\$ thousands)</i>			
Utilisation of decommissioning provisions	(1,279.2)	-	(1,279.2)	-
Net fair value loss/(gain) on financial instruments	467.9	545.2	(1,386.5)	(633.7)
Unrealised foreign exchange loss on financial instruments	6,103.9	4,380.1	5,691.6	1,890.8
Finance cost	10,351.3	9,321.6	38,107.6	32,537.5
Unwinding of discount on bonds	5,165.0	4,618.4	19,646.2	17,975.2
Unwinding of discount on decommissioning provisions	334.7	555.2	1,907.0	2,220.7
Unwinding of discount on lease liability	175.0	660.7	887.0	3,844.3
Interest income	(45.4)	(195.1)	(349.8)	(900.9)
Operating cash flows before changes in working capital	1,433.6	7,707.3	(2,826.1)	62,157.7
Inventories	624.9	10,390.1	9,859.5	3,803.1
Trade and other receivables	(6,072.0)	825.7	12,629.4	(14,257.5)
Trade and other payables	10,565.8	(434.4)	(810.8)	(9,057.6)
Cash flows generated from operations	6,552.3	18,488.7	18,852.0	42,645.7
Interest received	45.4	195.1	349.8	900.9
Interest paid	(411.8)	(2,035.0)	(4,477.7)	(12,952.1)
Taxes paid	(115.2)	106.3	(3,181.0)	(5,800.8)
Net cash from operating activities	6,070.7	16,755.1	11,543.1	24,793.7
Investing activities:				
Addition to exploration and evaluation assets	(29,800.3)	(9,964.3)	(63,737.9)	(28,039.2)
Addition to oil and gas properties	1,133.4	(274.0)	(1,398.6)	(17,701.0)
Proceeds from disposal of subsidiary	-	-	-	4,190.2
Proceeds from disposal of exploration and evaluation assets	-	-	15,140.0	-
Proceeds from disposal of other property, plant and equipment	-	-	1.0	-
Purchase of other property, plant and equipment	(4.2)	-	(19.3)	(121.2)
Expenditure on assets refurbishment	(157.6)	(34.1)	(7,513.9)	(1,751.8)
Net cash used in investing activities	(28,828.7)	(10,272.4)	(57,528.7)	(43,423.0)
Financing activities:				
Payment of bond interest	-	-	-	(5,035.0)
Proceeds from loan facility	16,959.3	-	57,736.2	-
Proceeds from bank borrowings	5,294.0	6,370.0	19,810.0	44,106.5
Repayment of bank borrowings	-	-	(27,190.0)	(20,000.0)
Lease payments	(128.7)	(5,529.2)	(4,712.1)	(23,636.0)
Financial restructuring expense	(354.3)	(957.2)	(1,807.3)	(3,030.2)
Decrease in cash collateralised	-	-	-	2,000.0
Net cash from/(used in) financing activities	21,770.3	(116.4)	43,836.8	(5,594.7)

	The Group			
	For the three months ended 31 December		For the full year ended 31 December	
	2020	2019	2020	2019
	<i>(unaudited)</i>			
	<i>(US\$ thousands)</i>			
Net (decrease)/increase in cash and cash equivalents	(987.7)	6,366.3	(2,148.8)	(24,224.0)
Effects of foreign exchange rate changes on the balance of cash held in foreign currencies	1,014.1	16.2	920.2	(21.3)
Cash and cash equivalents at beginning of the period	43,836.1	38,708.6	45,091.1	69,336.4
Cash and cash equivalents at end of the period	43,862.5	45,091.1	43,862.5	45,091.1
Add: restricted cash	770.0	6,270.0	770.0	6,270.0
Cash and bank balances at end of the period	44,632.5	51,361.1	44,632.5	51,361.1

As at 31 December 2020, total cash and cash equivalents were US\$43.9 million compared with US\$45.1 million as at 31 December 2019, and unused sources of liquidity including undrawn amounts of the RCF as at 31 December 2020 amounted to US\$18.9 million.

Net Cash from Operating Activities

Net cash from operating activities was US\$6.1 million in 4Q2020 (4Q2019: US\$16.8 million) as a result of movements in working capital.

Net Cash used in Investing Activities

Net cash used in investing activities amounted to US\$28.8 million in 4Q2020 (4Q2019: US\$10.3 million) as a result of capital expenditure in Cambodia Block A for drilling and development activities to achieve first oil in December 2020.

Net Cash from/used in Financing Activities

Net cash from financing activities amounted to US\$21.8 million in 4Q2020 versus net cash used in financing activities of US\$0.1 million in 4Q2019. In 4Q2020, US\$17.0 million and US\$5.3 million was drawn from the CBA Loan Facility and RCF respectively. Financial restructuring expenses paid in 4Q2020 amounted to US\$0.4 million.

Borrowings

As at 31 December 2020, the total amount drawn on the RCF was US\$185.0 million. Unused sources of liquidity (comprising cash and cash equivalents and undrawn amounts from the RCF) amounted to US\$18.9 million. Gearing as at 31 December 2020 was 248.7%.

The RCF will currently mature on 30 June 2021, and further extension of maturity date to 30 June 2024 is subject to satisfaction of certain conditions precedent including the successful completion of the other necessary elements of the restructuring exercise. As such, the amount drawn as at 31 December 2020 has been classified as current liability.

Pending the successful completion of the restructuring exercise, the carrying amount of the debt for the 2022 Notes, 2023 Notes, 2024 ZCNs and unsecured term loans as at 31 December 2020 has also been classified as current liability.

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 2020	1,878.6	730,302.2	(908,958.6)	(1,945.7)	1,207.2	31,619.2	(145,897.1)
Loss net of tax	-	-	(14,132.3)	-	-	-	(14,132.3)
<u>Other comprehensive income:</u>							
Exchange differences on translation of foreign operations	-	-	-	(73.0)	-	-	(73.0)
Total comprehensive loss for the period	-	-	(14,143.3)	(73.0)	-	-	(14,205.3)
At 31 March 2020	1,878.6	730,302.2	(923,090.9)	(2,018.7)	1,207.2	31,619.2	(160,102.4)
Loss net of tax	-	-	(91,143.7)	-	-	-	(91,143.7)
<u>Other comprehensive loss:</u>							
Exchange differences on translation of foreign operations	-	-	-	(42.2)	-	-	(42.2)
Total comprehensive loss for the period	-	-	(91,143.7)	(42.2)	-	-	(91,185.9)
At 30 June 2020	1,878.6	730,302.2	(1,014,234.6)	(2,060.9)	1,207.2	31,619.2	(251,288.3)
Loss net of tax	-	-	(25,147.0)	-	-	-	(25,147.0)
<u>Other comprehensive loss:</u>							
Exchange differences on translation of foreign operations	-	-	-	20.5	-	-	20.5
Total comprehensive loss for the period	-	-	(25,147.0)	20.5	-	-	(25,126.5)
At 30 September 2020	1,878.6	730,302.2	(1,039,381.6)	(2,040.4)	1,207.2	31,619.2	(276,414.8)
Loss net of tax	-	-	(70,667.0)	-	-	-	(70,667.0)
<u>Other comprehensive loss:</u>							
Exchange differences on translation of foreign operations	-	-	-	1,013.9	-	-	1,013.9
Remeasurement of defined benefit obligations	-	-	6.7	-	-	-	6.7
Total comprehensive loss for the period	-	-	(70,660.3)	1,013.9	-	-	(69,646.4)
At 31 December 2020	1,878.6	730,302.2	(1,110,041.9)	(1,026.5)	1,207.2	31,619.2	(346,061.2)

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 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
Loss net of tax	-	-	(48,637.4)	-	-	-	(48,637.4)
<u>Other comprehensive loss:</u>							
Exchange differences on translation of foreign operations	-	-	-	(42.7)	-	-	(42.7)
Total comprehensive loss for the period	-	-	(48,637.4)	(42.7)	-	-	(48,680.1)
Equity-settled transactions with employees	-	-	-	-	58.7	-	58.7
At 30 June 2019	1,878.6	730,302.2	(809,642.8)	(1,937.2)	1,130.7	31,619.2	(46,649.3)
Loss net of tax	-	-	(16,659.2)	-	-	-	(16,659.2)
<u>Other comprehensive loss:</u>							
Exchange differences on translation of foreign operations	-	-	-	(25.4)	-	-	(25.4)
Total comprehensive loss for the period	-	-	(16,659.2)	(25.4)	-	-	(16,684.6)
Equity-settled transactions with employees	-	-	-	-	38.7	-	38.7
At 30 September 2019	1,878.6	730,302.2	(826,302.0)	(1,962.6)	1,169.4	31,619.2	(63,295.2)
Loss net of tax	-	-	(82,708.5)	-	-	-	(82,708.5)
<u>Other comprehensive loss:</u>							
Exchange differences on translation of foreign operations	-	-	-	16.9	-	-	16.9
Remeasurement of defined benefit obligations	-	-	51.9	-	-	-	51.9
Total comprehensive loss for the period	-	-	(82,656.6)	17.0	-	-	(82,639.7)
Equity-settled transactions with employees	-	-	-	-	37.8	-	37.8
At 31 December 2019	1,878.6	730,302.2	(908,958.6)	(1,945.7)	1,207.2	31,619.2	(145,897.1)

THE COMPANY	Share Capital	Share Premium	Accumulated Losses	Employee Share Option Reserve	General Reserve	Total Equity
	(US\$ thousands)					
At 1 January 2020	1,878.6	730,302.2	(1,010,788.9)	1,207.2	40,300.3	(237,100.6)
Loss net of tax	-	-	(1,471.7)	-	-	(1,471.7)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive loss for the period	-	-	(1,471.7)	-	-	(1,471.7)
At 31 March 2020	1,878.6	730,302.2	(1,012,260.6)	1,207.2	40,300.3	(238,572.3)
Loss net of tax	-	-	(6,278.3)	-	-	(6,278.3)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive loss for the period	-	-	(6,278.3)	-	-	(6,278.3)
At 30 June 2020	1,878.6	730,302.2	(1,018,538.9)	1,207.2	40,300.3	(244,850.6)
Loss net of tax	-	-	(21,199.5)	-	-	(21,199.5)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive loss for the period	-	-	(21,199.5)	-	-	(21,199.5)
At 30 September 2020	1,878.6	730,302.2	(1,039,738.4)	1,207.2	40,300.3	(266,050.1)
Loss net of tax	-	-	(113,560.7)	-	-	(113,560.7)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive loss for the period	-	-	(113,560.7)	-	-	(113,560.7)
At 31 December 2020	1,878.6	730,302.2	(1,153,299.2)	1,207.2	40,300.3	(379,610.9)

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	214,343.8
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)
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	201,506.6
Loss net of tax	-	-	(3,405.8)	-	-	(3,405.8)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive loss for the period	-	-	(3,405.8)	-	-	(3,405.8)
Equity-settled transactions with employees	-	-	-	58.7	-	58.7
At 30 June 2019	1,878.6	730,302.2	(575,452.3)	1,130.7	40,300.3	198,159.5

Loss net of tax	-	-	(5,956.7)	-	-	(5,956.7)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive loss for the period	-	-	(5,956.7)	-	-	(5,956.7)
Equity-settled transactions with employees	-	-	-	38.7	-	38.7
At 30 September 2019	1,878.6	730,302.2	(581,409.0)	1,169.4	40,300.3	192,241.5
Loss net of tax	-	-	(429,379.8)	-	-	(429,379.8)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive loss for the period	-	-	(429,379.8)	-	-	(429,379.8)
Equity-settled transactions with employees	-	-	-	37.8	-	37.8
At 31 December 2019	1,878.6	730,302.2	(1,010,788.8)	1,207.2	40,300.3	(237,100.5)

1 (d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, subdivision, consolidation, 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 of the issuer and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as 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 did not hold any treasury shares or subsidiary holdings as at 31 December 2020 (31 December 2019: 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 December 2020, 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, 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 relevant 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 December 2020, there were no outstanding awards under the KrisEnergy PSP.

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 December 2020, 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 December 2020		As at 31 December 2019	
	(unaudited)		(unaudited)	
	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	<u>1,502,849,065</u>	<u>1,878,562</u>	<u>1,502,849,065</u>	<u>1,878,562</u>
SHARE PREMIUM	As at 31 December 2020		As at 31 December 2019	
	(unaudited)		(unaudited)	
	US\$		US\$	
At 1 January	730,302,151		730,302,151	
At reporting date	<u>730,302,151</u>		<u>730,302,151</u>	

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 December 2020 (31 December 2019: 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 December 2020 (31 December 2019: 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 2019, 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 2020. The adoption of these standards did not have any material effect on the financial performance of the Group for the current financial period.

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 December		For the full year ended 31 December	
	2020	2019	2020	2019
Loss per share attributable to owners of the Company:				
(i) Based on a weighted average number of shares (cents per share)	(4.7)	(5.5)	(13.4)	(11.2)
- Weighted average number of shares	1,502,849,065	1,502,849,065	1,502,849,065	1,502,849,065
(ii) On a fully diluted basis (cents per share)	(4.7)	(5.5)	(13.4)	(11.2)
- Adjusted weighted average number of shares	1,502,849,065	1,508,035,913	1,502,849,065	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 December 2020	As at 31 December 2019	As at 31 December 2020	As at 31 December 2019
	<i>(Unaudited)</i> <i>(US\$)</i>			
Net asset value per ordinary share ⁽¹⁾	(0.23)	(0.10)	(0.25)	(0.16)
Net tangible asset per ordinary share ⁽¹⁾	(0.24)	(0.10)	(0.25)	(0.16)

Note:

(1) Based on share capital of 1,502,849,065 ordinary shares as at 31 December 2020 and 31 December 2019

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) seasonal 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 and non-IFRS financial data for the three months and full year ended 31 December 2020.

	For the three months ended 31 December		For the full year ended 31 December	
	2020	2019	2020	2019
	<i>(unaudited)</i> <i>(US\$ thousands)</i>			
Sales of crude oil	3,011.8	31,397.9	32,816.1	110,644.7
Sales of gas	3,122.2	3,674.3	12,573.6	15,886.4
Revenue	6,134.0	35,072.2	45,389.7	126,531.1
Cost of sales:				
Operating costs	(2,195.0)	(22,872.0)	(35,777.2)	(49,352.6)
Thai petroleum royalties paid	(384.1)	(2,623.0)	(3,192.7)	(10,024.7)
Inventories written down	0.0	(1,877.5)	0.0	(1,877.5)
Depreciation, depletion and amortisation	(1,453.4)	(20,500.0)	(38,736.1)	(86,651.4)
Gross loss	2,101.5	(12,800.3)	(32,316.3)	(21,375.1)
Other income	1,144.4	2,885.8	19,398.3	11,060.7
General and administrative expenses	(4,797.1)	(5,885.4)	(17,961.2)	(18,736.4)
Other operating expenses	(54,070.6)	(56,879.2)	(118,318.0)	(86,617.5)
Finance income	45.4	195.1	349.8	900.9
Finance costs	(16,026.0)	(15,155.9)	(60,547.8)	(56,577.7)
Loss before tax	(71,602.4)	(87,639.9)	(209,395.2)	(171,345.1)
Tax credit	935.4	4,931.4	8,305.2	2,484.6
Loss for the period	(70,667.0)	(82,708.5)	(201,090.0)	(168,860.5)

Revenue

Working interest production in 4Q2020 averaged 5,974 boepd, a 40.4% decrease from the same period last year (4Q2019: 10,030 boepd) due to the suspension of Wassana field in G10/48 in 2Q2020 and lower production in B8/32⁵ and Block 9.

Revenue for 4Q2020 decreased 82.5% to US\$6.1 million (4Q2019: US\$35.1 million) as a result of (i) 25.3% drop in average realised selling price for oil and liquids; (ii) 26.4% decrease in average realised selling price for gas in Thailand; and (iii) lower working interest production for the period.

The average realised oil and liquids sales price in 4Q2020 was US\$44.69/bbl (4Q2019: US\$59.82/bbl). The average realised gas price achieved from B8/32 in 4Q2020 decreased to US\$3.54/mcf (4Q2019: US\$4.81/mcf) in line with the redetermination of the gas price formula which is set on a trailing six-month basis. The realised gas price from the onshore Bangladesh Bangora field in Block 9 remained unchanged at US\$2.32/mcf.

	For the three months ended 31 December		For the full year ended 31 December	
	2020	2019	2020	2019
Production volumes				
Oil and liquids (bopd)	841	4,500	2,122	4,750
Gas (mmcf)	30.8	33.2	29.7	32.9
Total (boepd)	5,974	10,030	7,065	10,229
Average sales price				
Oil and liquids (US\$/bbl)	44.69	59.82	42.14	60.04
Gas – B8/32 (US\$/mcf)	3.54	4.81	4.04	4.94
Gas – Block 9 (US\$/mcf)	2.32	2.32	2.32	2.32

Cost of Sales

Operating costs for 4Q2020 decreased to US\$2.2 million (4Q2019: US\$22.9 million) as a result of the suspension of the Wassana field in 2Q2020.

Average lifting costs reflect the Group's working interest share of joint-venture operating expenditure incurred versus production in the same period. In 4Q2020, the average lifting cost was US\$4.97/boe compared with US\$24.31/boe for 4Q2019. The 79.5% decrease was attributed to the lower joint-venture operating expenditure for the period.

DD&A charges decreased 92.9% in 4Q2020 to US\$1.5 million (4Q2019: US\$20.5 million) in line with lower production volumes. In 4Q2019, DD&A charges of right-of-use assets for the Wassana field operations – namely the MOPU and FSO – amounted to US\$10.2 million.

⁵ As at 1 October 2019, gas sales from B8/32 were permanently reduced. The daily contracted sales quantity / maximum contracted quantity was reduced from 65/75 mmcf to 45/51.75 mmcf

	For the three months ended 31 December		For the full year ended 31 December	
	2020	2019	2020	2019
Average lifting cost⁽¹⁾				
Oil, liquids and gas (US\$/boe)	4.97	24.31	14.90	22.98
Net operating expenditure (US\$'000)	2,733.4	22,436.2	38,536.5	85,800.3
Total production (boe)	5,974	922,748	7,065	3,733,649

Note:

(1) Calculation of average lifting cost has been revised to reflect the Group's working interest share of joint-venture operating expenditure incurred versus production in the same period. Following suspension of the Wassana field in 2Q2020, starting in 3Q2020 the Group's operating costs and production volumes no longer include any contribution from the G10/48 concession.

Other income

Other income was US\$1.1 million in 4Q2020 compared with US\$2.9 million in 4Q2019. The decrease was mainly due to the joint operation lease recharges for the Wassana field in the reporting quarter.

General and administrative expenses

General and administrative expenses amounted to US\$4.8 million in 4Q2020 (4Q2019: US\$5.9 million). The decrease was primarily attributable to lower general and administrative expenses allocated from G10/48, partially offset by higher professional fees.

Other operating expenses

Other operating expenses amounted to US\$54.1 million in 4Q2020 (4Q2019: US\$56.9 million). The increase was primarily attributable to (i) higher impairment charges on exploration and evaluation assets of US\$39.3 million (4Q2019: US\$31.0 million) as a result of lower future oil price assumptions; (ii) provision for obsolete inventories of US\$3.3 million; and (iii) loss on commitments of exploration and evaluation assets of US\$5.5 million, partially offset by lower impairment charges on oil and gas properties of US\$3.7 million (4Q2019: US\$22.1 million) for the period.

Finance income

Finance income was lower year-on-year due to lower average bank balances in 4Q2020.

Finance costs

Finance costs amounted to US\$16.0 million in 4Q2020 (4Q2019: US\$15.2 million). The increase was mainly due to interest on the CBA Loan Facility of US\$2.0 million, partially offset by lower bank loan interest of US\$3.3 million (4Q2019: US\$4.5 million).

Loss before tax

The loss before tax in 4Q2020 of US\$71.6 million (4Q2019: US\$87.6 million) was mainly attributable to impairment charges and increased finance costs for the period.

Tax credit

Tax credit amounted to US\$0.9 million in 4Q2020 (4Q2019: US\$4.9 million) mainly as a result of lower deferred tax adjustment for B8/32 for the period.

Loss for the period

The net loss for the period was US\$70.7 million in 4Q2020 (4Q2019: US\$82.7 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

The first two months of 2021 have seen a steady rise in benchmark oil prices with Brent crude trading between US\$60.00/bbl to US\$65.00/bbl, levels not seen since January 2020 before the greater extent of the COVID-19 pandemic emerged. Market commentators observe that the oil supply overhang has been partially absorbed, largely as a consequence of continued supply restraints by major producers. However, with the resurgence of virus infections in many larger consuming nations and a tightening of government restrictions on travel and business activities, the strength of the recovery in fuel demand remains unclear. Headline and macro drivers will continue to result in near-term price gyrations.

The Company notes the progress made to date in its restructuring progress as reported on 9 February 2021 in the announcement entitled *Updates on restructuring process – Progress Report*. The restructuring relies on four inter-conditional processes that require the consent of the requisite majority of each respective group of creditors and shareholders. Three of the stages – entry into an amendment agreement relating to the RCF, Scheme of Arrangement for unsecured creditors and consent solicitation exercise for holders of the 2024 Notes – have been approved by the relevant stakeholders. The final stage of the restructuring process requires the convening of an extraordinary general meeting for shareholders to approve resolutions relating to the issuance of shares for the proposed conversion of debt to equity pursuant to the Scheme of Arrangement and consent solicitation exercise. If shareholders' approval is not received, the restructuring exercise cannot be completed and the Company will likely enter some form of liquidation process. In this latter case, the Company will not be able to retain its listing status and its securities – debt and equity - will not be tradable on the SGX.

All five development wells in the Apsara Mini Phase 1A development completed drilling and were brought online between 28 December 2020 and 22 February 2021, with the last two wells brought onstream in the last few days. The initial production rates seen are less than the initial peak forecast rate of 7,500 bopd. However, optimisation of production continues and more pressure and production data are needed for further assessment to determine reservoir characteristics before more clarity on a sustainable production rate and achievable volumes can be made available.

Recent Developments

- On 5 January 2021 and 12 January 2021, the Company published Q&A related to stakeholder enquiries regarding the Scheme of Arrangement and the broader restructuring process. See announcements entitled *Updates on restructuring process – KrisEnergy Ltd.’s Q&A* dated 5 January 2021 and 12 January 2021.
- On 13 January 2021, the Bangladesh authorities approved the relinquishment of the entire block SS-11 area over the Bay of Bengal and termination of the SS-11 PSC. See announcement entitled *Relinquishment of exploration block SS-11 in Bangladesh* dated 18 January 2021.
- On 14 January 2021, the Company published an Updated List of Creditors for the purpose of voting at the meeting of creditors of KrisEnergy Ltd. (“**Court Meeting**”) to be held shortly after publication on the same day. See announcement entitled *Updates on restructuring process – KrisEnergy Ltd: Updated List of Creditors* dated 14 January 2021.
- On 14 January 2021, a Court Meeting was convened via electronic means and the resolution to approve (with or without modifications) the Scheme was passed by the requisite majority of the single class of Scheme Creditors. Subsequent to the Court Meeting, the Company made an application to the Singapore High Court on 25 January 2021 for the Court to sanction the Scheme (“**Sanction Application**”). The Sanction Application was heard on 1 February 2021 and duly granted. See announcements entitled *Updates on restructuring process – Outcome of Court Meeting* dated 14 January 2021, *Updates on restructuring process – Outcome of Court Meeting (corrigendum)* dated 18 January 2021, *Updates on restructuring process – Application for sanction of the Scheme* dated 27 January 2021, *Updates on restructuring process – Hearing date for application to sanction the Scheme* dated 27 January 2021, *Updates on restructuring process – Outcome of 6th Extension Application and Sanction Application* dated 1 February 2021 and *Order of Court – HC/ORC 701/2021* dated 15 February 2021.
- On 15 January 2021, KrisEnergy applied for a 6th extension of the moratorium (“**6th Extension Application**”) and on 28 January 2021, the Company filed an amendment to the 6th Extension Application. The 6th Extension Application was heard by the Singapore High Court on 1 February 2021 and was granted until 16 April 2021 or until further order and if the Company files an application for a further extension of the moratorium by 16 April 2021, such moratorium will be extended until either the said application is heard. See announcements entitled *Updates on restructuring process – Application for 6th extension of the moratorium and hearing date* dated 15 January 2021, *Updates on restructuring process – Amendments to 6th Extension Application* dated 28 January 2021 and *Updates on restructuring process – Outcome of 6th Extension Application and Sanction Application* dated 1 February 2021.
- On 20 January 2021, KrisEnergy launched the consent solicitation exercise (“**CSE**”) for holders of the 2024 ZCNs and a *Notice of Meeting* was published in the *Business Times*. A consent solicitation statement was available upon request for 2024 ZCN holders. See announcement entitled *KrisEnergy launches consent solicitation exercise*

for S\$139,464,848 senior secured zero coupon notes due 2024 (ISIN: SG31B6000003) dated 20 January 2021.

- On 1 February 2021, the Company published Q&A related to stakeholder enquiries regarding the CSE. See announcement *Updates on consent solicitation exercise – KrisEnergy Ltd.’s Q&A* dated 1 February 2021.
- On 5 February 2021, the Company provided an update to the approximations in the consent solicitation statement related to the 2024 ZCN exchange and key dates for the CSE process. See announcement *Updates on consent solicitation exercise – (1) Details on potential ZCN Exchange and (2) Upcoming key dates* dated 5 February 2021.
- On 9 February 2021, the Company published the final Q&A related to the CSE and provided final instructions for the Meeting to be held on 11 February 2021 via electronic means. See announcement entitled *Updates on consent solicitation exercise – (1) Final Q&A and (2) Meeting on 11 February 2021* dated 9 February 2021.
- On 9 February 2021, the Company provided an overview and progress report for KrisEnergy’s restructuring process and issued a letter to shareholders regarding the upcoming extraordinary general meeting. See announcement entitled *Updates on restructuring process – Progress Report* dated 9 February 2021 and *Letter to Shareholders* dated 9 February 2021.
- The meeting of holders of the 2024 ZCNs was convened on 11 February 2021 and the extraordinary resolution related to the CSE was duly passed without amendment. See announcement *Updates on consent solicitation exercise – Notice of Results of Meeting* dated 11 February 2021.
- On 15 February 2021, a copy of the order of Court approving the Scheme was lodged with the registrar of Companies in accordance with section 210 of the Companies Act and the Scheme was effective as of 15 February 2021. See announcement *Updates on restructuring process – Lodgement of Court Order and closing of accounts with CDP* dated 15 February 2021.

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.

For more details on our capital expenditure, please refer to *Net Cash Flow from Investing Activities* in section 1(c) and for more information on the revenue breakdown, please refer to *Revenue* in section 8.

16. A breakdown of sales as follow:

	The Group		% increase / (decrease)
	For the year ended 31 December		
	2020	2019	
	<i>(unaudited)</i>		
	<i>(US\$ thousands)</i>		
Sales reported for the first half year	32,201.5	68,572.0	(53.0)
Operating loss after tax reported for first half year before deducting non-controlling interests reported for first half year	(105,276.0)	(69,493.0)	51.5
Sales reported for the second half year	13,188.2	57,959.1	(77.2)
Operating loss after tax reported for second half year before deducting non-controlling interests reported for second half year	(95,814.0)	(99,367.5)	(3.6)

17. A breakdown of the total annual dividend (in dollar value) for the issuer’s latest full year and its previous full year as follow:

None.

18. Disclosure of persons occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are such persons, the issuer must make an appropriate negative statement.

There were no persons occupying a managerial position in the Company or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the Company during the financial period under review.

19. 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 full year ended 31 December 2020 to be false or misleading in any material aspect.

20. 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, 24 February 2021