



## KrisEnergy signs binding offer letter for sale of Andaman II PSC

**Singapore**, 29 October 2019 – KrisEnergy Ltd. (“KrisEnergy” or the “Company”, and together with its subsidiaries, the “Group”), an upstream oil and gas company, announces that it has accepted a binding letter of offer by a major international oil and gas company for the disposal of a 30% non-operated working interest in the Andaman II production sharing contract (“PSC”) in the Malacca Strait, Indonesia (the “Disposal”).

The binding letter of offer for the Disposal was accepted after taking into consideration the future exploration cost and risks associated with deepwater activities. The Board believes it is more prudent to allocate KrisEnergy’s limited capital to funding near-term development. Completion under the Disposal including its terms is subject to *inter alia* obtaining all necessary approvals from the Government of Indonesia for the assignment of the working interest and the satisfactory completion of due diligence by the intended purchaser. The long stop date for the Disposal is 31 March 2020. The terms of the Disposal set out in the letter of offer are subject to certain assumptions and the execution and delivery of a definitive sale and purchase agreement and the consideration for the Disposal will be payable only upon completion.

The Andaman II PSC is an exploration block over the North Sumatra Basin covering an area of 7,400 sq. km. The Disposal is in line with the Group’s risk mitigation, intention to reduce future exposure to exploration capital expenditure and strategy to focus its limited financial resources on optimising operations at its existing producing assets in Bangladesh and the Gulf of Thailand and progressing the development of the Apsara oil field in Cambodia block A. The Disposal is in the Company’s ordinary course of business and does not change the Company’s risk profile.

Due to confidentiality obligations and the conditional nature of the Disposal, the identity of the intended purchaser and the purchase price cannot be disclosed at this time but the Company will make such disclosure at the appropriate time.

There is no certainty or assurance as at the date of this announcement that the Disposal will be completed. Further details of the Disposal will be announced by the Company in due course. Shareholders, noteholders and potential investors of the Company should exercise caution when dealing in the Company’s securities. Stakeholders and potential investors who are in doubt as to the action they should take should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisors.

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**About KrisEnergy:**

KrisEnergy Ltd. is an independent upstream company focused on the exploration for and the development and production of oil and gas in Southeast Asia. The Company holds working interests in three producing oil and/or gas fields, two in the Gulf of Thailand and one onshore Bangladesh. It also participates in nine blocks in various stages of development, appraisal and exploration in Bangladesh, Cambodia, Indonesia, Thailand and Vietnam. KrisEnergy operates nine of the contract areas.

KrisEnergy's shares are listed on the mainboard of the SGX-ST under the ticker SK3. For further information, visit [www.krisenergy.com](http://www.krisenergy.com).