



Updates on restructuring process - Progress Report

Singapore, 9 February 2021 – KrisEnergy Ltd. (“KrisEnergy” or the “Company”, and together with its subsidiaries, the “Group”), an independent upstream oil and gas company, wishes to provide all stakeholders an update regarding the progress of the restructuring process as detailed in the Company’s presentation slides entitled *Final Restructuring Proposal* dated 21 August 2020.

The restructuring is to be implemented via four inter-conditional processes that require the consent of the requisite majority of each respective group of creditors and shareholders:

	1	2	3	4
	Bilateral Agreement	Scheme of Arrangement	Consent Solicitation Exercise	Extraordinary General Meeting (“EGM”)
Stakeholder	<ul style="list-style-type: none"> 1st Lien secured Revolving Credit Facility (“RCF”) 	<ul style="list-style-type: none"> S\$130,000,000 senior unsecured Notes due 2022 S\$200,000,000 senior unsecured Notes due 2023 Unsecured term loans Other unsecured creditors (collectively, the “Scheme Creditors”) 	<ul style="list-style-type: none"> S\$139,464,848 senior secured Zero Coupon Notes due 2024 (“ZCNs”) 	<ul style="list-style-type: none"> Shareholders
Proposed Amendment	<ul style="list-style-type: none"> Amendment of debt instrument 	<ul style="list-style-type: none"> Conversion of debt instruments and claims into equity 	<ul style="list-style-type: none"> Partial conversion of claims into equity Amendment of debt instruments 	<ul style="list-style-type: none"> Issuance of shares for proposed debt-for-equity swap pursuant to the Scheme of Arrangement and Consent Solicitation Exercise
Requisite Voting Thresholds	<ul style="list-style-type: none"> Bilateral agreement with RCF lender 	<ul style="list-style-type: none"> Simple majority in number representing three-fourths in value present and voting 	<ul style="list-style-type: none"> Majority of not less than three quarters of the votes cast 	<ul style="list-style-type: none"> Simple majority



<p>Update on status</p>	<ul style="list-style-type: none"> • RCF maturity date extended for an initial period of six months to 30 June 2021 • RCF maturity date to be further extended to 30 June 2024 upon successful completion of restructuring 	<ul style="list-style-type: none"> • Approved by Scheme Creditors on 14 January 2021 and sanctioned by the Singapore Court on 1 February 2021 	<ul style="list-style-type: none"> • Notice of Consent Solicitation Exercise published on 20 January 2021 • Consent Solicitation Exercise meeting to be held at 9.30 a.m. on 11 February 2021 • As at 9 February 2021, irrevocable voting instructions from noteholders representing a total of 110,991,502 votes have been received by the meeting agent, and 100% of votes received are in favour of the extraordinary resolution being proposed in connection with the Consent Solicitation Exercise. This is in excess of the requisite voting threshold for such resolution to be passed. 	<ul style="list-style-type: none"> • In progress
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The Company wishes to note the following progress:

1. On 30 December 2020, the Group entered into an amendment and restatement agreement with DBS Bank Ltd. (as lender) to, amongst other things, extend the maturity date of the RCF by six months to 30 June 2021. In addition, the amendment contemplates a further extension of the maturity date of the RCF to 30 June 2024 upon successful completion of the restructuring. Refer to announcement *KrisEnergy extends revolving credit facility to 30 June 2021* dated 30 December 2020.
2. At a court meeting for the Scheme of Arrangement on 14 January 2021, the resolution to approve the Scheme of Arrangement dated 20 November 2020 was passed by the requisite statutory majority of the single class of Scheme Creditors. Refer to announcements *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 and



Updates on restructuring process – Outcome of the 6th Extension Application and Sanction Application dated 1 February 2021.

3. On 20 January 2021, the Company launched a Consent Solicitation Exercise for ZCN holders. Refer to announcement *KrisEnergy launches consent solicitation exercise for S\$139,464,848 senior secured Zero Coupon Notes due 2024 (ISIN: SG31B6000003)* dated 20 January 2021.

The meeting for the Consent Solicitation Exercise will take place at 9.30 a.m. on Thursday, 11 February 2021.

4. The fourth and final stage to complete the restructuring process will be the convening of an EGM for Shareholders of the Company to approve the 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 (“EGM Resolutions”).

Details of the timing of the EGM, deadlines and voting instructions will be announced in due course.

GIVEN THE SUCCESSFUL PROGRESS OF THE 1ST THREE COMPONENTS OF THE RESTRUCTURING EXERCISE, THE COMPANY URGES ALL SHAREHOLDERS TO EXERCISE THEIR VOTING RIGHTS IN FAVOUR OF THE EGM RESOLUTIONS IN THIS FINAL STAGE OF THE RESTRUCTURING PROCESS.

Operational & Trading Update

The KrisEnergy-operated Apsara oil field in the Block A licence offshore Cambodia marked first oil in late December 2020 from a single development well. The Company has now completed two additional wells and a total of three wells are now producing. Two remaining wells are still being completed. Drilling is scheduled to end in mid-February 2021 and all five wells are expected to be onstream by the end of the month.

The Apsara oil field is the Group’s third producing asset alongside the KrisEnergy-operated Bangora gas field in Block 9, onshore Bangladesh, and the non-operated B8/32 oil and gas complex in the Gulf of Thailand. The Apsara Mini Phase 1A development is an initial small-scale project in order to observe reservoir performance in the Khmer Basin and collect vital production and subsurface data to determine additional appraisal and development of the greater Apsara area in the longer term.

The Company notes that the trading environment for the commodity markets remains somewhat fragile. While oil prices have improved in the first weeks of 2021, it is by no means certain that current levels (benchmark Brent crude oil is trading above US\$60.00 per barrel as at 9 February 2021) will be sustained in the near term. Expectations of a recovery in oil demand as economies return to business with the distribution of COVID-19 vaccines may not materialise to the full extent given the increasing number of virus infections at the start of 2021, the associated government COVID-19 related work, education, travel and social restrictions, and the time lag to vaccinate populations.



NOTWITHSTANDING OIL PRICE VOLATILITY, KRISENERGY BELIEVES THE COMPLETION OF THE RESTRUCTURING PROCESS AND THE ONGOING MANAGEMENT OF ASSETS TO REDUCE CAPITAL EXPENDITURE LIABILITIES, WILL RESULT IN A COMPANY WITH A MORE SUSTAINABLE BALANCE SHEET AND A PORTFOLIO FOCUSED ON PRODUCING ASSETS AND DEVELOPMENT PROJECTS TO CONTRIBUTE TO FUTURE GROWTH.

BY ORDER OF THE BOARD

Kelvin Tang
Chief Executive Officer and Executive Director

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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, one each in the Gulf of Thailand and offshore Cambodia, and one onshore Bangladesh. It also participates in seven blocks in various stages of the E&P lifecycle in Indonesia, Thailand and Vietnam. KrisEnergy operates eight of the contract areas.

All notices pertaining to the ongoing restructuring process are available on the Restructuring Information Centre <https://www.krisenergy.com/Investors/restructuring-information-centre>.