



Updates on restructuring process – Scheme of Arrangement: Outcome of Scheme Applications

1. INTRODUCTION

Singapore, 16 November 2020 – KrisEnergy Ltd (“KEL” or the “Company”), an independent upstream oil and gas company, refers to its announcements dated 16 October 2020, 21 October 2020 and 10 November 2020 (“**10 November Announcement**”) in relation to its applications to the Singapore Court for, among other things:

- (a) leave to convene a meeting of the Scheme Creditors pursuant to Section 210(1) of the Companies Act, this being HC/OS 1031/2020 (“**Leave Application**”);
- (b) certain variations in and substitution of the procedure provided for in the Insolvency, Restructuring and Dissolution (Proofs of Debt in Schemes of Arrangement) Regulations 2020, this being HC/SUM 4526/2020 (“**Variation Application**”); and
- (c) an extension of the moratorium order granted in HC/ORC 4997/2020 for a period of two months from the date this 5th Extension Application is heard or until such further order by the Singapore Court, this being HC/SUM 4501/2020 (“**5th Extension Application**”),

(collectively, the “**Scheme Applications**”).

2. THE SCHEME APPLICATIONS

In the 10 November Announcement, the Company announced, among other things, that the hearing for the Leave Application and Variation Application was adjourned to 16 November 2020 at 10 am.

The Scheme Applications were heard by the Singapore High Court today. The Judge made the following orders for each of the Scheme Applications:

In relation to the Leave Application

The Court ordered that:

- (a) leave be granted to convene a meeting (“**Court Meeting**”) pursuant to Section 210(1) of the Companies Act of the Scheme Creditors for the purpose of considering and if thought fit, agreeing to the Scheme (whether in its present form or with or subject to any modifications, additions or conditions approved or imposed by the Singapore Court or approved in accordance with its terms) proposed to be made between the Company and Scheme Creditors;



- (b) the Court Meeting be convened on or before three months from 16 November 2020 in the manner prescribed, or within such period and in such other manner as the Singapore Court deems fit;
- (c) in the event that the Scheme (whether in its present form or with or subject to any modifications, additions or conditions approved or imposed by the Singapore Court or approved in accordance with its terms) is agreed to by the Scheme Creditors, on the satisfaction of the conditions set out in the Companies Act, the Company be at liberty to apply for the sanction of the Scheme by order of court, so as to be binding on the Company and on all the Scheme Creditors;
- (d) for the purposes of voting at the Court Meeting (and any adjournment thereof):
 - (i) save as provided under subparagraphs (d)(ii), (d)(iii) and (d)(iv) below, only those Scheme Creditors in a contractual relationship with the Company shall be entitled to vote at the Court Meeting by appointing the Chairman of the Court Meeting ("**Chairman**") as proxy;
 - (ii) subject to paragraphs (d)(iii) and (d)(iv), every Depositor (as defined in Section 81SF of the Securities and Futures Act (Cap. 289, 2006 Rev Ed)) of The Central Depository (Pte) Ltd ("**CDP**") ("**CDP Account Holder**") in relation to the S\$130,000,000 Senior Unsecured Notes due 2022 ("**2022 Notes**") and the S\$200,000,000 Senior Unsecured Notes due 2023 ("**2023 Notes**") shall be entitled to nominate the Chairman for the purposes of voting at the Court Meeting, and for each of such votes cast by the Chairman to be taken into account for:
 - (A) in the event the Depositor is not a Relevant Intermediary (as defined in Section 181(6) of the Companies Act), the purposes of Section 210(3AB)(a) of the Companies Act (the "**Headcount Test**");
 - (B) in the event the Depositor is a Relevant Intermediary, the Split Vote Approach (as defined in this Court's decision of *Re Swiber Holdings Ltd* [2018] 5 SLR 1358 at [24(b)]) shall apply for the Headcount Test; and
 - (C) Section 210(3AB)(b) of the Companies Act (the "**Value Test**");
 - (iii) every CDP Account Holder who is a Relevant Intermediary shall be satisfied of the identity and holdings of their sub-account holders ("**Beneficial Holders**"). The Company and the Chairman will bear no responsibility in ascertaining the votes of the Beneficial Holders. The votes of each Beneficial Holder shall be taken into account for the purposes of the Value Test, and for the Headcount Test, the Split Vote Approach shall apply;
 - (iv) in respect of the nomination of the Chairman for the purposes of voting at the Court Meeting pursuant to paragraph (d)(i) above, the Company shall be entitled to set a



cut-off time of not less than 72 hours before the time specified for the Court Meeting for the submission of proxy forms ("**Proxy Forms**") ("**Cut-Off Time**"). Any Proxy Forms received after the Cut-Off Time shall be invalid unless otherwise decided at the sole discretion of the Chairman; and

(e) any interested party shall have liberty to apply.

In relation to the Variation Application

The Court ordered that:

(a) Pursuant to Section 68(14) of the Insolvency, Restructuring and Dissolution Act 2018, that the procedures relating to the inspection and adjudication of proofs of debt filed by the Creditors (as defined in the draft scheme of arrangement) be varied or substituted as follows:

(i) that the Company comply with Regulation 3(1) of the Insolvency, Restructuring and Dissolution (Proofs of Debt in Schemes of Arrangement) Regulations 2020 ("**PODSAR**") in the following manner:

- (A) announcing on SGXNet that the list of Creditors is available on its website;
- (B) advertising in the Business Times, the Straits Times and Lianhe Zaobao that the list of Creditors is available on its website;
- (C) emailing a copy of the list of Creditors upon request; and
- (D) subject to any laws implemented in connection with COVID-19 which could restrict the Company's ability to open its offices, with two Business Days' notice, making hard copies of the list of Creditors available for collection at the Company's office at 83 Clemenceau Avenue, #10-05 UE Square, Singapore 239920 upon request;

(ii) that the Company comply with Regulation 3(2) of the PODSAR by publishing the following information in the list of Creditors:

- (A) the name, address, amount claimed, and a description of the claim in respect of the Creditors save for the holders of the 2022 Notes and the holders of the 2023 Notes;
- (B) the series number and corresponding global amount for all 2022 Notes and 2023 Notes; and
- (C) the details of the 2022 Notes and 2023 Notes held by each director of the Company;



- (iii) that the period for a Creditor who wishes to inspect the proof of debt filed by another Creditor to send a request to inspect such proof of debt under Regulation 4(1) of the PODSAR be abridged to 14 days before the Court Meeting;
- (iv) that the period for the Chairman to complete the adjudication of all proofs of debt filed by the Creditors under Regulation 5(1) of the PODSAR be abridged to 21 days before the Court Meeting;
- (v) that the Company comply with Regulation 5(1) of the PODSAR in the following manner:
 - (A) publishing the results of the adjudication and the amounts claimed, admitted, and/or rejected on its website;
 - (B) announcing on SGXNet that the adjudication results are available on its website;
 - (C) advertising in the Business Times, the Straits Times and Lianhe Zaobao the availability of the adjudication results;
 - (D) emailing a copy of the adjudication results upon request; and
 - (E) subject to any laws implemented in connection with COVID-19 which could restrict the Company's ability to open its offices, with two Business Days' notice, making available a hard copy of the adjudication results for collection at the Company's office at 83 Clemenceau Avenue, #10-05 UE Square, Singapore 239920;
- (vi) that the Company comply with Regulation 5(2) of the PODSAR by publishing the following information in the adjudication results:
 - (A) the amounts claimed, admitted and/or rejected for each of the Creditors save for the holders of the 2022 Notes and 2023 Notes; and
 - (B) the series number and corresponding global amount for all the 2022 Notes and 2023 Notes;
- (vii) that the period for the relevant party to send a written request seeking agreement for the appointment of an independent assessor ("**Independent Assessor**") to the Company (unless the opposing party is the Company), the Chairman and the Creditor whose proof of debt will be affected by the decision of the Independent Assessor (unless the opposing party is that Creditor) under Regulation 5(3) of the PODSAR be abridged to 10 days before the Court Meeting. In the absence of a nomination of an Independent Assessor under Regulation 4(4) and 5(4) of the PODSAR, David Chew of DHC Capital Pte Ltd shall be the Independent Assessor; and



- (viii) that the Company comply with Regulation 7 of the PODSAR in the manner such that should the Court Meeting be held electronically, the Chairman need not provide a physical copy of an updated list of Creditors to every Creditor whose proof of debt is admitted for the purposes of voting at the meeting and who is present (whether in person or by proxy) ("**Updated List**") at the venue of the meeting, but shall instead upload the Updated List containing the following information on its website:
 - (A) the amount claimed, admitted and/or rejected for each of the Scheme Creditors save for the holders of the 2022 Notes and 2023 Notes;
 - (B) the series number and corresponding global amount for all the 2022 Notes and 2023 Notes; and
 - (C) any differences in the adjudication results as compared with the results of the adjudication published pursuant to Regulation 5 of the PODSAR;
- (b) notwithstanding the abridgement of any timelines at paragraph (a) above, if the relevant date falls on a weekend or a public holiday, the relevant date shall fall on the next business day; and
- (c) any interested party shall have liberty to apply.

In relation to the 5th Extension Application

The Court ordered that:

- (a) that the following orders granted in HC/ORC 6167/2019 on 9 September 2019, in HC/ORC 7990/2019 on 27 November 2019, in HC/ORC 1492/2020 on 24 February 2020, in HC/ORC 3150/2020 on 18 June 2020 and in HC/ORC 4997/2020 on 7 September 2020 be extended to 16 January 2021 or until further order:
 - (i) no resolution shall be passed for the winding up of the Company;
 - (ii) no appointment shall be made of a receiver or manager over any property or undertaking of the Company;
 - (iii) no proceedings shall be commenced or continued against the Company (other than proceedings under Sections 210, 211B, 211D, 211G, 211H or 212 of the Companies Act), except with the leave of the Court and subject to such terms as the Court imposes;
 - (iv) no execution, distress or other legal process, against any property of the Company shall be commenced, continued or levied, except with the leave of the Court and subject to such terms as the Court imposes;



- (v) no step shall be taken to enforce any security over any property of the Company except with the leave of the Court and subject to such terms as the Court imposes; and
 - (vi) no enforcement of any right of re-entry or forfeiture under any lease in respect of any premises occupied by the Company shall be commenced or continued (including any enforcement pursuant to Sections 18 or 18A of the Conveyancing and Law of Property Act (Cap. 61)), except with the leave of the Court and subject to such terms as the Court imposes,

(collectively, the “**Restrained Acts**”);
- (b) the provisions of paragraph (a) shall also apply to any of the following persons committing any Restrained Act anywhere outside of Singapore:
- (i) the following creditors in Singapore:
 - (A) DBS Bank Ltd. (“**DBS**”) and the security trustee for the revolving credit facility (the “**Revolving Credit Facility**”), Madison Pacific Trust Limited;
 - (B) Keppel Shipyard Limited;
 - (C) The Hongkong and Shanghai Banking Corporation Limited;
 - (D) Standard Chartered Bank, Singapore Branch;
 - (E) DBS Trustee Limited as trustee for the holders of the zero coupon notes due 2024 issued by the Company (accompanied by detachable warrants) (“**Zero Coupon Notes**”) and the security trustee for the Zero Coupon Notes, Madison Pacific Trust Limited;
 - (F) The Bank of New York Mellon, Singapore Branch as trustee for the holders of the 2022 Notes and the 2023 Notes both issued by the Company;
 - (G) the holders of the 2022 Notes (the “**2022 Noteholders**”) and 2023 Notes (the “**2023 Noteholders**”);
 - (H) Rubicon Vantage International Pte. Ltd.;
 - (I) the holders of the Zero Coupon Notes (the “**ZCN Holders**”); and
 - (J) Maritime International Services Pte. Ltd
 - (ii) the following foreign creditors with sufficient connection to and/or subject to the jurisdiction of Singapore including:



- (A) Nora Limited;
 - (B) the 2022 Noteholders and the 2023 Noteholders; and
 - (C) the ZCN Holders;
- (c) if the Company files an application for a further extension of the prayers at paragraphs (a) and (b) above or an application under Section 210(3) of the Companies Act by 16 January 2021, the prayers at paragraphs (a) and (b) above shall be extended until either of the said applications is heard; and
- (d) the Company or any creditor subject to this order shall be at liberty to apply for such further or other directions as may be necessary.

3. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Scheme Applications and the restructuring of the Company, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in this announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in the announcement in its proper form and context.

4. FURTHER ANNOUNCEMENTS

The Company will continue to keep its stakeholders updated and will make the appropriate announcements as and when there are any material updates or developments. Shareholders, noteholders and potential investors of the Company are advised to read this announcement and any further announcements by the Company carefully and 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.

BY ORDER OF THE BOARD

Kelvin Tang
Chief Executive Officer and Executive Director

Please contact the below individuals for any enquiries:

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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 two producing oil and/or gas fields, one in the Gulf of Thailand and one onshore Bangladesh. It also participates in nine blocks in various stages of the E&P lifecycle in Bangladesh, Cambodia, 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>