



LOYZ ENERGY LIMITED

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Loyz Energy Signs MOU to Diversify Business with Arctos Investments

- 🔥 *Strategic collaboration with Arctos Investments for a joint venture to diversify business to include a fund management, investment and trading platform*
- 🔥 *Business diversification drives earnings growth through investments and trading as well as managing external funds through the Proposed Joint Venture*
- 🔥 *Proposed Joint Venture to be co-managed by a team of experienced investment professionals lead by Mr. Wong Yat Foo, an investment veteran in the capital markets*
- 🔥 *Mitigates risk to the oil and gas sector by creating a new source of income from fund management and potential gains from trading and investments, thereby strengthening Group's earnings base to enhance value for shareholders*

SINGAPORE 🔥 08 SEP 2017

For immediate release

Loyz Energy Limited ("**Loyz Energy**" or the "**Company**", and together with its subsidiaries, the "**Group**"), an independent exploration and production upstream energy player, today announced that it has on 7 September 2017, entered into a binding memorandum of understanding ("**MOU**") with Arctos Investments Pte. Ltd. ("**Arctos Investments**"), a multi-asset investment firm, to form a joint venture company to be named "FIT Global Pte Ltd" ("**FIT**") with a focus on fund management, investments and trading (the "**Proposed Joint Venture**").

FIT shall be incorporated with an issued and paid-up share capital of S\$1.0 million, which Loyz Energy shall contribute the entire amount in cash while Arctos Investments shall contribute by ways of its network, team of investment and trading professionals, and risk management expertise. As part of Arctos investments' contribution, Loyz Energy shall also issue such number of fully paid-up new ordinary shares in its capital at an issue price to be agreed, amounting to S\$1.0 million, to Arctos Investments. The primary business activities of FIT shall be categorised into four broad areas as follows:

- investment, including private equity deals, pre-initial public offerings (mature stage), initial public offerings, fixed income and hybrid instruments;
- trading, including the trading of equities, commodities and other financial instruments, including cryptocurrencies;

- (iii) fund management; and
- (iv) market making for commodities.

Mr. Jeffrey Pang (彭润程), Chief Executive Officer and Executive Director of Loyz Energy said, "Through our efforts in streamlining non-performing oil and gas assets, the Group is left with our 20% stake in the producing onshore oilfields in Thailand. We are entering into a new business to augment our income and cash flows, and partnering with Arctos Investments, which has a good team of experienced investment professionals, will give us an immediate boost in our new business initiative. We are pleased to have Mr. Wong Yat Foo, an investment veteran with a strong track record to lead the team in this strategic collaboration.

This proposed diversification of business of the Group is expected to see the Group expands not just beyond investment holding of earnings accretive businesses, but also into investment management such as participating in pre-initial public offerings and/or co-investment opportunities for capital gains, and trading, as well as managing of external funds through the Proposed Joint Venture. This approach is expected to allow the Group to have a broader investment portfolio and better risk management. We expects to work towards expanding the Group's earnings base with stable income through fund management fees from the Proposed Joint Venture and potential gains from managed investments and trading in the markets. We believe having the investment and trading platform will benefit both investors and shareholders alike, enhancing risk management and creating values for all."

Arctos Investments shall assist FIT with the application for a fund management licence to the Monetary Authority of Singapore.

The Company will be seeking approval from its shareholders for, *inter alia*, the proposed diversification of business of the Group at an extraordinary general meeting of the Company to be convened in due course.

Background of Arctos Investments Pte. Ltd.

Arctos Investments is a private company with a highly experienced team of investment and trading professionals led by an experienced management team. The business focus of Arctos Investments is in trading of equities and commodities and private equity investments.

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This press release is to be read in conjunction with the Company's announcement posted on the SGX website on 08 Sep 2017.

ABOUT LOYZ ENERGY LIMITED

(STOCK CODES – SGX: 594 | BLOOMBERG: LOYZ SP | REUTERS: LOYZ.SI)

Loyz Energy Limited (“**Loyz Energy**”, and together with its subsidiaries, the “**Group**”) is an independent exploration and production upstream energy company with its focus in the Asia-Pacific region.

The Group’s key asset is its 20% stake in the Thailand onshore oilfields located at Phetchabun Basin, which currently generates a steady income stream from its existing oil producing wells. This asset holds significant proven reserves for development as well as significant potential exploration upside that will ensue in value enhancement and sustainable long-term growth.

Based on the qualified person’s report as at 31 December 2016, the Thailand onshore oilfields have an aggregate of 38.21 (Proved + Probable + Possible) millions of barrels of oil reserves, of which 7.64 (Proved + Probable + Possible) millions of barrels are net attributable to the Group. Loyz Energy together with its partners intends to roll out the planned drilling campaign progressively to expand oil production capacity.

For more information, please visit the Group’s website at www.loyzenergy.com

ENQUIRIES



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The contact person for the Sponsor is Ms. Alice Ng, Director of Continuing Sponsorship, ZICO Capital Pte. Ltd. at 8 Robinson Road, #09-00 ASO Building, Singapore 048544, telephone (65) 6636 4201.