ENECO ENERGY LIMITED

(the "Company")
(Co. Reg. No. 200301668R)
(Incorporated in the Republic of Singapore)

Quarterly Update Pursuant to Rule 1313(2) of the Listing Manual

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Eneco Energy Limited (the "Company") was placed on the Watch-List under the Financial Entry Criteria pursuant to Rule 1311(1) of the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST") ("Listing Manual") on 04 December 2019. The Company has 36 months from 04 December 2019 (the "Deadline") to meet the requirements of Listing Rule 1314(1).

Pursuant to Rule 1313(2) of the Listing Manual, the Board of Directors (the "Board") wishes to provide an update on its efforts and the progress made in meeting the Financial Exit Criteria as set out in Rule 1314(1) of the Listing Manual in respect of the quarter ended 31 March 2021.

<u>Update on Efforts for Satisfying Financial Exit Criteria</u>

We had achieved major milestones in FY2020 which had improved our group net liabilities from S$20.1 million in FY2019 to S$6.9 million, a significant 66% improvement.

The Group continues to focus to minimise any cash requirements in its Indonesia's oil and gas entities whilst trying to wind down and exit the loss-making sector. The Group remains fully committed to the exiting of this loss-making sector at the earliest opportunity. The logistics business continues to deliver profitable results in the quarter for the Group.

Our focus on achieving strong gross margins has helped to deliver a steady and consistent performance from the logistics sector in the current pandemic environment. Our focus is now being directed to delivering profitable growth which will be a key element to underpinning our performance and driving value in the Group as we move forward.

The Group is actively seeking further growth opportunities to help grow the Group's business for long term sustainability.

<u>Update on the Unaudited Financial Performance and Financial Position</u>

As at 31 March 2021, the Group recorded deficiencies in working capital and net liability of S$9.1 million and S$6.9 million respectively. The working capital deficiencies solely arose from the oil and gas entities which are ringfenced through multiple layers of shareholdings and would not have impact to the Group's and the Company's financial position in the event of any contingent or actual claims by the creditors against these oil and gas entities.

For further information, please refer to the announcement of the unaudited financial statements of the Group for the period ended 31 March 2021 for an update on the Group's financial position and any material developments that may have an impact on its financial situation.

For and on behalf of the Board

Colin Peter Moran
Executive Director cum Chief Executive Officer
12 May 2021