



Loyz Energy Achieves Third Consecutive Quarter of Profit, Posts US\$0.3M Net Profit in Q3FY2017

- Revenue surged 34% to US\$2.4M on higher average oil price of US\$48.05 per barrel
- EBITDAX increased 4.4 times to US\$1.4M in Q3FY2017
- Drilling campaign targeted to increase production, reserves and value of Thailand oil fields, is on track and results expected to be out in end August 2017
- Rationalisation efforts put Group in good position to pursue strategic and accretive opportunities to build up sustainable, diversified and stable earnings

SINGAPORE 12 MAY 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 had achieved a third consecutive quarter of profit – recording a net profit attributable to shareholders of US\$0.3 million for the third quarter ended 31 March 2017 (“**Q3FY2017**”) on the back of a 34% revenue growth to US\$2.4 million as compared to US\$1.8 million in the quarter ended 31 March 2016 (“**Q3FY2016**”). Higher revenue was attained as a result of higher average oil price of US\$48.05 per barrel in Q3FY2017, as compared to US\$24.75 per barrel in Q3FY2016.

The Group’s consistent efforts in containing costs saw operating expenses declined by 43% to US\$0.6 million in Q3FY2017, from US\$1.0 million in Q3FY2016.

Gearing ratio improved to 37% in Q3FY2017, from 57% in Q3FY2016.

Net asset value (“**NAV**”) increased from US\$28.5 million as at 30 June 2016, to US\$38.9 million as at 31 March 2017.

Commenting on the results, Mr. Jeffrey Pang (彭润程), Chief Executive Officer and Executive Director of Loyz Energy said, “On the back of higher oil prices and the Group’s rationalisation efforts, we have posted another quarter of positive results.”



As set out in the Group's announcement on 2 May 2017, the Group and Carnarvon Thailand Limited ("**Carnarvon**") had agreed that a payment of US\$4.0 million to Carnarvon shall be regarded as final and full settlement of the outstanding payment owing by the Group to Carnarvon amounting to approximately US\$31.2 million ("**Settlement**"). The Settlement is expected to result in the Group recognising an extraordinary gain of approximately US\$19.3 million in the fourth quarter of the financial year ending 30 June 2017. Based on the unaudited consolidated financial statements as at 31 December 2016, upon completion of the Settlement, *ceteris paribus*, the Group's NAV will increase to approximately US\$49.1 million and NAV per share will increase to US\$0.046 (equivalent to S\$0.0644, based on an exchange rate of S\$1.40 : US\$1.00).

Outlook

The Organisation of Petroleum Exporting Countries (OPEC) will be meeting on 25 May 2017 to discuss on further extensions to production cuts, which could go into 2018.

The Group's drilling campaign, which targets to increase production, reserves and value of the oilfields in Thailand, is well underway. The results of the drilling campaign are expected to be available and reported by end August 2017.

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This media release is to be read in conjunction with the Company's unaudited interim results announcement posted on the SGX website on 12 May 2017.

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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 2015, the Thailand onshore oilfields have an aggregate of 54.74 (Proved + Probable + Possible) millions of barrels of oil reserves, of which 10.95 (Proved + Probable + Possible) millions of barrels are net attributable to the Group. Loyz Energy together with its partners intend 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

FOR FURTHER ENQUIRIES



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