

FALCON ENERGY GROUP LIMITED
(Company Registration No.: 200403817G)
(Incorporated in the Republic of Singapore)

RESPONSE TO SGX-ST QUERY ON THE BUSINESS TIMES ARTICLE DATED 21 APRIL 2020

INTRODUCTION

The board of directors (“**Board**”) of Falcon Energy Group Limited (“**Company**”, and together with its subsidiaries, “**Group**”) has received the following query from Singapore Exchange Securities Trading Limited (“**SGX-ST**”) on 21 April 2020 in relation to The Business Times article dated 21 April 2020 as referred to in the said query.

SGX-ST QUERY

We refer to the Business Times article dated 21 April 2020 and titled “Oil price crashes into negative territory for the first time in history amid pandemic”, available here:-

<https://www.businesstimes.com.sg/energy-commodities/oil-price-crashes-into-negative-territory-for-the-first-time-in-history-amid> (the “Article”).

Please advise whether the Company is impacted materially by the oil price movement, especially into negative territory as reported the Article. If yes, please be reminded that all material information must be announced via a SGXNET pursuant to LR 703 and also whether a trading halt is necessary pending the announcement.

If the Company is of the view that a SGXNET announcement is not necessary, kindly provide us via email with the basis for the Board’s views setting out specific details why this will not impact the Company or that it will not have any material impact on the Company.

In the meantime, kindly monitor trading activities in your securities and should there be any unusual trading activities, to consider requesting for trading halt pending any clarifications.

COMPANY’S RESPONSE

As the market conditions of the global oil and gas industry remain uncertain and those of the offshore marine and subsea industry remain depressed, the Group has carried out an assessment on the future projections on charter income. While the projection values are yet to be determined, the Board is of the view that the Group’s performance will be affected if the current low oil prices persist for longer than a few months.

Details of the Group’s financial performance will be disclosed when the Company announces its unaudited consolidated financial results for the relevant periods.

CAUTION IN TRADING

The Company will make further announcements as appropriate or when there are further developments. Shareholders and noteholders are advised to read this announcement and any further announcements by the Company carefully. Shareholders and noteholders should consult their stock brokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take.

BY ORDER OF THE BOARD

Tan Pong Tyea
Chairman and Chief Executive Officer
22 April 2020