



LOYZ ENERGY TURNAROUNDS WITH US\$0.3 MILLION NET PROFIT IN 1QFY17

- Group reversed net loss position on stable margin at its Thailand onshore oilfields and stringent cost management, further enhanced by foreign exchange gain in 1QFY17
- Financial position is strengthened with restructured financing to improve liquidity for the Group's operations
- Planned drilling campaign on track to commence in January 2017, aimed at increasing production and value of its Thailand onshore oil concessions

SINGAPORE 11 NOVEMBER 2016

For immediate release

Loyz Energy Limited ("Loyz Energy" and together with its subsidiaries, the "Group"), an independent exploration and production upstream energy player, today announced that it has achieved a net profit of US\$0.3 million for the quarter ending 30 September 2016 ("1QFY17"), a reversal from a net loss of US\$0.9 million in 1QFY16. This was despite a 40% decline in revenue to US\$2.4 million on the back of lower oil price and production in its onshore oil concessions in Thailand.

The improved results were bolstered by stable margin at its Thailand onshore oilfields, stringent cost management and foreign exchange gain. Consequently, the Group achieved a profit before tax of US\$0.9 million in 1QFY17, compared to a loss before tax of US\$24,000 in 1QFY16.

Commenting on the results, Mr. Jeffrey Pang (彭润程), Chief Executive Officer and Executive Director of Loyz Energy said, "We are heartened to see our efforts in strengthening the Group's fundamentals generating positive results in the first quarter of the new financial year. Even with current low oil prices, our Thai asset is able to generate a steady income and positive cash flow, meeting all our operational and financing requirements. This set of positive results, coupled with the successful restructuring of our loans, reinforces that we are on the right track for stable growth in the longer term.

We are appreciative of the encouraging support garnered from our investors, bankers and stakeholders which has spurred us to overcome the challenges in the macro environment."



The upstream oil and gas industry continues to be volatile against the backdrop of subdued economic growth and fluctuations in crude oil prices and currencies. Recently, the Organization of the Petroleum Exporting Countries ("OPEC") reached an understanding in Algiers to reduce production of crude oil between the range of 32.5 million to 33.0 million barrels per day, with the formal decision to be made by end November 2016. The uncertainty for the implementation of output reduction is likely continue to lead to fluctuations in the oil price.

The Group has plans for a drilling campaign under its Thailand onshore oil concessions. The campaign will commence in January 2017. Barring unforeseen circumstances, the cash flow generated from its existing production in its Thailand asset is expected to be able to fully fund the campaign.

Added Mr. Jeffrey Pang, "We are mindful of the volatile macroeconomic environment and will continue to stay focused and rise up to the challenges. Our drilling campaign aims to increase our production as well as to enhance the value of the oilfields. With our improved financial position and operational efficiency, we are on track to achieve better results going forward should oil prices improve."

~~ End ~~

This media release is to be read in conjunction with the Company's unaudited interim results announcement posted on the SGX website on 11 November 2016.

M
E
D
I
A

R
E
L
E
A
S
E



LOYZ ENERGY LIMITED

15 Hoe Chiang Road
Tower Fifteen, #06-01A
Singapore 089316

Tel: +65 6521 9048
Fax: +65 6225 4945

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 stable 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



Please contact:

Ms. Rosalina Soh (苏沛熙) / Ms. Jacqueline Tan (陈书贤)

Office: (65) 6221 8308

Email: equitique@eqtq.com.sg

IMPORTANT DISCLAIMER

This press release has been prepared by the Company and its contents have been reviewed by ZICO Capital Pte. Ltd. (the “Sponsor”), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (“SGX-ST”). The Sponsor has not independently verified the contents of this press release.

This press release has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this press release, including the correctness of any of the statements or opinions made or reports contained in this press release.

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.