

## KrisEnergy Ltd: Tackling Headwinds & Delivering on Targets

22<sup>nd</sup> CLSA Investors' Forum, 14-18 September 2015

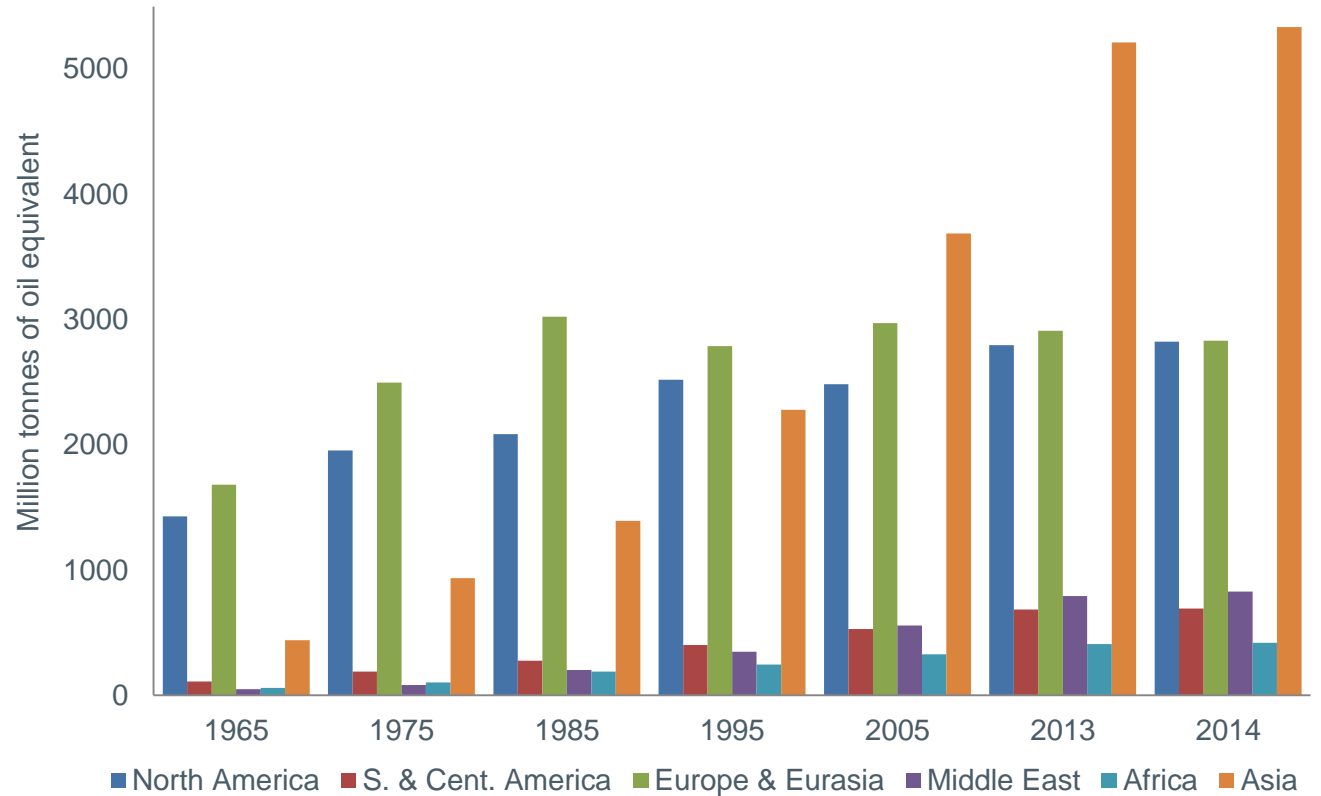


# Asia: An Emerging Force in the Global Energy Market

Asia is the biggest consuming region, accounting for >41% of global primary energy consumption in 2014<sup>1</sup>



### Primary Energy Consumption By Region<sup>1</sup>

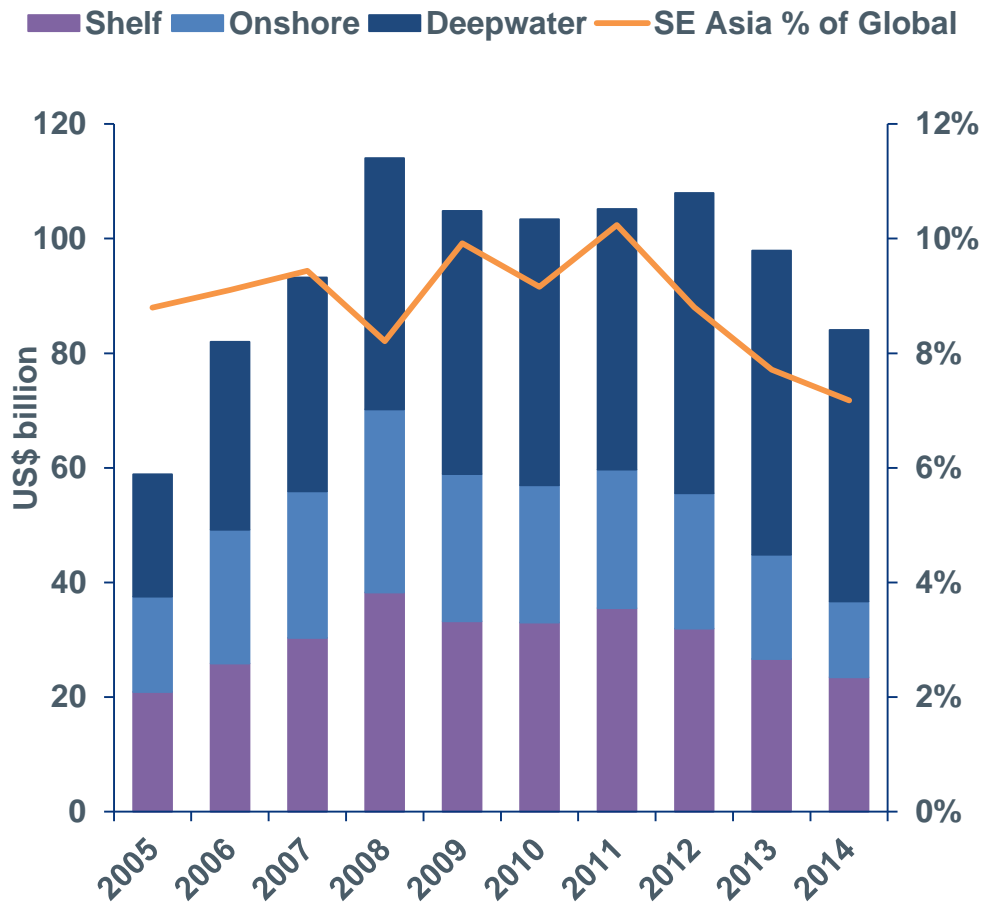


<sup>1</sup> BP Statistical Review of World Energy 2015

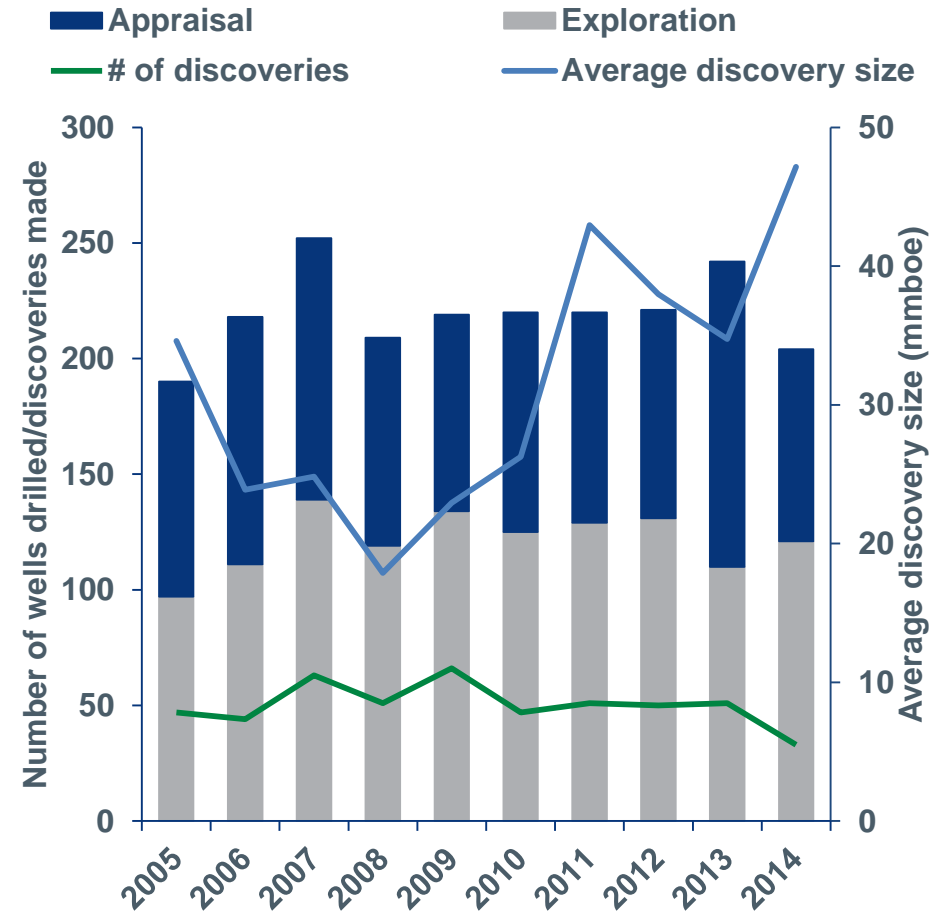
# Southeast Asia Expenditure/Discovery Size

Focus on value vs volume and fall in oil price will impact frontier exploration; average discovery size in Southeast Asia rose to 47 mmboe in 2014

Global conventional E&A spend



Wells drilled/discoveries in SE Asia

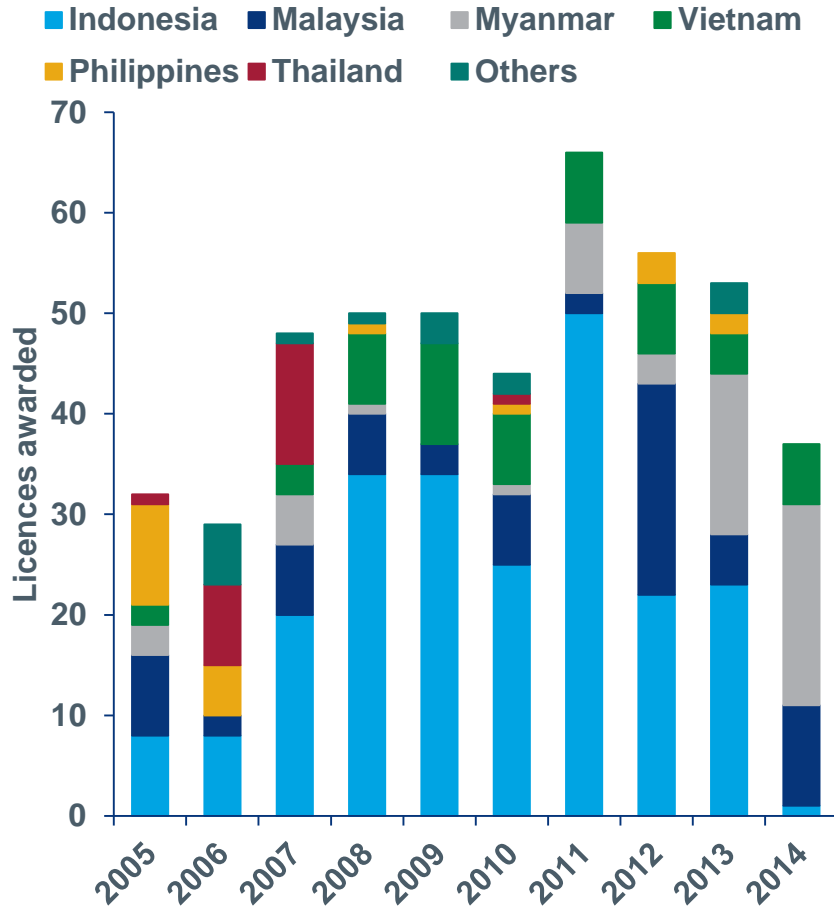


Source: Modified from Wood Mackenzie Upstream Data Tool

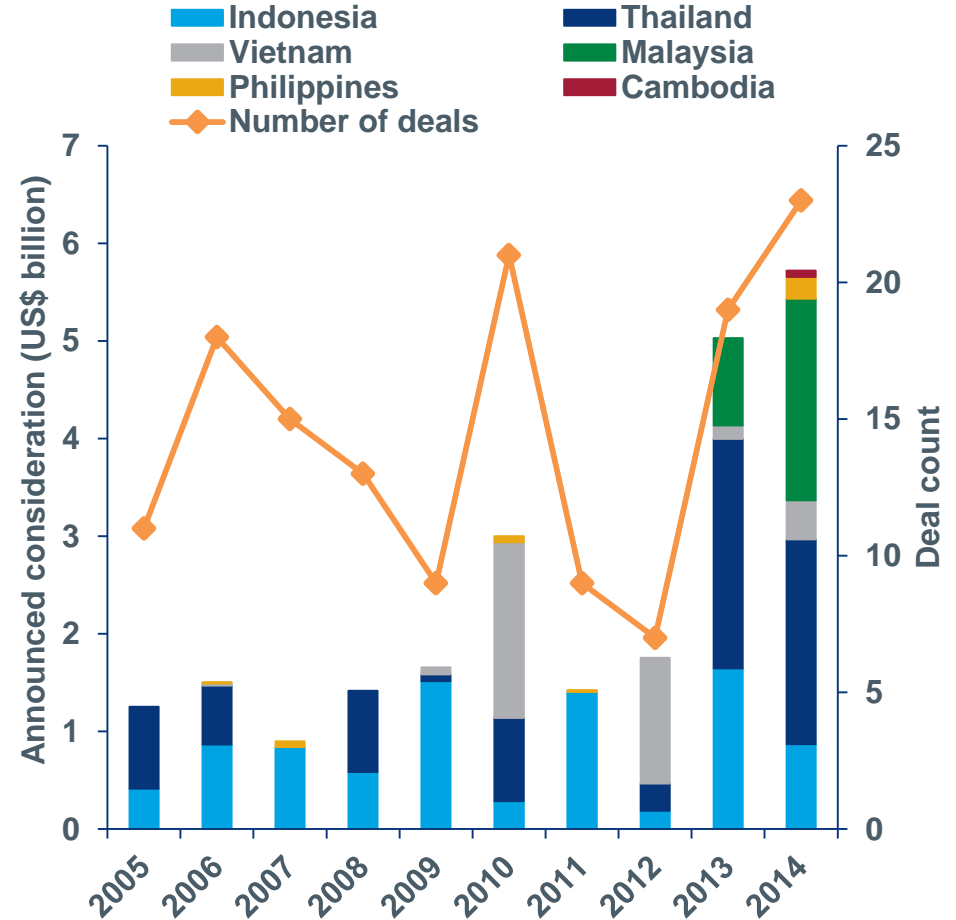
# Southeast Asia Awards/M&A Activity

Myanmar, Malaysia and Indonesia have driven recent licensing activity; M&A activity in Southeast Asia at record levels in 2013/2014

## Active licences awarded in SE Asia



## SE Asia M&A spend/activity



Source: Modified from Wood Mackenzie Exploration Service/M&A Service





Building a Sustainable Oil & Gas Company



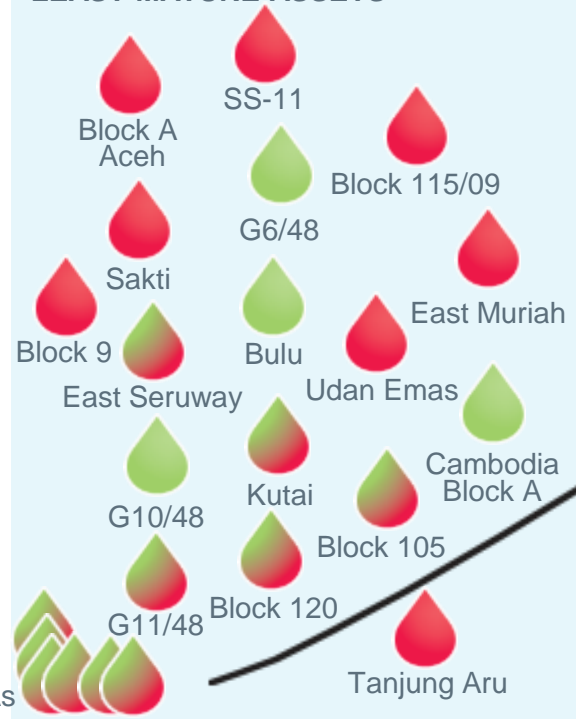
# Portfolio Building Across the E&P Life Cycle

September 2015

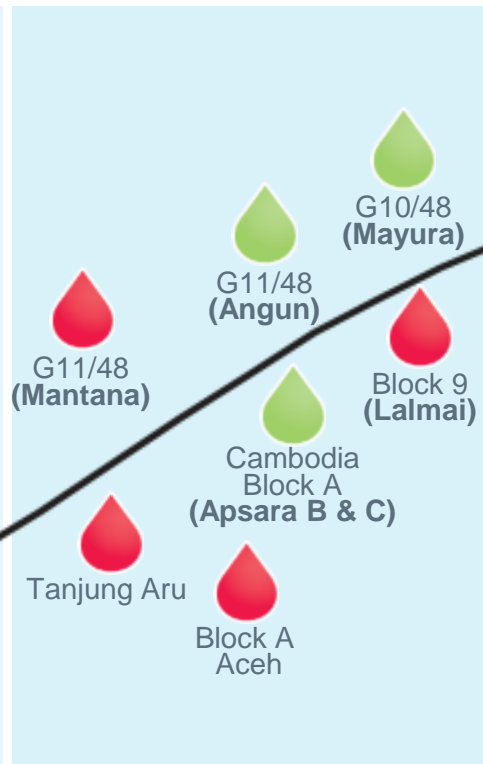
Oil Gas Oil & Gas

PROSPECTIVE RESOURCES (PROSPECTS & LEADS) DEVELOPMENT UNCLARIFIED DEVELOPMENT PENDING RESERVES DEVELOPED & UNDEVELOPED

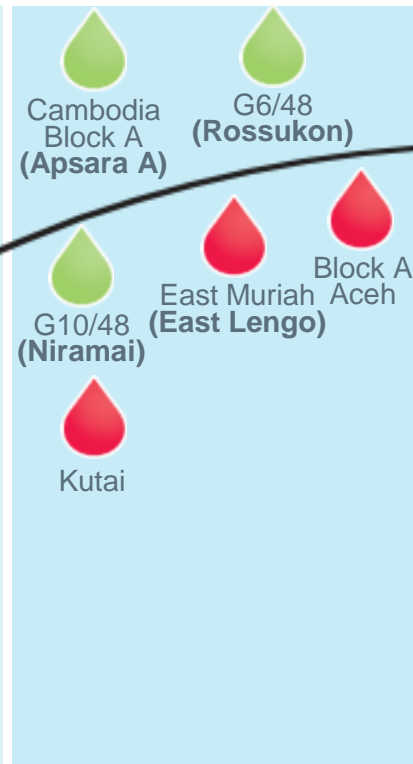
## LEAST MATURE ASSETS



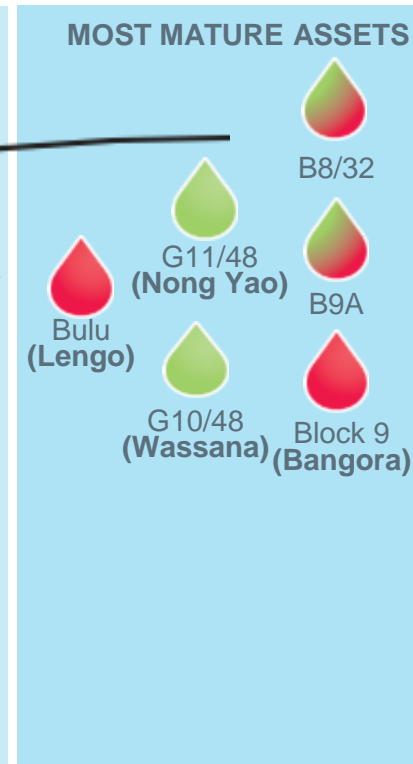
## DEVELOPMENT UNCLARIFIED



## DEVELOPMENT PENDING



## RESERVES DEVELOPED & UNDEVELOPED



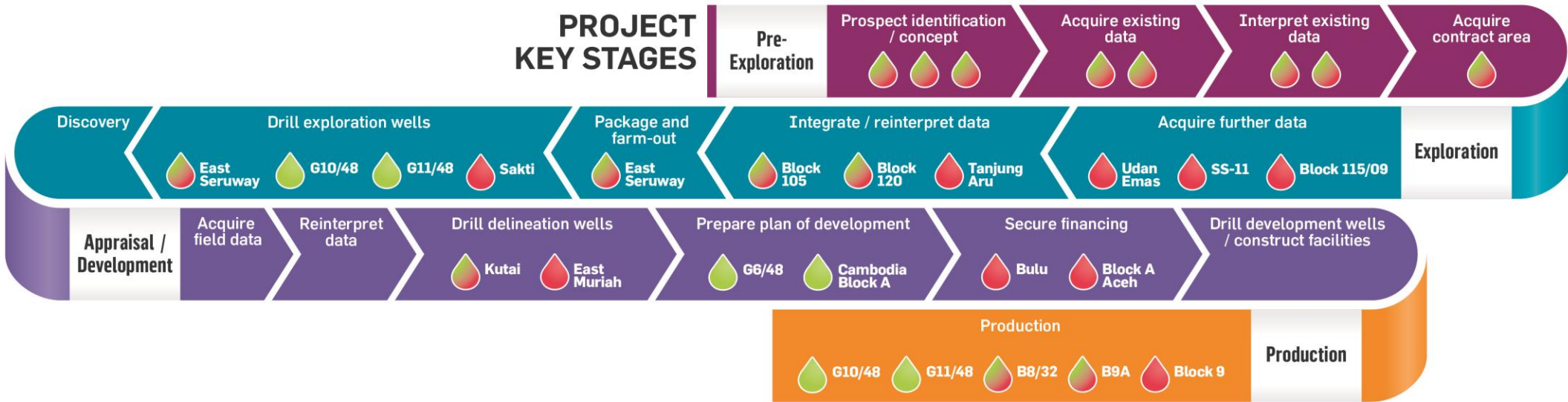
- Established KrisEnergy with up to US\$500 mm funding from First Reserve
- US\$301 mm maximum drawdown
- Entered US\$150 mm M&A facility
- Issued US\$85 mm senior guaranteed secured bonds @ 10.5% ("2016 Notes")
- Secured US\$30 mm RCF
- Repaid US\$150 mm M&A facility
- Keppel acquired 20% new shares in KrisEnergy for US\$115 mm
- Increased size of 2016 Notes to US\$120 mm
- Increased RCF to US\$42.5 mm
- Raised net US\$203.6 mm at IPO
- Repaid US\$120 mm 2016 Notes
- Secured US\$100 mm RCF
- Established S\$500 mm MTN Program. Issued:
  - S\$130 mm 3-year bond @ 6.25% (swap to USD LIBOR+5.29%) ("2017 Notes")
  - S\$200 mm 4-year bond @ 5.75% (swap to USD LIBOR+4.47%) ("2018 Notes")
- Increased RCF to US\$122 mm
- Renounceable underwritten rights issue raised net proceeds of S\$165.6 mm

2009 2010 2011 2012 2013 2014 2015



# Active Involvement Across Portfolio Life Cycle

Our portfolio contains assets at all stages of the exploration and production life cycle and therefore we are actively involved in all key stages along the value chain



Oil Gas Oil & Gas

## Pre-Exploration

- In-house business development team and advanced computing technology for the acquisition, processing, re-processing and interpretation of data

## Exploration

- 3<sup>rd</sup> party contractors commissioned to reprocess or acquire seismic data
- Mitigate risk and defray costs by farming out exploration drilling costs, whilst retaining operating rights upon production

## Appraisal/Development

- Assessment of economic viability of production and estimation of reserves
- Drilling of development wells and construction and installation of facilities required for production to commence

## Production

- Maintaining the field and extracting oil or gas as efficiently as possible
- Modeling of subsurface formations using computer simulation
- Reservoir pressure maintenance studies to optimise recovery

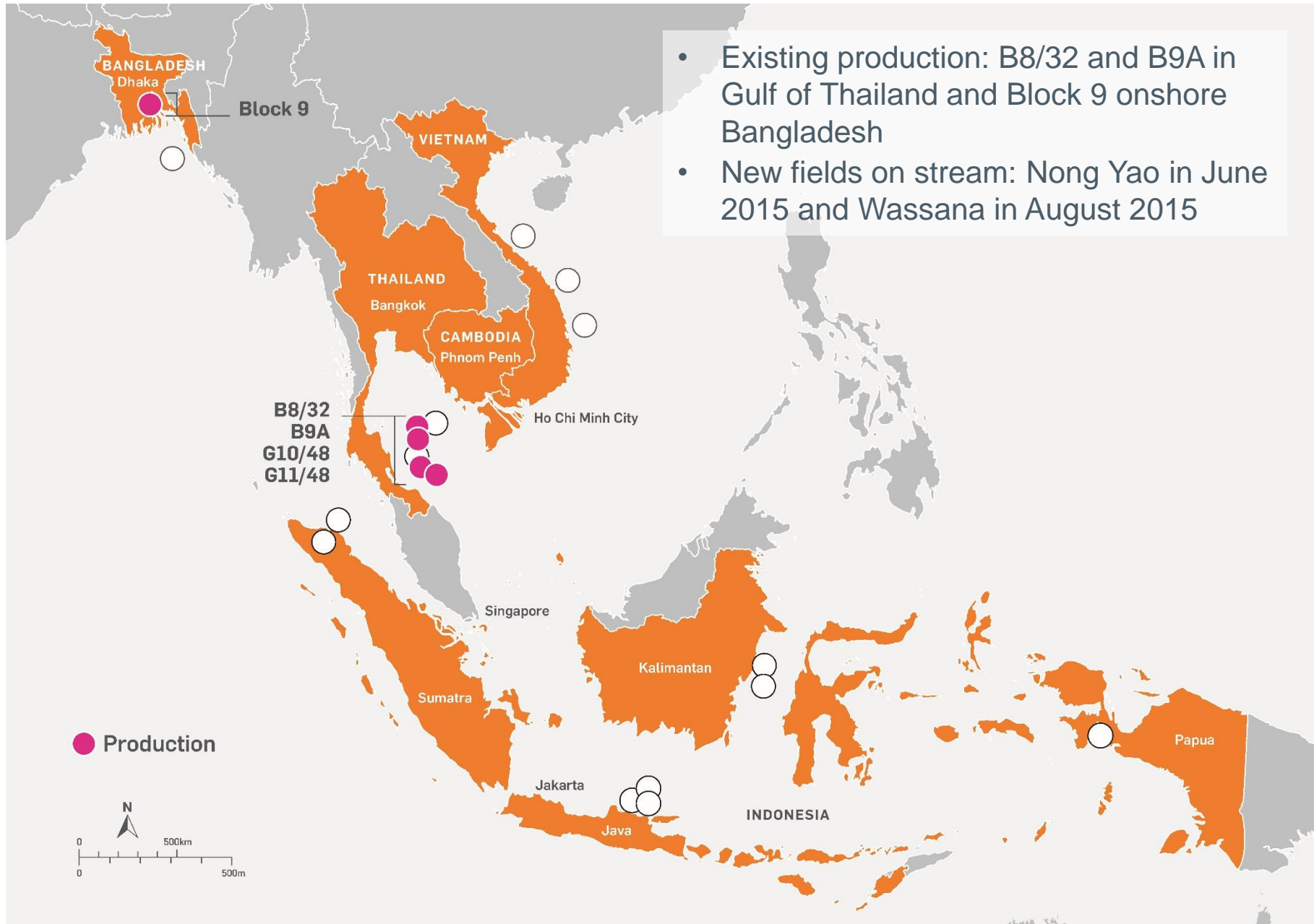


Delivering on 2015 Operational Targets





# Production

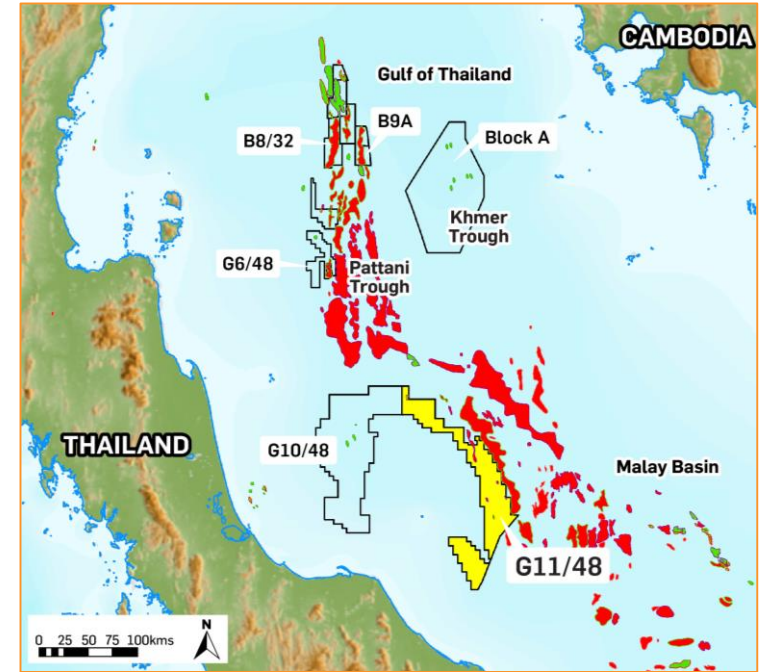


# New Production: Nong Yao, G11/48

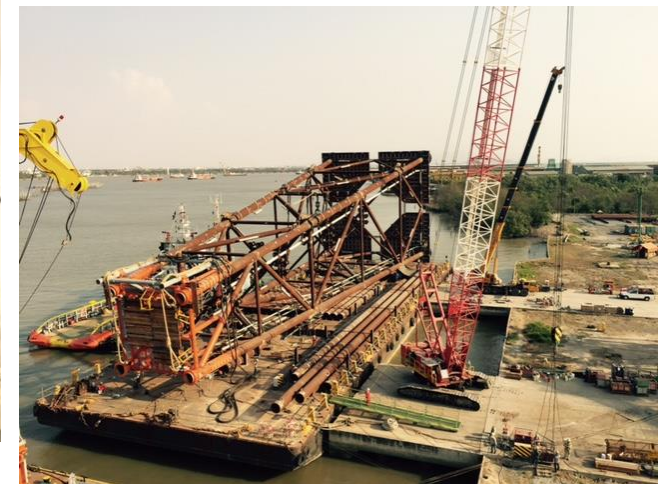
- First oil from Nong Yao achieved 17 June 2015
  - Two-platform development and floating storage offloading vessel (“FSO”), 19 development wells
  - Initial production rate 2,500 bopd
  - Production capacity 10,000 bopd



Photos courtesy of Mubadala Petroleum



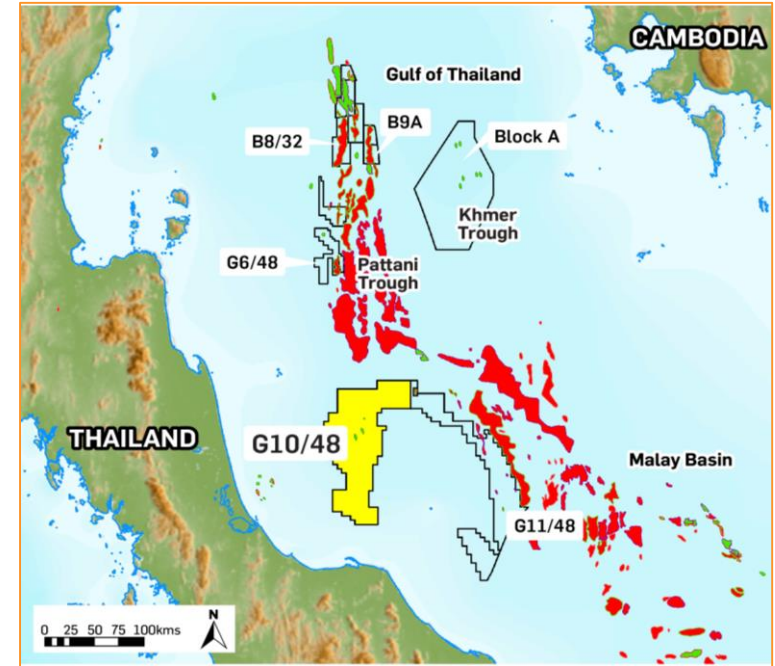
Oil Gas



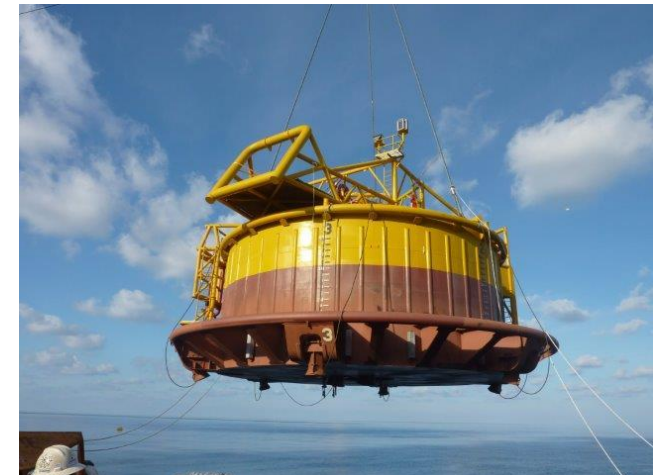


# New Production: Wassana, G10/48

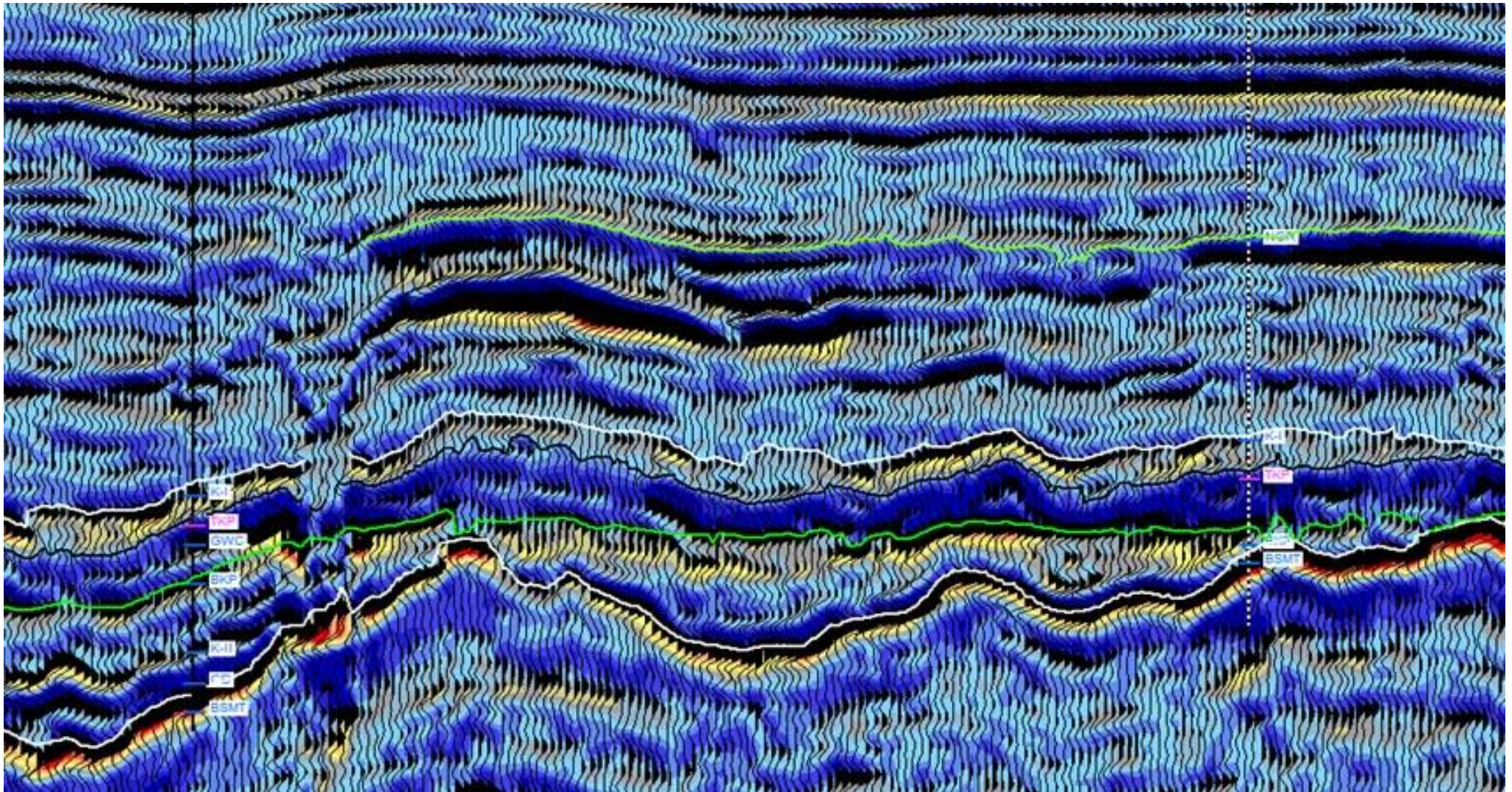
- First oil achieved on 14 August 2015
  - KrisEnergy's first operated greenfield development
  - Production achieved 15 months after taking over operatorship
  - *MOPU Ingenium* producing to FSO *Rubicon Vantage*
  - Peak production capacity 10,000 bopd, up to 15 development wells



● Oil ● Gas





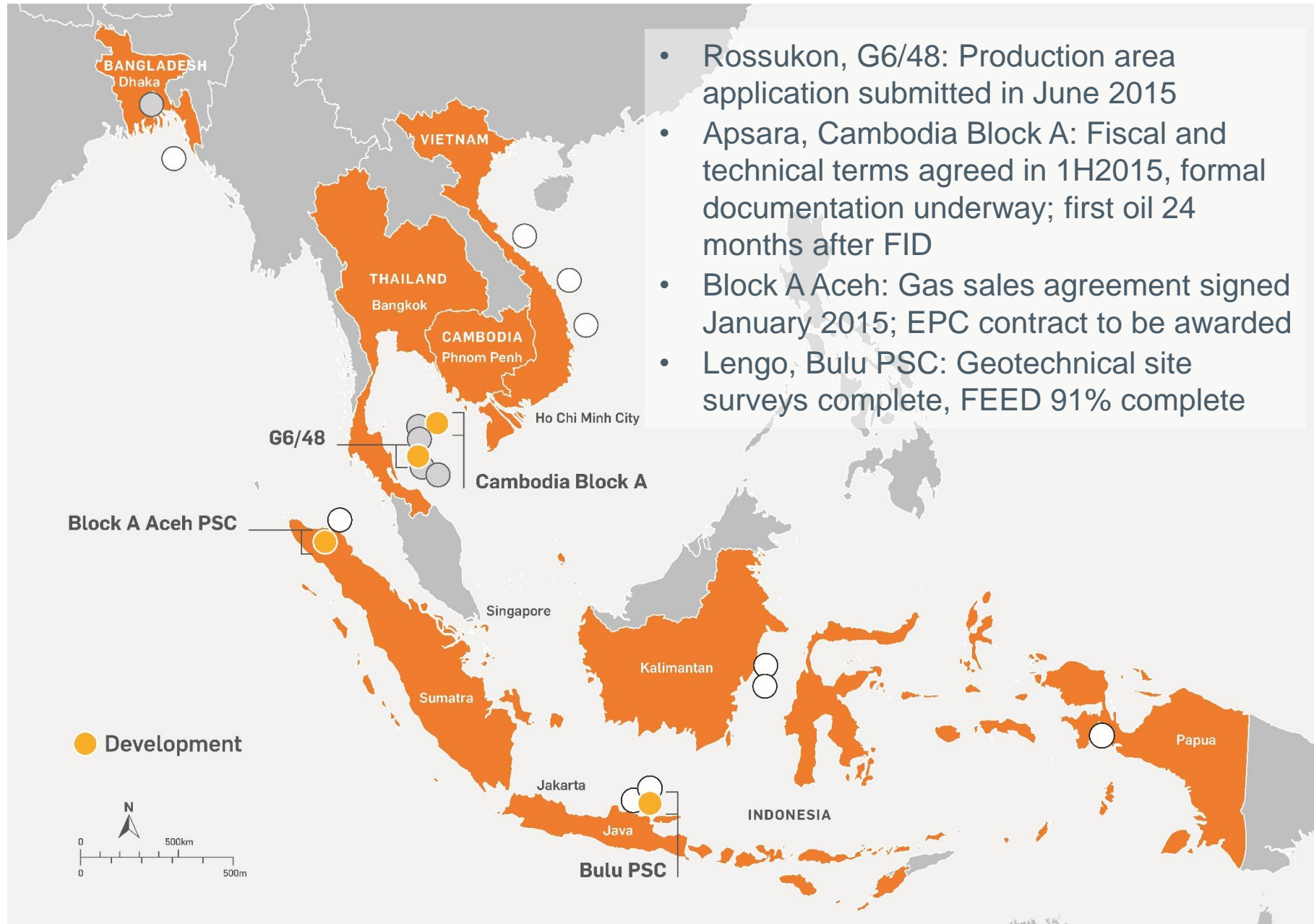


Development Pipeline for Future Growth

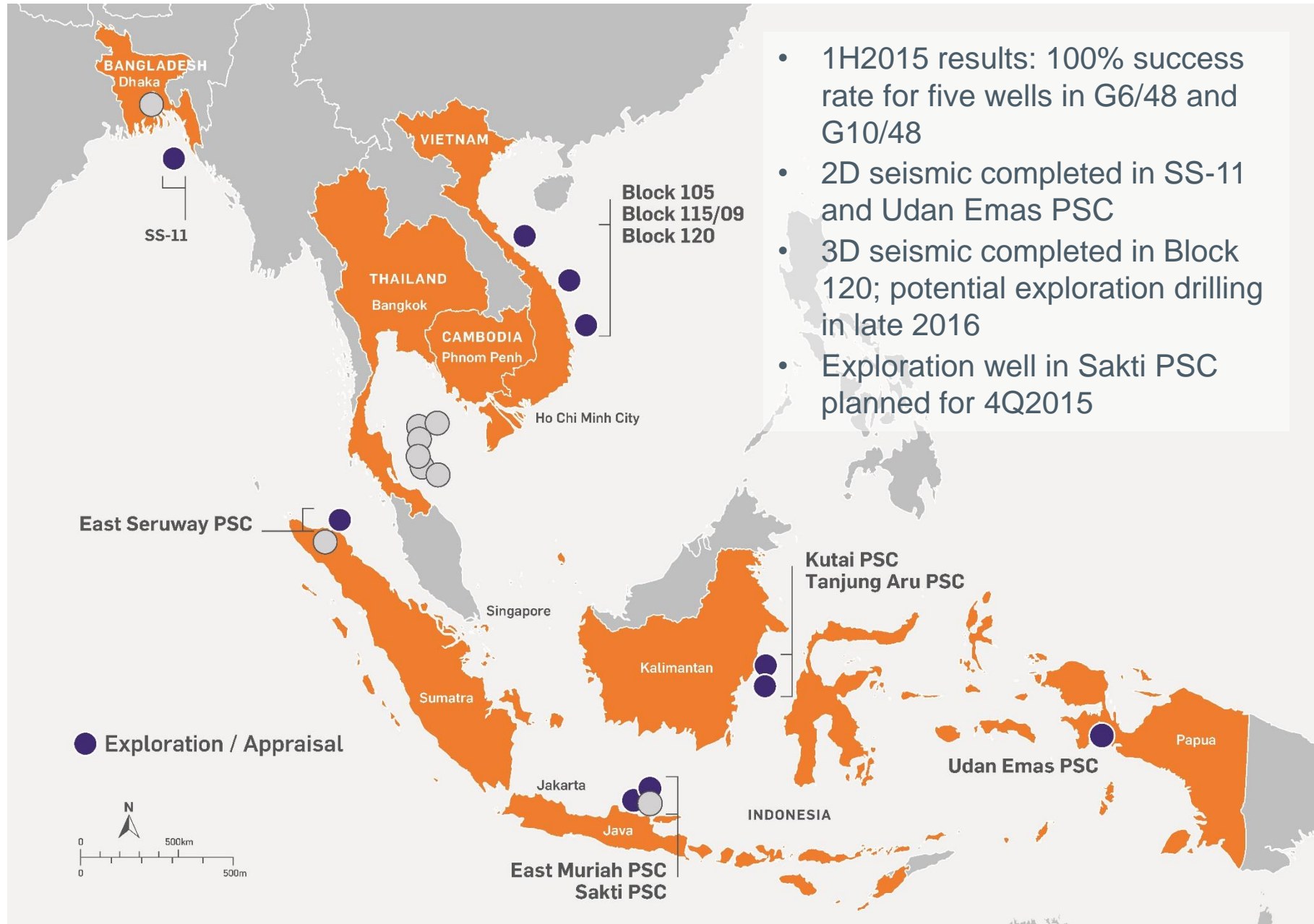




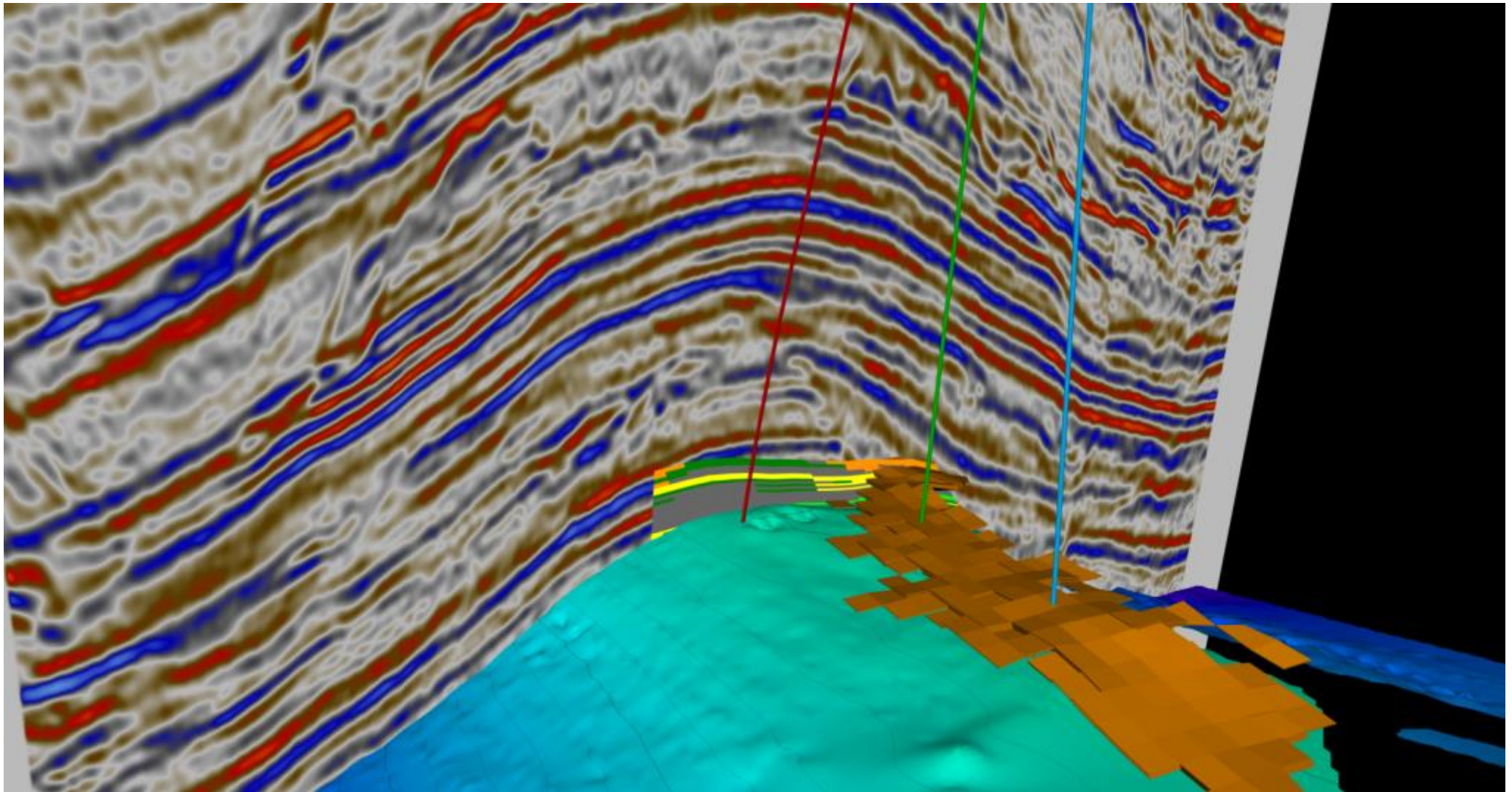
# Development Projects 2017/2018



# Exploration/Appraisal



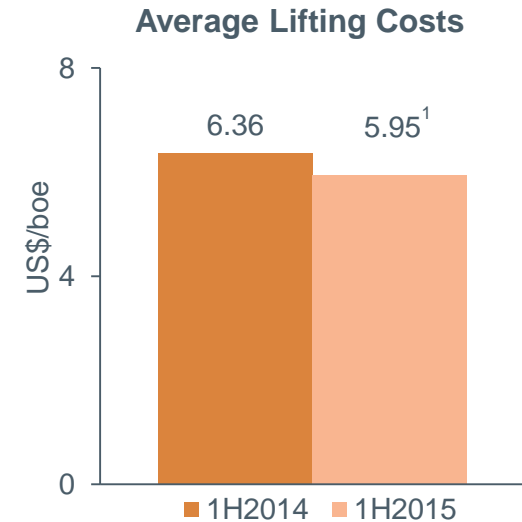
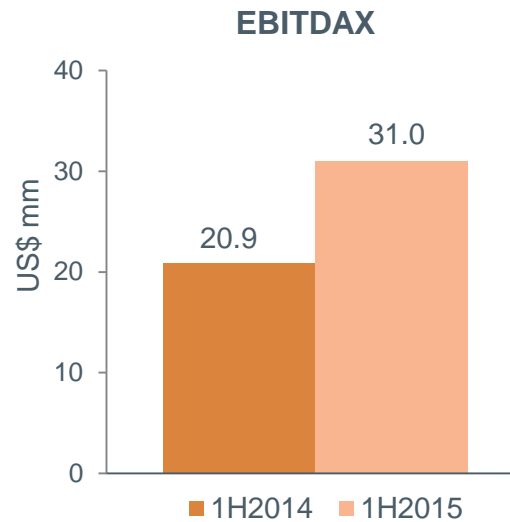
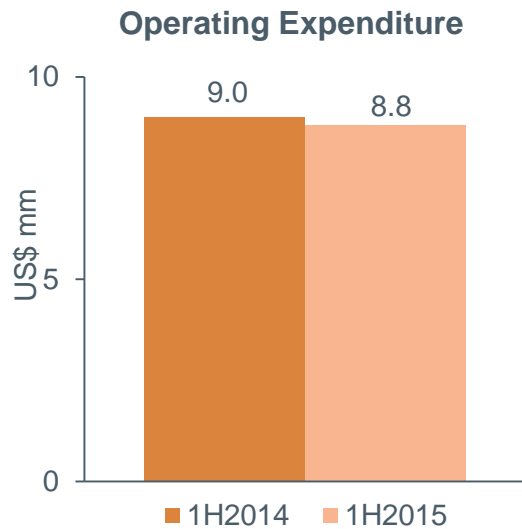
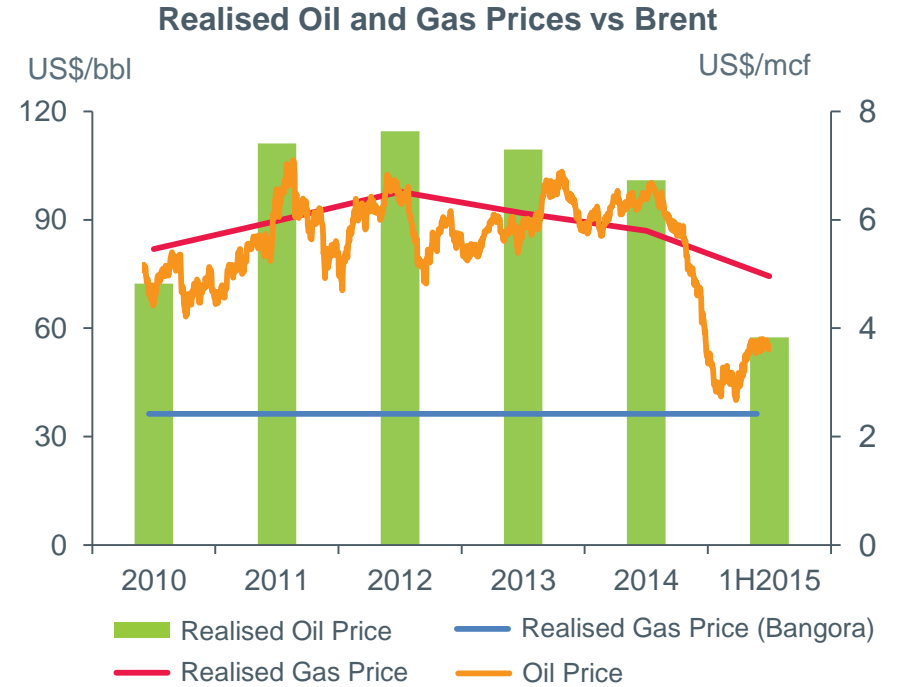
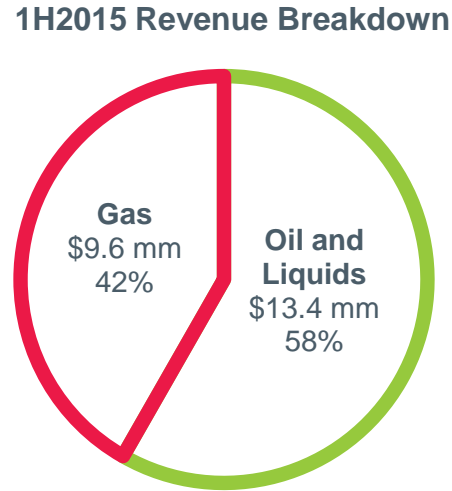
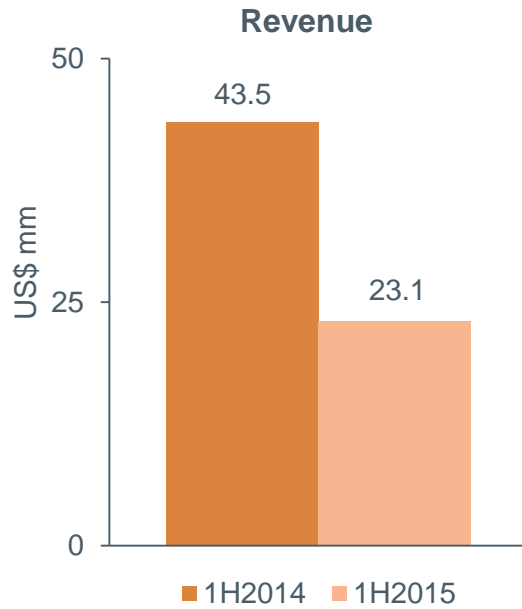




1H2015 Update



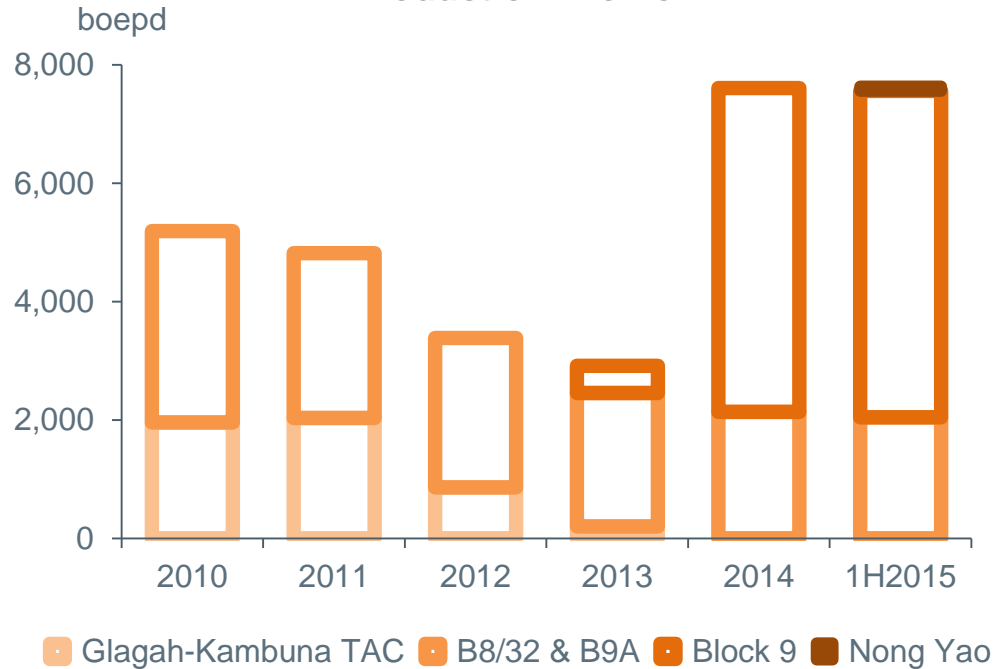
# Financial Summary



<sup>1</sup> Excludes lifting costs from Nong Yao, which commenced production on 17 June 2015

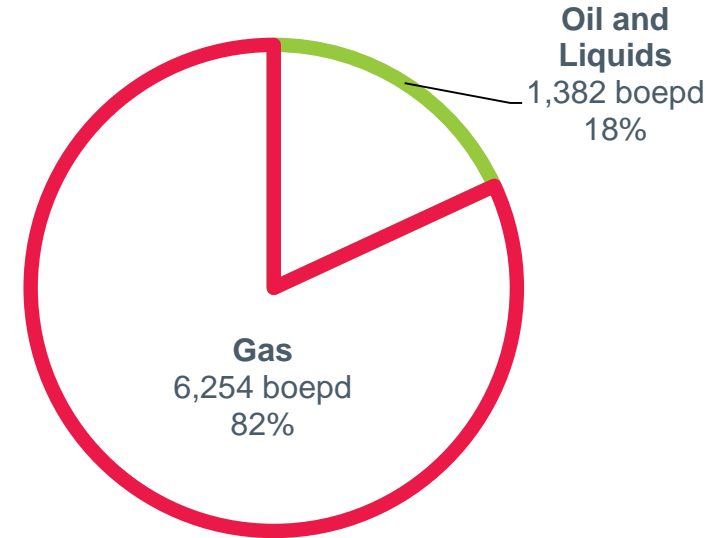
# 1H2015 Operational Highlights

## Production Profile



- 1H2015 production 7,636 boepd
- First oil from Nong Yao, G11/48 on 17 June 2015
- First oil from Wassana, G10/48 on 14 August 2015
- Submitted development plan for Rossukon oil field
- 100% exploration success from five wells
  - Four oil discoveries in Rossukon area, G6/48
  - One oil discovery in Rayrai area, G10/48
- Award of FEED contract for Lengo gas development

## 1H2015 Production Breakdown





# Capital Expenditure (US\$ million)

CAPEX by country (Net to KrisEnergy)	Planned CAPEX (as at FY2014)	1H2015 CAPEX	Revised CAPEX Budget (as at 1H2015)
<b>Exploration, Appraisal and Development CAPEX for non-producing assets</b>	<b>168.96</b>	<b>90.73</b>	<b>189.76</b>
Bangladesh	4.68	1.73	2.02
Cambodia	13.50	0.96	4.93
Indonesia	39.83	25.76	51.45
Thailand	100.54	64.69	129.30
Vietnam <sup>1</sup>	8.61	3.40	7.12
Other New Ventures	1.80	0.00	0.78
<b>Development CAPEX for producing assets</b>	<b>66.36</b>	<b>24.77</b>	<b>55.78</b>
Bangladesh	11.70	0.55	5.40
Thailand	54.66	24.22	50.38
<b>Other CAPEX</b>	<b>18.27</b>	<b>6.13</b>	<b>6.46</b>
<b>TOTAL CAPEX</b>	<b>253.60</b>	<b>121.62</b>	<b>252.00</b>

<sup>1</sup> Excludes insurance proceeds for Block 105

# 4.2 Million Man Hours since 2014

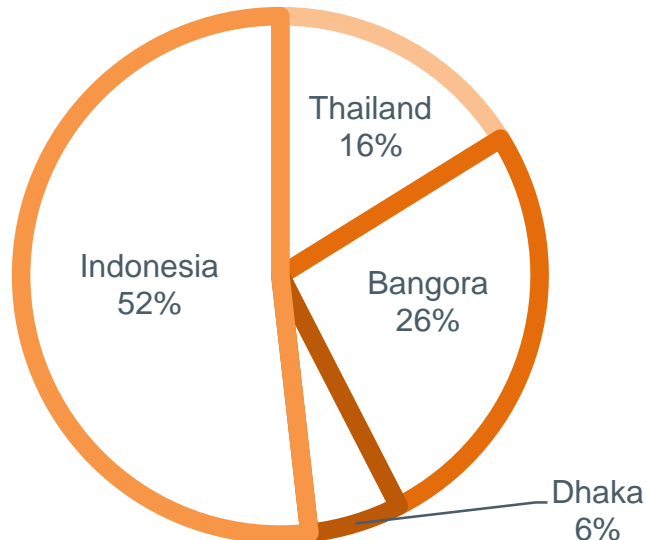
## A strong EHSS culture is essential to long-term shareholder value given the inherent risks of E&P operations

- Singapore office received OHSAS 18001 certification by Switzerland Accreditation Services in October 2012
- Singapore office achieved ISO 14001 certification with UKAS accreditation
- Jakarta office commenced OHSAS 18001 and ISO 14001 accreditation process, scheduled completion in 2014
- Audit and certification planned for Bangkok and Ho Chi Minh City offices in 2015

- All EHSS policies and procedures are compliant with OHSAS 18001 requirements



## Breakdown of Man Hours from 1 Jan 2014 to 30 Jun 2015 (KrisEnergy-operated assets)





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Thank you!

