OFFERING MEMORANDUM DATED 6 JANUARY 2017

THIS DOCUMENT IS IMPORTANT. IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR LEGAL, FINANCIAL, TAX OR OTHER PROFESSIONAL ADVISER.

This offering memorandum (the "**Offering Memorandum**"), together with a copy of each of the Application Form for the Notes with Warrants (each as defined herein) and Excess Notes with Warrants (the "**ARE**") and the Provisional Allotment Letter issued in connection with the Preferential Offering (as defined herein) (the "**PAL**"), is issued in relation to the Preferential Offering. This Offering Memorandum is not a prospectus under Singapore law and has not been lodged with, or registered by, the Monetary Authority of Singapore (the "**MAS**").

Approval in-principle has been obtained from the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") for the listing and quotation of the Notes, the Warrants and the New Shares (as defined herein) on the Main Board of the SGX-ST, subject to certain conditions. The Notes, the Warrants and the New Shares will be admitted to the Main Board of the SGX-ST and official quotation will commence after all conditions imposed by the SGX-ST are satisfied, including (in the case of the Warrants) there being a satisfactory spread of holdings of the Warrants to provide for an orderly market in the trading of the Warrants. **It should also be noted that the Warrants may only be exercised during the Exercise Period (as defined herein), commencing on and including the date of issue of the Warrants and expiring at 5.00 p.m. on the date falling 84 months following the date of issue of the Warrants (the "Expiration Date").**

Approval in-principle granted by the SGX-ST for the listing and quotation of the Notes, the Warrants and the New Shares on the Main Board of the SGX-ST is not to be taken as an indication of the merits of the Preferential Offering, the Notes, the Warrants, the New Shares, KrisEnergy Ltd. (the "**Company**") and/or its subsidiaries (together with the Company, the "**Group**"). The SGX-ST assumes no responsibility for the correctness or accuracy of any of the statements made, reports contained and opinions expressed in this Offering Memorandum.

It should be noted that the Warrants may not be listed and quoted on the SGX-ST in the event there is an insufficient spread of holdings of the Warrants to provide for an orderly market in the trading of the Warrants. In such an event, the Warrantholders (as defined herein) will not be able to trade their Warrants on the SGX-ST. However, if the Warrantholders were to exercise their rights, subject to the terms and conditions of the Warrants, to convert their Warrants into New Shares, such New Shares will be listed and quoted on the Main Board of the SGX-ST.

This Offering Memorandum is not for distribution, directly or indirectly, in or into the United States or to U.S. persons (as defined in Regulation S ("**Regulation S**") under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**")). This Offering Memorandum is not an offer of securities for sale in the United States or to U.S. persons. The Notes, the Warrants and the New Shares are being offered and sold, allotted, taken up, exercised and/or renounced outside the United States in accordance with Regulation S under the U.S. Securities Act to persons who are not, and are not acting for the account or benefit of, U.S. persons. The Notes, the Warrants and the New Shares have not been and will not be registered under the U.S. Securities Act, and may not be re-offered, re-sold, pledged or otherwise transferred except in an offshore transaction in accordance with Rule 904 of Regulation S to a person outside the United States and not known by the transferor to be a U.S. person by pre-arrangement or otherwise. Please refer to the sections "*Offering, Selling and Transfer Restrictions*" and "*Eligibility of Shareholders to Participate in the Preferential Offering*". The Company will not be registered under the U.S. Investment Company Act (as defined herein).

INVESTING IN THE NOTES, THE WARRANTS AND THE NEW SHARES INVOLVES RISKS. SEE THE SECTION "*RISK FACTORS*" FOR A DISCUSSION OF CERTAIN RISKS TO BE CONSIDERED IN CONNECTION WITH SUCH AN INVESTMENT, INCLUDING STRUCTURAL SUBORDINATION OF NOTEHOLDERS (AS DEFINED HEREIN) TO THE COMPANY'S SUBSIDIARIES' THIRD-PARTY INDEBTEDNESS AND OBLIGATIONS, THE PROCEEDS REALISED FROM A SALE OF THE NOTE SECURITY (AS DEFINED HEREIN) POTENTIALLY BEING INSUFFICIENT FOR NOTEHOLDERS TO RECOVER ALL AMOUNTS DUE ON THE NOTES AND POTENTIAL VOLATILITY IN THE PRICE OF THE NOTES, THE WARRANTS AND THE NEW SHARES.

This Offering Memorandum shall not constitute an offer to sell or a solicitation of an offer to buy shares or other securities of the Company nor shall there be any sale of any shares or other securities of the Company in any jurisdiction in which such an offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction. The distribution of this Offering Memorandum and/or the transfer of the Notes, the Warrants and the New Shares into jurisdictions other than Singapore may be prohibited or restricted by law. Persons into whose possession this Offering Memorandum comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

KRISENERGY LTD.

(Company Registration Number: 231666)
(Incorporated with limited liability under the laws of the Cayman Islands on 5 October 2009)

NON-RENOUNCEABLE NON-UNDERWRITTEN PREFERENTIAL OFFERING (THE "PREFERENTIAL OFFERING") OF S$139,464,848 IN PRINCIPAL AMOUNT OF SENIOR SECURED ZERO COUPON NOTES DUE 2024 (THE "NOTES"), IN THE DENOMINATION OF S$1.00 FOR EACH NOTE, WITH 1,255,183,632 FREE DETACHABLE WARRANTS (THE "WARRANTS"), EACH WARRANT CARRYING THE RIGHT TO SUBSCRIBE FOR ONE NEW SHARE IN THE CAPITAL OF THE COMPANY OF PAR VALUE US$0.00125 (COLLECTIVELY, THE "NEW SHARES") AT THE EXERCISE PRICE OF S$0.110 FOR EACH NEW SHARE, ON THE BASIS OF 93 NOTES OF PRINCIPAL AMOUNT OF S$1.00 EACH, WITH 837 WARRANTS FOR EVERY 1,000 EXISTING SHARES IN THE CAPITAL OF THE COMPANY OF PAR VALUE US$0.00125 EACH (THE "SHARES") HELD BY THE ENTITLED SHAREHOLDERS (AS DEFINED HEREIN), AS AT THE RECORD DATE (AS DEFINED HEREIN), FRACTIONAL ENTITLEMENTS TO BE DISREGARDED.

LEAD MANAGER OF THE PREFERENTIAL OFFERING

IMPORTANT DATES AND TIMES

Last date and time for acceptance and payment	:	16 January 2017 at 5.00 p.m. (9.30 p.m. for Electronic Applications through ATMs of the Participating Bank)
Last date and time for excess application and payment	:	16 January 2017 at 5.00 p.m. (9.30 p.m. for Electronic Applications through ATMs of the Participating Bank)

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IMPORTANT NOTICE

Capitalised terms used which are not otherwise defined herein shall have the same meaning as ascribed to them in the section "*Definitions*".

For Entitled Depositors, acceptances of provisional allotments of Notes with Warrants and (if applicable) applications for excess Notes with Warrants may be made through The Central Depository (Pte) Limited ("CDP") or by way of Electronic Application through an ATM of the Participating Bank.

For Entitled Scripholders, acceptances of provisional allotments of Notes with Warrants and (if applicable) applications for excess Notes with Warrants may be made through M & C Services Private Limited (the "Share Transfer Agent").

Supplementary Retirement Scheme ("SRS") investors and investors who hold Shares through a finance company and/or Depository Agent should refer to the section "*Important Notice to SRS Investors and Investors Who Hold Shares Through a Finance Company and/or Depository Agent*" for important details relating to the offer procedure for them.

The existing Shares are listed and quoted on the Main Board of the SGX-ST.

Persons wishing to subscribe for the Notes with Warrants offered pursuant to this Offering Memorandum should, before deciding whether to so subscribe, carefully read this Offering Memorandum in its entirety in order to make an informed assessment of the assets and liabilities, profits and losses, financial position and performance and prospects of the Company and the Group and the rights and liabilities attaching to the Notes, the Warrants and the New Shares. They should rely, and shall be deemed to have relied, on their own independent enquiries and investigations of the assets and liabilities, profits and losses, financial position and performance and prospects of the Company and the Group, as well as any bases and assumptions upon which financial projections, if any, are made or based, and their own appraisal and determination of the merits of investing in the Company, the Group, the Notes, the Warrants and the New Shares. No information in this Offering Memorandum should be considered to be business, financial, legal or tax advice. Persons in doubt as to the action they should take should consult their business, financial, legal, tax or other professional adviser before deciding whether to acquire the Notes, the Warrants or the New Shares.

This Offering Memorandum contains information with regard to the Company, the Group, the Preferential Offering, the Notes, the Warrants and the New Shares. The Company having made all reasonable enquiries, confirms that this Offering Memorandum contains all information which is material in the context of the Preferential Offering and the issue and offering of the Notes with Warrants, that all the information in this Offering Memorandum is true and accurate in all material respects, that the opinions, expectations and intentions expressed in this Offering Memorandum have been carefully considered and are fairly, reasonably and honestly held by the Directors, are based on all relevant considerations and facts existing at the date of its issue and that there are no other facts the omission of which in the context of the Preferential Offering and the issue and offering of the Notes with Warrants would make any such information or expressions of opinion, expectation or intention misleading in any material respect.

DBS Trustee Limited has not separately verified the information contained herein other than information in respect of itself in its capacity as Note Trustee, and DBS Bank Ltd. has not separately verified the information contained herein other than information in respect of itself in its capacity as Issuing and Paying Agent or as Registrar. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by DBS Trustee Limited in its capacity as Note Trustee and DBS Bank Ltd. in its capacity as Issuing and Paying Agent or as Registrar as to the accuracy or completeness of the information contained herein, or any further information supplied in relation to or in connection with any of the Notes, the Warrants and the New Shares or their distribution, other than information in respect of itself.

No person has been authorised to give any information or to make any representations, other than those contained in this Offering Memorandum, in connection with the Preferential Offering or the issue of the Notes, the Warrants and the New Shares and, if given or made, such information or representations must not be relied upon as having been authorised by the Company, the Group, the Lead Manager or the Note Trustee. Save as expressly stated in this Offering Memorandum, nothing contained herein is, or may be relied upon as, a promise or representation as to the future financial condition, performance, prospects or policies of the Company or the Group. Neither the delivery of this Offering Memorandum nor the issue of the Notes, the Warrants or the New Shares shall, under any circumstances, constitute a continuing representation, or give rise to any implication, that there has been no material change in the affairs of the Company or the Group, or any of the information contained herein since the date hereof. Where such changes occur after the date hereof and are material, or are required to be disclosed by law and/or the SGX-ST, the Company will make an announcement of the same via SGXNET. All Entitled Shareholders should take note of any such announcements and, upon the release of such announcements, shall be deemed to have notice of such changes.

The Company, the Lead Manager, the Note Trustee, the Common Security Agent, the Registrar and the Issuing and Paying Agent make no representation to any person regarding the legality of an investment in the Notes, the Warrants, the New Shares and/or the Shares by such person under any investment or any other laws or regulations.

The Lead Manager, the Note Trustee, the Common Security Agent, the Registrar and the Issuing and Paying Agent make no representation, warranty or recommendation whatsoever as to the merits of the Preferential Offering, the Notes, the Warrants, the New Shares, the Shares, the Company, the Group or any other matter related thereto or in connection therewith.

Nothing in this Offering Memorandum or the accompanying documents shall be construed as a recommendation to accept or purchase the Notes, the Warrants, the New Shares or the Shares.

This Offering Memorandum and the accompanying documents have been prepared solely for the purpose of the acceptance and/or subscription of the Notes with Warrants under the Preferential Offering, and may not be relied upon by any persons (other than Entitled Shareholders to whom it is despatched by the Company) or for any other purpose.

This Offering Memorandum, including the ARE and the PAL, may not be used for the purpose of, and do not constitute, an offer, invitation to or solicitation by anyone in any jurisdiction or in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorised or to any person to whom it is unlawful to make such an offer, invitation or solicitation.

The distribution of this Offering Memorandum and/or its accompanying documents may be prohibited or restricted by law (either absolutely or subject to various securities requirements, whether legal or administrative, being complied with) in certain jurisdictions under the relevant securities laws of these jurisdictions. Entitled Shareholders or any other persons having possession of this Offering Memorandum and/or its accompanying documents are advised to keep themselves informed of and observe such prohibitions and restrictions at their own expense and without liability to the Company and the Lead Manager. Please refer to the sections "*Offering, Selling and Transfer Restrictions*" and "*Eligibility of Shareholders to Participate in the Preferential Offering*".

Certain Reserves and Resources Information

As presented in the 2007 PRMS, petroleum accumulations can be classified, in decreasing order of likelihood of commerciality, as reserves, contingent resources or prospective resources. Reserves are those quantities of petroleum anticipated to be commercially recoverable by application of development projects to known accumulations from a given date forward under defined conditions. Reserves must further satisfy four criteria: they must be discovered, recoverable, commercial, and

remaining (as of the evaluation date) based on the development project(s) applied. Reserves are further categorised in accordance with the level of certainty associated with the estimates and may be sub-classified based on project maturity and/or characterised by development and production status. Proved reserves ("**1P**") are those quantities of petroleum, which by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be commercially recoverable, from a given date forward, from known reservoirs and under defined economic conditions, operating methods, and government regulations; probable reserves (together with 1P, "**2P**") are those additional reserves which analysis of geoscience and engineering data indicate are less likely to be recovered than proved reserves but more certain to be recovered than possible reserves; and possible reserves (together with 2P, "**3P**") are those additional reserves which analysis of geoscience and engineering data indicate are less likely to be recoverable than probable reserves.

Contingent resources are classified as "Development Pending" when there is a discovered accumulation where project activities are ongoing to justify commercial development in the foreseeable future. The project is seen to have reasonable potential for eventual commercial development, to the extent that further data acquisition (e.g. drilling, seismic data) and/or evaluations are currently ongoing with a view to confirming that the project is commercially viable and providing the basis for selection of an appropriate development plan. The critical contingencies have been identified and are reasonably expected to be resolved within a reasonable time frame. Disappointing appraisal/evaluation results could lead to a re-classification of the project to "On Hold" or "Not Viable" status.

Contingent resources are classified as "Development Unclarified" when there is a discovered accumulation where project activities are on hold and/or where justification as a commercial development may be subject to significant delay. The project is seen to have potential for eventual commercial development, but further appraisal/evaluation activities are on hold pending the removal of significant contingencies external to the project, or substantial further appraisal and/or evaluation activities are required to clarify the potential for eventual commercial development.

Development may be subject to a significant time delay. A change in circumstances such that there is no longer a reasonable expectation that a critical contingency can be removed in the foreseeable future, for example, could lead to a reclassification of the project to "Not Viable" status.

All gas and liquid volumes, cubic feet and barrels, in this Offering Memorandum are presented in standard cubic feet and stock tank barrels, respectively. All volumes are measured at standard conditions, which are defined as 60 degrees Fahrenheit and one standard atmosphere. Where natural gas volumes have been converted to oil equivalent numbers, this has been done using a factor of 6,000 cubic feet of gas equalling one barrel of oil equivalent.

Presentation of Working Interest

Under certain fiscal regimes, the contractor's net entitlement (or economic) share in oil and gas reserves or resources can be greater or less than its working interest ("**Working Interest**") in a given period due to the deduction of government tax payable to the applicable host government and other variables such as oil price, cost estimates and any unrecovered cost pools. For consistency, this Offering Memorandum contains information on a Working Interest basis unless otherwise stated.

IMPORTANT NOTICE TO SRS INVESTORS AND INVESTORS WHO HOLD SHARES THROUGH A FINANCE COMPANY AND/OR DEPOSITORY AGENT

Capitalised terms used which are not otherwise defined herein shall have the same meaning as ascribed to them in the section "*Definitions*".

For Shareholders who hold Shares under the SRS or through finance companies or Depository Agents, acceptances of their provisional allotment of the Notes with Warrants and (if applicable) applications for excess Notes with Warrants must be done through the relevant approved banks in which they hold their SRS Accounts, respective finance companies and/or Depository Agents.

ANY APPLICATION MADE DIRECTLY BY THE ABOVE-MENTIONED SHAREHOLDERS THROUGH CDP, ELECTRONIC APPLICATIONS THROUGH ATMS OF THE PARTICIPATING BANK, THE SHARE TRANSFER AGENT AND/OR THE COMPANY WILL BE REJECTED.

The above-mentioned Shareholders, where applicable, will receive notification letter(s) from their respective approved bank, finance company and/or Depository Agent and should refer to such notification letter(s) for details of the last date and time to submit acceptances of their provisional allotment of Notes with Warrants and (if applicable) applications for excess Notes with Warrants to their respective approved bank, finance company and/or Depository Agent.

(i) Use of SRS Funds

Shareholders who had purchased Shares using their SRS Accounts and who wish to accept their provisional allotment of Notes with Warrants and (if applicable) apply for excess Notes with Warrants can only do so, subject to applicable SRS rules and regulations, using monies standing to the credit of their respective SRS Accounts.

Such Shareholders who wish to accept their provisional allotment of Notes with Warrants and (if applicable) apply for excess Notes with Warrants using SRS monies, must instruct the relevant approved banks in which they hold their SRS Accounts to accept their provisional allotment of Notes with Warrants and (if applicable) apply for excess Notes with Warrants on their behalf in accordance with the terms and conditions contained in this Offering Memorandum.

Such Shareholders who have insufficient funds in their SRS Accounts may, subject to the SRS contribution cap, deposit cash into their SRS Accounts with their respective approved banks before instructing their respective approved banks to accept their provisional allotment of Notes with Warrants and (if applicable) apply for excess Notes with Warrants. SRS investors are advised to provide their respective approved banks in which they hold their SRS Accounts with the appropriate instructions no later than the deadlines set by their respective approved banks in order for their respective approved banks to make the relevant acceptance and (if applicable) application on their behalf by the Closing Date. Any acceptance and (if applicable) application made directly through CDP, Electronic Applications through ATMs of the Participating Bank, the Share Transfer Agent and/or the Company will be rejected.

(ii) Holdings through Finance Company and/or Depository Agent

Shareholders who hold Shares through a finance company and/or Depository Agent must instruct the relevant finance company and/or Depository Agent to accept their provisional allotment of Notes with Warrants and (if applicable) apply for excess Notes with Warrants on their behalf in accordance with the terms and conditions contained in this Offering Memorandum.

CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS

All statements contained in this Offering Memorandum, statements made in press releases and oral statements that may be made by the Company or its directors (the "**Directors**"), officers or employees acting on its behalf, that are not statements of historical fact, constitute "forward-looking statements". Some of these statements can be identified by words that have a bias towards the future or are forward-looking such as, without limitation, "anticipate", "believe", "could", "estimate", "expect", "forecast", "if", "intend", "may", "plan", "possible", "probable", "project", "should", "will" and "would" or other similar words. However, these words are not the exclusive means of identifying forward-looking statements. All statements regarding the Group's expected financial position, operating results, business strategies, plans and prospects are forward-looking statements. These forward-looking statements, including but not limited to statements as to the Group's revenue and profitability, prospects, future plans and other matters discussed in this Offering Memorandum regarding matters that are not historical facts, are only predictions. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the Group's actual future results, performance or achievements to be materially different from any future results, performance or achievements expected, expressed or implied by such forward-looking statements.

Given the risks, uncertainties and other factors that may cause the Group's actual future results, performance or achievements to be materially different from that expected, expressed or implied by the forward-looking statements in this Offering Memorandum, undue reliance must not be placed on these statements. The Group's actual results, performance or achievements may differ materially from those anticipated in these forward-looking statements. Neither the Company, the Lead Manager nor any other person represents or warrants that the Group's actual future results, performance or achievements will be as discussed in those statements.

In light of the ongoing uncertainties in the global financial markets and its contagion effect on the real economy, any forward-looking statements contained in this Offering Memorandum must be considered with significant caution and reservation.

Further, each of the Note Trustee, the Common Security Agent, the Registrar, the Issuing and Paying Agent, the Company and the Lead Manager disclaims any responsibility to update any of those forward-looking statements or publicly announce any revisions to those forward-looking statements to reflect future developments, events or circumstances for any reason, even if new information becomes available or other events occur in the future. Where such developments, events or circumstances occur and are material, or are required to be disclosed by law and/or the SGX-ST, the Company will make an announcement via SGXNET.

For the purpose of this Offering Memorandum, the ARE and the PAL, the following definitions apply throughout unless the context otherwise requires or unless otherwise stated:

"**1P**"	:	Equivalent to proved reserves that can be estimated with reasonable certainty to be commercially recoverable
"**2007 PRMS**"	:	The Petroleum Resources Management System jointly set out by the Society of Petroleum Engineers, the World Petroleum Council, the American Association of Petroleum Geologists and the Society of Petroleum Evaluation Engineers in April 2007
"**2011 Revolving Credit Facility**"	:	The US$30.0 million revolving credit facility entered into between KrisEnergy Holding Company Ltd., the Company's wholly-owned Subsidiary, as borrower and The Standard Bank of Africa Ltd (which transferred all of its interest in the revolving credit facility to The Royal Bank of Scotland plc in June 2013), Sumitomo Mitsui Banking Corporation and The Hongkong and Shanghai Banking Corporation Limited, as lenders, which was subsequently increased to a US$42.5 million revolving credit facility on 2 May 2013 and then cancelled in 2014
"**2015 Rights Issue**"	:	The renounceable underwritten rights issue completed by the Company in August 2015
"**2016 Bonds**"	:	The US$120.0 million 10.5 per cent. senior guaranteed secured bonds due 2016 issued by KrisEnergy Holding Company Ltd., a wholly-owned Subsidiary of the Company, which were fully redeemed on 30 January 2014
"**2017 Notes**"	:	The S$130.0 million 6.25 per cent. fixed rate notes due 2017 issued by the Company under the MTN Program
"**2018 Notes**"	:	The S$200.0 million 5.75 per cent. fixed rate notes due 2018 issued by the Company under the MTN Program
"**2022 Notes**"	:	The S$130.0 million 4.00 per cent. senior unsecured notes due 2022 to be issued by the Company in exchange for the 2017 Notes
"**2023 Notes**"	:	The S$200.0 million 4.00 per cent. senior unsecured notes due 2023 to be issued by the Company in exchange for the 2018 Notes
"**2D seismic**"	:	Geophysical data that depicts the subsurface strata in two dimensions

"**2P**"	:	Equivalent to proved plus probable reserves; denotes best estimate scenario of reserves
"**3D seismic**"	:	Geophysical data that depicts the subsurface strata in three dimensions. 3D seismic typically provides a more detailed and accurate interpretation of the subsurface strata than 2D seismic
"**3P**"	:	Equivalent to proved plus probable reserves and additional reserves that are less likely to be recoverable than probably reserves
"**3Q**"	:	Three months beginning 1 July and ended 30 September
"**9M2016**"	:	Nine months ended 30 September 2016
"**Accrued Interest**"	:	The non-cash rate of interest on each of the 2022 Notes and the 2023 Notes, being 2 per cent. per annum to be capitalised and added to the then current outstanding principal amount of the 2022 Notes and the 2023 Notes, respectively, subject to the Company's election to pay such interest in cash in accordance with the terms and conditions of each of the 2022 Notes and the 2023 Notes for the first two years (being a total of four interest payments for each of the 2022 Notes and the 2023 Notes) after which, it will step up to 4 per cent. per annum in cash interest
"**Additional Entities**"	:	KrisEnergy (Apsara) Ltd, KrisEnergy (Cambodia) Holding Ltd, KrisEnergy (Phu Khanh 120) Ltd, KrisEnergy (Vietnam 115) Ltd, KrisEnergy (Song Hong 105) Ltd, KrisEnergy (Bangladesh SS-11) Ltd, KrisEnergy East Seruway B.V., KrisEnergy (Bala-Balakang) B.V., KrisEnergy (Sakti) B.V. and KrisEnergy (Udan Emas) B.V.
"**Asset Sale**"	:	Any sale, lease, transfer or other disposition (including by way of merger, consolidation or sale and leaseback transaction) of any of its rights, property or assets (including any sale or issuance of Capital Stock of a Subsidiary of the Company) in one transaction or a series of related transactions by the Company or any of its Subsidiaries to any Person; provided that "Asset Sale" shall not include: (i) the sale, lease or other disposition of products, services, Hydrocarbons or mineral products inventory or accounts receivable or other assets in the ordinary course of business;

(ii) sales, transfers or other dispositions of assets with a Fair Market Value not in excess of US$5 million (or its equivalent in any other currency or currencies) in any transaction or series of related transactions;

(iii) any sale, transfer, assignment or other disposition of any property, or equipment that has become damaged, worn out, obsolete or otherwise unsuitable for use in connection with the business of the Company or its Subsidiaries;

(iv) any sale, transfer or other disposition by the Company or any of its Subsidiaries, including the sale or issuance by the Company or any Subsidiary of any Capital Stock of any Subsidiary, to the Company or any Subsidiary;

(v) the abandonment, farm-in, farm-out, lease or sublease of any oil and gas properties or the forfeiture or other disposition of such properties, in each case in the ordinary course of business;

(vi) the sale or other disposition (whether or not in the ordinary course of business) of crude oil and natural gas properties or direct or indirect interests in real property; provided that at the time of such sale or other disposition such properties do not have associated with them any proved reserves;

(vii) granting of Security Interests not prohibited by or expressly permitted under the "Negative Pledge" provisions set out in the terms and conditions of the Notes; and

(viii) foreclosure, condemnation or any similar action with respect to any property or other assets

"**ARE**"	:	Application and acceptance form for Notes with Warrants and excess Notes with Warrants issued to Entitled Depositors in respect of their provisional allotments of Notes with Warrants under the Preferential Offering
"**Articles of Association**"	:	The Memorandum and Articles of Association of the Company, as may be amended from time to time
"**ATM**"	:	Automated teller machine

"**Awards**"	:	Contingent awards of Shares granted under the KrisEnergy Performance Share Plan
"**Bangladesh**"	:	The People's Republic of Bangladesh
"**bbl**"	:	Barrel
"**bcf**"	:	Billion cubic feet
"**bcfd**"	:	Billion cubic feet per day
"**Block 105**"	:	Block 105-110/04
"**Block A Aceh**"	:	The Block A Aceh production sharing contract, northeast Sumatra in the Republic of Indonesia
"**Board**"	:	The board of Directors of the Company as at the date of this Offering Memorandum
"**boe**"	:	Barrels of oil equivalent
"**boepd**"	:	Barrels of oil equivalent per day
"**Bridge Upsize**"	:	The US$50 million short-term bridge upsize to the Revolving Credit Facility (with a tenor of up to six months), pursuant to the amendment agreement signed on 3 November 2016
"**bopd**"	:	Barrels of oil per day
"**Cambodia**"	:	The Kingdom of Cambodia
"**Cambodia Block A**"	:	The Block A Petroleum Agreement, offshore Cambodia
"**Capital Stock**"	:	With respect to any Person, any and all shares, interests, participations or other equivalents (however designated, whether voting or non-voting) in the equity of such Person, whether outstanding on the Issue Date or issued thereafter, including, without limitation, all common stock, ordinary stock and preferred stock, but excluding debt securities convertible into such equity
"**CDP**"	:	The Central Depository (Pte) Limited
"**CDP Application Form**"	:	An application form relating to the provision of depository services by CDP in relation to the Notes and containing the terms and conditions in relation thereto to be executed by the Company in favour of CDP
"**China**"	:	The People's Republic of China

"**Circular**"	:	The circular to Shareholders dated 12 December 2016 in relation to the Preferential Offering Resolution and the Whitewash Resolution
"**Closing Date**"	:	(i) **5.00 p.m. on 16 January 2017**, being the last time and date for acceptance of provisional allotments of Notes with Warrants and/or applications for excess Notes with Warrants and payment for the Notes with Warrants under the Preferential Offering through CDP or the Share Transfer Agent; or (ii) **9.30 p.m. on 16 January 2017**, being the last time and date for acceptance of provisional allotments of Notes with Warrants and/or applications for excess Notes with Warrants and payment for the Notes with Warrants under the Preferential Offering through an ATM of the Participating Bank
"**commercial**"	:	When a project is commercial, this implies that the essential social, environmental and economic conditions are met, including political, legal, regulatory and contractual conditions. In addition, a project is commercial if the degree of commitment is such that the accumulation is expected to be developed and placed on production within a reasonable time frame
"**Companies Act**"	:	Companies Act, Chapter 50 of Singapore, as amended or modified from time to time
"**Common Security Agent**"	:	Madison Pacific Trust Limited
"**Company**"	:	KrisEnergy Ltd.
"**Concert Party Group**"	:	Devan or KOG (as the case may be) and any other parties acting or deemed to be acting in concert with it in respect of the Company
"**Consent Solicitation**"	:	In respect of each series of Existing Notes, the solicitation of consents from Existing Noteholders of that series to the Proposals set out in the Consent Solicitation Statement (including, without limitation, the Notes Exchanges)
"**Consent Solicitation Statement**"	:	The Company's consent solicitation statement dated 17 November 2016

"**Consolidated EBITDA**"	:	At any time, the consolidated operating profit of the Group before taxation, calculated in accordance with IFRS in respect of the most recent Measurement Period: (i) before deducting any interest (not including any accrued interest owing to any member of the Group), commission, fees, discounts, prepayment fees, premiums or charges and other finance payments whether paid, payable or capitalised by any member of the Group (calculated on a consolidated basis); (ii) before taking into account any exceptional, one-off, non-recurring or extraordinary items; and (iii) after adding back any amount attributable to the amortisation or depreciation of assets of members of the Group, in each case, in respect of such Measurement Period and to the extent added, deducted or taken into account, as the case may be, for the purposes of determining operating profits of the Group before taxation
"**Consolidated EBITDAX**"	:	At any time, the consolidated operating profit of the Group before taxation, calculated in accordance with IFRS in respect of the most recent Measurement Period: (i) before deducting any interest (not including any accrued interest owing to any member of the Group), commission, fees, discounts, prepayment fees, premiums or charges and other finance payments whether paid, payable or capitalised by any member of the Group (calculated on a consolidated basis); (ii) before taking into account any exceptional, one-off, non-recurring or extraordinary items; (iii) after adding back any amount attributable to the amortisation or depreciation of assets of members of the Group; and (iv) after adding back any geological, geophysical and exploration expenses of the Group, in each case, in respect of such Measurement Period and to the extent added, deducted or taken into account, as the case may be, for the purposes of determining operating profits of the Group before taxation

"**Consolidated Equity**" : At any time, the aggregate of the amounts paid up or credited as paid up on the issued share capital of the Company or the Person formed by or surviving any such consolidation, amalgamation or merger (if other than the Company), as the case may be, and the aggregate amount of the reserves of the Group, calculated in accordance with IFRS, as shown in the most recent available consolidated balance sheet of the Group (whether audited or unaudited), including:

(i) any amount credited to the share premium account;

(ii) any capital redemption reserve fund; and

(iii) any balance standing to the credit of the consolidated income statement of the Group,

but deducting:

(a) any debit balance on the consolidated income statement of the Group;

(b) any amount which is attributable to minority interests;

(c) (to the extent included) any amount set aside for taxation, deferred taxation or bad debts; and

(d) any amount in respect of any dividend or distribution declared, recommended or made by any member of the Group to the extent payable to a person who is not a member of the Group and to the extent such distribution is not provided for in the most recent financial statements,

and so that no amount shall be included or excluded more than once

"**Consolidated Interest Expense**" : At any time, the aggregate amount of the accrued interest, commission, fees, discounts, prepayment fees, premiums or charges and other finance payments in respect of financial indebtedness paid or payable by the Group (calculated on a consolidated basis in accordance with IFRS) in cash in respect of the most recent Measurement Period:

(i) excluding any upfront fees or costs;

(ii) including the interest (but not the capital) element of payments in respect of finance leases;

(iii) including any commission, fees, discounts and other finance payments payable by (and deducting any such amounts payable to) any member of the Group under any interest rate hedging arrangement; and

(iv) taking no account of any unrealised gains or losses on any derivative instruments, in each case, in respect of such Measurement Period and so that no amount shall be added (or deducted) more than once

"**Consolidated Total Debt**"	:	At any time, the aggregate outstanding principal, capital or nominal amount of all obligations of the Group for or in respect of Indebtedness but excluding any such obligations to any other member of the Group, calculated in accordance with IFRS, as shown in the most recent available consolidated balance sheet of the Group (whether audited or unaudited)
"**contingent resources**"	:	Those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations by application of development projects, but which are not currently considered to be commercially recoverable due to one or more contingencies
"**contract areas**"	:	A specified geographic area that is the subject of an agreement with the host government pursuant to which an operator and its partners provide financing and technical expertise to conduct exploration, development and production operations
"**Deed of Covenant**"	:	The deed of covenant to be executed by the Company by way of deed poll in relation to the Notes (which will be represented by the Global Certificate to be registered in the name of, and which will be deposited with, CDP), as amended, varied or supplemented from time to time
"**Deed Poll**"	:	The deed poll to be executed by the Company for the purpose of constituting the Warrants (as the same may be amended, varied or supplemented from time to time) and containing, *inter alia*, provisions for the protection of the rights and interests of the Warrantholders

"**Default**"	:	Any event that is, or with the passage of time or the giving of notice or both would be, an event of default under the terms and conditions of the Notes
"**Devan**"	:	Devan International Limited
"**Development Pending**"	:	A discovered accumulation where the project is seen to have reasonable potential for eventual commercial development, to the extent that further data acquisition (e.g. drilling, seismic data) and/or evaluations are currently ongoing with a view to confirming that the project is commercially viable and providing the basis for selection of an appropriate development plan. The critical contingencies have been identified and are reasonably expected to be resolved within a reasonable time frame. Disappointing appraisal/evaluation results could lead to a re-classification of the project to "On Hold" or "Not Viable" status
"**Development Unclarified**"	:	A discovered accumulation where project activities are on hold and/or where justification as a commercial development may be subject to significant delay The project is seen to have potential for eventual commercial development, but further appraisal/ evaluation activities are on hold pending the removal of significant contingencies external to the project, or substantial further appraisal and/or evaluation activities are required to clarify the potential for eventual commercial development. Development may be subject to a significant time delay
"**development well**"	:	A well drilled to obtain production from a proven oil or gas field
"**discovery**"	:	One petroleum accumulation, or several petroleum accumulations collectively, for which one or several exploratory wells have established through testing, sampling, and/or logging the existence of a significant quantity of potentially moveable Hydrocarbons. In this context, "significant" implies that there is evidence of a sufficient quantity of petroleum to justify estimating the in place volume demonstrated by the well(s) and for evaluating the potential for economic recovery
"**Directors**"	:	The directors of the Company as at the date of this Offering Memorandum

"**EBITDAX**"	:	Earnings before interest, tax, depreciation, amortisation, geological and geophysical expenses and exploration
"**EGM**"	:	The extraordinary general meeting of the Company held on 27 December 2016
"**Electronic Application**"	:	Acceptance of provisional allotments of Notes with Warrants and (if applicable) application for excess Notes with Warrants made through (i) an ATM of the Participating Bank; or (ii) the SGX-SSH Service, as the case may be, in accordance with the terms and conditions contained in this Offering Memorandum. For the purposes of this Offering Memorandum, any reference to an application by way of an Electronic Application without reference to such an Electronic Application being made through an ATM of the Participating Bank shall, where the Entitled Depositor is a Depository Agent, be taken to include an application made via the SGX-SSH Service
"**Eligible Investors**"	:	Investors who are not, and are not acting for the account or benefit of "U.S. persons" (as defined in Regulation S) and who are being offered, allotted and delivered securities in an "offshore transaction" (as defined under Regulation S) in accordance with Regulation S
"**Entitled Depositors**"	:	Shareholders (i) with Shares standing to the credit of their Securities Accounts as at the Record Date; (ii) (A) whose registered addresses with CDP are in Singapore as at the Record Date; or (B) who have, at least three Market Days prior to the Record Date, provided CDP with addresses in Singapore for the service of notices and documents; and (iii) who are Eligible Investors
"**Entitled Scripholders**"	:	Shareholders (i) whose share certificates have not been deposited with CDP as well as transferees who have tendered to the Share Transfer Agent registrable transfers of their Shares and the certificates relating thereto for registration up to the Record Date; (ii) (A) whose registered addresses with the Company are in Singapore as at the Record Date; or (B) who have, at least three Market Days prior to the Record Date, provided the Share Transfer Agent with addresses in Singapore for the service of notices and documents; and (iii) who are Eligible Investors
"**Entitled Shareholders**"	:	Entitled Depositors and Entitled Scripholders

"**EPS**"	:	Earnings per Share
"**Excess Notes Commitment**"	:	Has the meaning as set out in paragraph 7 of the section "*The Offer and Listing*"
"**Exercise Period**"	:	The period during which the Warrants may be exercised, commencing on the date of issue of the Warrants and expiring at 5.00 p.m. on the Expiration Date, unless that date is a date on which the Register of Members and/or the Warrant Register of the Company is closed or is not a Market Day, in which event the Exercise Period shall end on the Market Day prior to the closure of the Register of Members and/or the Warrant Register or the immediately preceding Market Day, as the case may be, but excluding such period(s) during which the Register of Members and/or Warrant Register may be closed pursuant to the terms and conditions of the Warrants to be set out in the Deed Poll
"**Exercise Price**"	:	The sum payable in respect of each New Share for which a Warrantholder will be entitled to subscribe upon the exercise of a Warrant, being S$0.110, subject to certain adjustments in accordance with the terms and conditions of the Warrants to be set out in the Deed Poll
"**Existing Devan Shares**"	:	The 598,263,893 Shares held by Devan as at the date of the KOG Irrevocable Undertaking and which have been transferred to KOG pursuant to the Internal Restructuring
"**Existing KE Holdings Shares**"		The 560,505,269 Shares held by KrisEnergy Holdings Ltd. as at the date of the Irrevocable Undertaking given by the First Reserve Funds
"**Existing Notes**"	:	The 2017 Notes and 2018 Notes
"**Existing Noteholders**"	:	Holders of each series of Existing Notes
"**Existing Obligors**"	:	KrisEnergy (Asia) Ltd, KrisEnergy Holding Company Ltd, KrisEnergy International (Thailand) Holdings Ltd, KrisEnergy (Satria) Ltd, KrisEnergy Asia Cooperatief UA, KrisEnergy Asia Holdings B.V., KrisEnergy (Gulf of Thailand) Ltd., KrisEnergy Bangladesh Limited, KrisEnergy (Block A Aceh) B.V., KrisEnergy Netherlands Holdings Pte Ltd, KrisEnergy Management Ltd and the Company

"**Expiration Date**"	:	The expiration date of the Warrants, being the date falling 84 months following the date of issue of the Warrants, **provided that** if such date falls on a day other than a Market Day, then the Market Day preceding the last day shall be the Expiration Date
"**exploration well**"	:	A well drilled to find Hydrocarbons in an unproved area or to extend significantly a known oil or gas reservoir
"**Extraordinary Resolution**"	:	A resolution passed at a meeting of Noteholders, duly convened and held in accordance with the Note Trust Deed, by a majority of not less than three quarters of the votes cast
"**Fair Market Value**"	:	The price that would be paid in an arm's-length transaction between an informed and willing seller under no compulsion to sell and an informed and willing buyer under no compulsion to buy, as determined in good faith by the Board or the relevant Subsidiary, whose determination shall be conclusive if evidenced by a board resolution of the Company or the relevant Subsidiary, as the case may be
"**farm-out**"	:	Process where the owner of an interest in a contract area invites third parties to participate in and assume some of the risks of developing the contract area
"**field**"	:	An area consisting of a single reservoir or multiple reservoirs all grouped on, or related to, the same individual geological structural feature and/or stratigraphic condition
"**final investment decision**"	:	The decision by a joint-venture to commence development of the relevant field pursuant to the relevant approved Production Permit Application, plan of development or development plans, as the case may be
"**First Reserve Funds**"	:	FR XII and FR XII-A
"**Foreign Shareholders**"	:	Shareholders with registered addresses outside Singapore as at the Record Date and who have not, at least three Market Days prior thereto, provided the Share Transfer Agent or CDP, as the case may be, with addresses in Singapore for the service of notices and documents
"**FR XII**"	:	First Reserve Fund XII, L.P.
"**FR XII-A**"	:	FR XII-A Parallel Vehicle, L.P.
"**FY**"	:	Financial year ended or ending 31 December

"**Global Certificate**"	:	The Global Certificate which will represent the Notes and which will contain provisions which apply to the Notes, to be registered in the name of, and which will be deposited with, CDP
"**Group**"	:	The Company and its Subsidiaries
"**Guarantee**"	:	In relation to any Indebtedness of any Person, any obligation of another Person to pay such Indebtedness including (without limitation): (i) any obligation to purchase such Indebtedness; (ii) any obligation to lend money, to purchase or subscribe shares or other securities or to purchase assets or services in order to provide funds for the payment of such Indebtedness; (iii) any indemnity against the consequences of a default in the payment of such Indebtedness; and (iv) any other agreement to be responsible for such Indebtedness
"**Hedging Obligations**"	:	With respect to any specified Person, the obligations (including any Indebtedness) of such Person or any of its Subsidiaries directly or indirectly under or in connection with: (i) interest rate swap agreements (whether from fixed to floating or from floating to fixed), interest rate cap agreements and interest rate collar agreements, other agreements or arrangements designed to manage interest rates or interest rate risk; (ii) any foreign exchange contract, currency swap agreement, currency option, cap, floor, ceiling or collar agreement or other similar agreement or arrangement designed to protect such Person against fluctuations in currency exchange rates; (iii) any forward contract, commodity futures contract, commodity option agreement, commodity swap agreement, cap, floor, ceiling or collar agreement or other similar agreement or arrangement designed to protect against fluctuations in the price of commodities used, produced, processed or sold by that Person or any of its Subsidiaries at the time;

(iv) other agreements or arrangements designed to protect such Person against fluctuations in interest rates, commodity prices or currency exchange rates; and

(v) any other related agreement or arrangement, whether or not incurring any Indebtedness, directly or indirectly, in connection with any restructuring, amendment, variation or termination (whether in whole or in part) of any of the agreements referred to in paragraphs (i) to (iv) above

"**Hydrocarbons**" : Oil, gas, casing head gas, drip gasoline, natural gasoline, condensate, distillate, liquid hydrocarbons, gaseous hydrocarbons and all constituents, elements or compounds thereof and products refined or processed therefrom

"**IFRS**" : International Financial Reporting Standards

"**Incur**" : With respect to any Indebtedness or Capital Stock, to incur, create, issue, assume, guarantee or otherwise become liable for or with respect to, or become responsible for, the payment of, contingently or otherwise, such Indebtedness or Capital Stock, provided that (i) any Indebtedness and Capital Stock of a Person existing at the time such Person becomes a Subsidiary will be deemed to be Incurred by such Subsidiary at the time it becomes a Subsidiary and (ii) the accretion of original issue discount shall not be considered an Incurrence of Indebtedness. The terms "Incurrence", "Incurred" and "Incurring" have meanings correlative with the foregoing

"**Indebtedness**" : With respect to a Person at any date of determination, any indebtedness for or in respect of:

(i) moneys borrowed;

(ii) any amount raised by acceptance under any acceptance credit facility or dematerialised equivalent;

(iii) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;

(iv) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with IFRS, be treated as a balance sheet liability (other than any liability in respect of a lease or hire purchase contract which would, in accordance with IFRS in force prior to 1 January 2019, have been treated as an operating lease);

(v) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);

(vi) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing, except Trade Payables and Prepayment Transactions;

(vii) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the marked to market value shall be taken into account);

(viii) any counter-indemnity obligation in respect of a Guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution;

(ix) any amount raised by the issue of redeemable shares;

(x) any amount of any liability under an advance or deferred purchase agreement if one of the primary reasons behind the entry into this agreement is to raise finance, except Trade Payables and Prepayment Transactions;

(xi) (without double counting) the amount of any liability in respect of any Guarantee or indemnity for any of the covenants referred to in the terms and conditions of the Notes; and

(xii) (without double counting) any indebtedness referred to in the terms and conditions of the Notes of other Persons secured by Security Interest upon any assets of the Person to which this definition is being applied, provided that the amount of such Indebtedness shall be the lesser of (a) the Fair Market Value of such asset at such date of determination and (b) the amount of such indebtedness

"**Independent Shareholders**"	:	Shareholders, other than the Concert Party Group and parties not independent of the Concert Party Group, who are deemed to be independent for the purposes of voting on the Whitewash Resolution
"**Indonesia**"	:	The Republic of Indonesia
"**Intercreditor Agreement**"	:	Either or both of (i) the intercreditor and security trust deed dated 9 December 2016 (as amended and/or restated from time to time) entered into between the Company and certain other parties to the Revolving Credit Facility (including the Common Security Agent) (to which the Note Trustee will accede on or around the Issue Date and which is expected to be amended and restated) and (ii), if required, a separate intercreditor agreement between, among others, such parties
"**Internal Restructuring**"	:	The transfer of the Existing Devan Shares from Devan to KOG
"**IPO**"	:	The Company's initial public offering and listing on the Main Board of the SGX-ST
"**Irrevocable Undertakings**"	:	The irrevocable undertakings dated 8 December 2016 and 9 December 2016 given by the First Reserve Funds and KOG respectively to the Company, details of which are set out in paragraph 7 of the section "*The Offer and Listing*" of this Offering Memorandum
"**Issue Date**"	:	The date that the Notes will be issued, expected to be 23 January 2017
"**Issue Price**"	:	The issue price of the Notes, being 100 per cent. of the principal amount of the Notes or S$1.00 for each S$1.00 of principal amount of the Notes
"**Keppel**"	:	Keppel Corporation Limited
"**Keppel Group**"	:	Keppel and its Subsidiaries

"**Keppel Holding Group**"	:	Keppel, its Subsidiaries and associated companies (including Devan, KOG and Kepventure)
"**Kepventure**"	:	Kepventure Pte. Ltd.
"**KrisEnergy Apsara**"	:	KrisEnergy (Apsara) Ltd (formerly known as Chevron Overseas Petroleum (Cambodia) Limited)
"**KrisEnergy Bangladesh**"	:	KrisEnergy Bangladesh Limited (formerly known as Tullow Bangladesh Ltd)
"**KOG**"	:	Keppel Oil & Gas Pte. Ltd.
"**KOG Irrevocable Undertaking**"	:	The Irrevocable Undertaking given by KOG, details of which are set out in paragraph 7 of the section "*The Offer and Listing*" of this Offering Memorandum
"**Latest Practicable Date**"	:	30 December 2016, being the latest practicable date prior to the date of this Offering Memorandum
"**leads**"	:	A project associated with a potential accumulation that is currently poorly defined and requires more data acquisition and/or evaluation in order to be classified as a prospect
"**Lead Manager**"	:	DBS Bank Ltd.
"**Listing Manual**"	:	The listing manual of the SGX-ST, as amended or modified from time to time
"**LPS**"	:	Loss per Share
"**Management Agreement**"	:	The management agreement dated 9 November 2016 entered into between the Company and the Lead Manager in relation to the Preferential Offering
"**Market Day**"	:	A day on which the SGX-ST is open for trading in securities
"**MAS**"	:	The Monetary Authority of Singapore
"**Maturity Date**"	:	The maturity date of the Notes, being the seventh anniversary of the Issue Date
"**mcf**"	:	Thousand cubic feet
"**Measurement Period**"	:	The most recently ended four full financial quarters of the Company for which consolidated financial statements are available (whether audited or unaudited)
"**mmboe**"	:	Million barrels of oil equivalent

"**mmcfd**"	:	Million cubic feet per day
"**MTN Program**"	:	The Company's S$500 million Multicurrency Debt Issuance Program
"**New Business Plan**"	:	The new business plan approved and adopted by the Company in October 2016
"**Neon Energy**"	:	Neon Energy (Song Hong) Pty Ltd
"**New Notes**"	:	The 2022 Notes and 2023 Notes
"**New Shares**"	:	The 1,255,183,632 new Shares to be allotted and issued by the Company, credited as fully paid, upon the exercise of the Warrants in accordance with the terms of the Deed Poll, including, where the context admits, such new Shares arising from the exercise of any additional Warrants as may be required or permitted to be issued in accordance with the terms and conditions of the Warrants to be set out in the Deed Poll
"**Noteholders**"	:	Holders of the Notes
"**Notes**"	:	S$139,464,848 in principal amount of senior secured zero coupon notes due 2024, in the denomination of S$1.00 for each note, to be issued pursuant to the Preferential Offering
"**Notes Exchanges**"	:	The proposed exchange of Existing Notes for New Notes, as described in the Consent Solicitation Statement in connection with the Consent Solicitation
"**Note Security**"	:	The security to be provided in relation to the Notes which will consist of, *inter alia*, (i) a first ranking security interest over the shares of SJ Production Barge Ltd., a wholly-owned Subsidiary of the Company, and (if applicable) a first ranking account charge over certain account(s) held by SJ Production Barge Ltd.; and (ii) a junior ranking security interest over the assets secured or to be secured from time to time under the RCF Security
"**Note Security Assets**"	:	The assets which are from time to time subject to the Note Security
"**Note Security Documents**"	:	The Intercreditor Agreement, security agreements and other instruments pursuant to which the security interests over the Note Security Assets are to be created

"**Note Trust Deed**"	:	The trust deed (as amended, varied or supplemented from time to time) to be entered into between the Company, the Note Trustee and the Common Security Agent in relation to the Notes
"**Note Trustee**"	:	DBS Trustee Limited
"**Offering Memorandum**"	:	This document, together with (where the context requires) the ARE, the PAL and any other accompanying documents to be issued by the Company in connection with the Preferential Offering
"**Oil and Gas Business**"	:	(i) the acquisition, exploration, exploitation, development, production, operation and disposition of interests in oil, natural gas, liquid natural gas and other Hydrocarbon and mineral properties or products produced in association with the foregoing; (ii) the gathering, marketing, distributing, treating, refining, processing, storing, distribution, selling and transporting of any production from oil, natural gas, natural gas liquids, liquefied natural gas and other Hydrocarbon and mineral properties (whether or not such properties are owned by the Company and/or its Subsidiaries) and products produced in association therewith and the marketing of oil, natural gas, other Hydrocarbons and minerals obtained from unrelated Persons; (iii) any other related energy business, from oil, natural gas and other Hydrocarbons and minerals produced substantially from properties in which the Company or its Subsidiaries directly or indirectly participates; (iv) any business relating to oil and gas field seismic mapping, sales and service and technology development with respect thereto; and (v) any business, services or activity relating to, arising from, or necessary, appropriate or incidental to the activities described in paragraphs (i), (ii), (iii) or (iv) above
"**PAL**"	:	The provisional allotment letter issued to Entitled Scripholders, setting out the provisional allotments of such Entitled Scripholder under the Preferential Offering

"**Participating Bank**"	:	DBS Bank Ltd. (including POSB)
"**per cent.**" or "**%**"	:	Per centum or percentage
"**Permitted Refinancing Indebtedness**"	:	Any Indebtedness of the Company or any of its Subsidiaries issued in exchange for, or the net proceeds of which are used to extend, renew, refund, refinance, replace, exchange, defease or discharge other Indebtedness of the Company or any of its Subsidiaries (other than intercompany Indebtedness), **provided that**: (i) the aggregate principal amount of such Permitted Refinancing Indebtedness does not exceed the principal amount of the Indebtedness being extended, renewed, refunded, refinanced, replaced, exchanged, defeased or discharged (plus all accrued interest on the Indebtedness and the amount of all fees and expenses, including premiums, Incurred in connection therewith); (ii) such Permitted Refinancing Indebtedness has a final maturity date that is either (a) no earlier than the final maturity date of the Indebtedness being extended, renewed, refunded, refinanced, replaced, exchanged, defeased or discharged or (b) after the Maturity Date, **provided further that** in the case of the Notes, such Permitted Refinancing Indebtedness Incurred in connection therewith has a final maturity date that is at least one year following the maturity date of the New Notes; and (iii) if the Indebtedness being extended, renewed, refunded, refinanced, replaced, defeased or discharged is expressly contractually subordinated in right of payment to the Notes, such Permitted Refinancing Indebtedness is subordinated in right of payment to the Notes on terms at least as favourable to the holders of Notes as those contained in the documentation governing the Indebtedness being extended, renewed, refunded, refinanced, replaced, exchanged, defeased or discharged
"**Permitted Subordinated Indebtedness**"	:	Indebtedness of the Company that is: (i) contractually subordinated in right of payment (by the terms of any documents or instruments relating thereto) to the Notes;

(ii) expressed to be payable on a date falling after the Maturity Date;

(iii) does not have the benefit of any Security Interest; and

(iv) does not bear any interest or distribution rate payable to its holders, or is otherwise subject to amortisation over its tenor

"**Person**"	:	Any individual, corporation, partnership, limited liability company, joint venture, trust, unincorporated organisation or government or any agency or political subdivision thereof
"**PFIC**"	:	Passive foreign investment company
"**Preferential Offering**"	:	The non-renounceable non-underwritten preferential offering by the Company of S$139,464,848 in principal amount of Notes, at the Issue Price, with 1,255,183,632 free detachable Warrants, each Warrant carrying the right to subscribe for one New Share at the Exercise Price, on the basis of 93 Notes of principal amount of S$1.00 each with 837 Warrants for every 1,000 Shares held by Entitled Shareholders as at the Record Date, fractional entitlements to be disregarded, on the terms and conditions of this Offering Memorandum
"**Preferential Offering Announcement**"	:	The announcement dated 3 November 2016 made by the Company regarding, *inter alia*, the Preferential Offering and the application for the Whitewash Waiver
"**Preferential Offering Resolution**"	:	The resolution which was proposed and passed at the EGM, approving the issue of the Warrants and New Shares pursuant to the Preferential Offering, further details of which are set out in Section 1.4 of the Circular
"**Prepayment Transaction**"	:	With respect to any Person, any indebtedness or monetary obligation owed to its customers, assumed or Guaranteed by such Person or any of its Subsidiaries, arising in the ordinary course of business in connection with the sale of goods or services for which the purchase price has been prepaid by such customer
"**possible reserves**"	:	Those additional reserves which analysis of geoscience and engineering data indicate are less likely to be recoverable than probable reserves

"**Pro-rata Undertaken Notes with Warrants**"	:	Has the meaning as set out in paragraph 7(B)(c) of the section "*The Offer and Listing*"
"**probable reserves**"	:	Those additional reserves which analysis of geoscience and engineering data indicate are less likely to be recovered than proved reserves but more certain to be recovered than possible reserves
"**Proposals**"	:	The proposals which were the subject of the Consent Solicitation, including the Notes Exchanges
"**Proposed Restructuring Plan**"	:	The proposed restructuring plan announced by the Company on 3 November 2016, details of which are set out in section 1.2 of the Circular
"**prospect**"	:	A project associated with a potential accumulation that is sufficiently well defined to represent a viable exploration drilling target
"**proved reserves**"	:	Those quantities of petroleum, which by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be commercially recoverable, from a given date forward, from known reservoirs and under defined economic conditions, operating methods, and government regulations
"**PSC**"	:	Production sharing contract, which is an agreement with the relevant host government, which outlines the fiscal terms for exploring, developing and producing oil and gas within a specified contract area
"**RCF Agent**"	:	The facility agent under the Revolving Credit Facility
"**RCF Lender**"	:	DBS Bank Ltd.
"**RCF Security**"	:	The security provided or to be provided in relation to the Revolving Credit Facility which will consist of: (i) security over the shares of the Existing Obligors (other than the Company); (ii) security over the shares of the Additional Entities; (iii) security over the shares held by KrisEnergy (Gulf of Thailand) Ltd in Orange Energy Limited and B8/32 Partners Limited;

(iv) "all asset security" over the present and future assets and rights of the Existing Obligors (except for the Company and each of KrisEnergy Satria Ltd, KrisEnergy (Block A Aceh) B.V. and KrisEnergy Management Ltd, which has each granted an assignment of its rights under certain intercompany loans and (save for KrisEnergy Management Ltd) account security);

(v) assignment by the Existing Obligors, certain Additional Entities and certain other members of the Group of their present and future claims under intercompany loans; and

(vi) account charges over certain accounts held by certain Existing Obligors and certain Additional Entities as well as KrisEnergy Pte Ltd and KrisEnergy G10 (Thailand) Ltd

"**Record Date**"	:	5:00 p.m. on 3 January 2017, being the time and date at and on which the Register of Members and Share Transfer Books of the Company were closed to determine the provisional allotments of Notes with Warrants of the Entitled Shareholders under the Preferential Offering
"**Regulation S**"	:	Regulation S under the U.S. Securities Act
"**reserves**"	:	Those quantities of petroleum anticipated to be commercially recoverable by application of development projects to known accumulations from a given date forward under defined conditions
"**resources**"	:	All quantities of petroleum (recoverable and unrecoverable) naturally occurring on or within the Earth's crust, discovered and undiscovered, plus those quantities already produced

"**Revolving Credit Facility**"	:	The US$100.0 million revolving credit facility dated 24 March 2014 (as amended and/or restated from time to time including, without limitation, pursuant to an amendment and restatement agreement dated 24 March 2016 and an amendment agreement dated 3 November 2016 (as amended on 9 December 2016 and as further amended and/or restated from time to time) entered into between, among others, KrisEnergy (Asia) Ltd (the Company's wholly-owned Subsidiary) as borrower and The Hongkong and Shanghai Banking Corporation Limited as agent, which was subsequently increased to US$122.0 million on 30 April 2015 and to US$148.27 million on 11 July 2016 (and, on a temporary basis, pursuant to the Bridge Upsize, to US$198.27 million on 3 November 2016) and under which all of the participations and commitments were transferred to DBS Bank Ltd. as lender under transfer certificates dated on 30 June 2016
"**S$**" and "**cents**"	:	Singapore dollars and cents, respectively
"**Securities Account**"	:	Securities account maintained by a Depositor with CDP (but does not include a securities sub-account)
"**Security Interest**"	:	Any mortgage, charge, pledge, lien or other security interest including, without limitation, anything analogous to any of the foregoing under the laws of any jurisdiction
"**SFA**"	:	Securities and Futures Act, Chapter 289 of Singapore, as amended or modified from time to time
"**SGX-ST**"	:	Singapore Exchange Securities Trading Limited
"**Share Transfer Agent**"	:	M & C Services Private Limited
"**Shareholders**"	:	Registered holders of Shares in the Register of Members of the Company, except that where the registered holder is CDP, the term "**Shareholders**" shall, in relation to such Shares and where the context admits, mean the persons named as Depositors in the Depository Register maintained by CDP and into whose Securities Accounts those Shares are credited
"**Shares**"	:	The shares in the capital of the Company of US$0.00125 par value each
"**SIC**"	:	Securities Industry Council of Singapore

"**SIC Conditions**"	:	Conditions imposed by the SIC to which the Whitewash Waiver is subject, details of which are set out in the section "*Take-Over Limits and Whitewash Waiver*" of this Offering Memorandum
"**SIC KOG Ruling**"	:	The SIC's ruling that the Whitewash Waiver shall apply to KOG, details of which are set out in the section "*Take-Over Limits and Whitewash Waiver*" of this Offering Memorandum
"**Singapore**"	:	The Republic of Singapore
"**Singapore Take-over Code**"	:	Singapore Code on Take-overs and Mergers, as amended or modified from time to time
"**Special Account**"	:	The account to be maintained by the Company with a bank in Singapore for the purpose of crediting moneys paid by exercising Warrantholders in satisfaction of the Exercise Price in relation to the Warrants exercised by such exercising Warrantholders
"**SRS**"	:	Supplementary Retirement Scheme
"**SRS Account**"	:	An account opened by a participant in the SRS from which money may be withdrawn for, *inter alia*, payment of the Issue Price of the Notes with Warrants and/or excess Notes with Warrants
"**stock tank barrel**"	:	The volume of stabilised oil, equivalent to one barrel (42 U.S. gallons or approximately 158.987 litres) at stock tank conditions of 60 degrees Fahrenheit and 14.696 pounds per square inch absolute
"**Subsidiary**"	:	The meaning ascribed to it in Section 5 of the Companies Act, Chapter 50 of Singapore, and "**Subsidiaries**" shall have a corresponding meaning
"**Substantial Shareholder**"	:	A person who has an interest or interests in one or more voting shares in the Company and the total votes attached to that voting share, or those voting shares, is not less than five per cent. of the total votes attached to all the voting shares in the Company
"**TAC**"	:	Technical assistance contract
"**Thailand**"	:	The Kingdom of Thailand

"**Trade Payables**"	:	With respect to any Person, any accounts payable or any other indebtedness or monetary obligation to trade creditors created, assumed or Guaranteed by such Person or any of its Subsidiaries arising in the ordinary course of business in connection with the acquisition of goods or services and payable within 90 days
"**Transaction Date**"	:	With respect to the Incurrence of Indebtedness, the date such Indebtedness is to be Incurred
"**Undertaken Notes with Warrants**"	:	The Pro-rata Undertaken Notes with Warrants together with the Excess Notes Commitment, being all the Notes with Warrants which KOG has undertaken to subscribe and pay for pursuant to the KOG Irrevocable Undertaking
"**Undertaking Shareholders**"	:	The First Reserve Funds and KOG
"**Unit Share Market**"	:	The unit share market of the SGX-ST
"**unrecovered cost pools**"	:	Under a PSC environment, the contractor's revenue entitlements include a component that provides the contractor with the right to recover eligible operating and capital costs that the contractor has incurred. Unrecovered cost pools are the outstanding balances of recoverable costs that the contractor is entitled to receive from future revenue streams. These balances occur when eligible expenditures are greater than revenue streams
"**U.S.**" or "**United States**"	:	The United States of America, its territories and possessions, any state of the United States and the District of Columbia
"**U.S. Investment Company Act**"	:	U.S. Investment Company Act of 1940, as amended
"**U.S. Securities Act**"	:	U.S. Securities Act of 1933, as amended
"**US$**" or "**U.S. dollars**"	:	United States dollars
"**Vietnam**"	:	The Socialist Republic of Vietnam
"**Warrant Agent**"	:	M & C Services Private Limited
"**Warrant Certificate**"	:	The certificates (in registered form) to be issued in respect of the Warrants as from time to time modified in accordance with the terms and conditions of the Warrants
"**Warrant Register**"	:	The register of Warrantholders of the Company

"**Warrantholders**"	:	In relation to any Warrant, the person or persons for the time being registered in the Warrant Register as the holder or joint holders of that Warrant, except that where the registered holder is CDP, the term "**Warrantholders**" shall, in relation to Warrants registered in the name of CDP, include, where the context requires, the Depositors whose Securities Accounts with CDP are credited with Warrants and provided that for the purposes of the Deed Poll relating to meetings of Warrantholders, such Warrantholders shall mean those Depositors having Warrants credited to their Securities Accounts as shown in the records of CDP as at a time not earlier than 48 hours prior to the time of a meeting of Warrantholders supplied by CDP to the Company
"**Warrants**"	:	1,255,183,632 free detachable warrants in registered form to be issued by the Company pursuant to the Preferential Offering and, where the context admits, such additional detachable warrants as may be required or permitted to be issued by the Company pursuant to the terms and conditions of the Warrants to be set out in the Deed Poll (any such additional warrants to rank *pari passu* with the Warrants issued pursuant to the Preferential Offering and for all purposes form part of the same series), each such Warrant entitling the Warrantholder to subscribe for one New Share at the Exercise Price during the Exercise Period, subject to the terms and conditions of the Warrants to be set out in the Deed Poll
"**Whitewash Resolution**"	:	The resolution approved by way of a poll by a majority of the Independent Shareholders present and voting at the EGM to waive their rights to receive a mandatory general offer from the Concert Party Group pursuant to Rule 14 of the Singapore Take-over Code for the Company

"**Whitewash Waiver**"	:	The waiver granted by the SIC to Devan and its concert parties (including the Keppel Holding Group) from the requirement to make a mandatory general offer under Rule 14 of the Singapore Take-over Code for the Company in the event that Devan and its concert parties (including the Keppel Holding Group) increase their aggregate shareholdings in the Company by more than one per cent. based on its enlarged issued share capital as a result of Devan acquiring New Shares upon the exercise of any of the Warrants to be subscribed pursuant to the Excess Notes Commitment, subject to the satisfaction of the SIC Conditions, details of which are set out in the section "*Take-over Limits and Whitewash Waiver*" of this Offering Memorandum
"**Working Interest**"	:	Percentage ownership in a joint operation associated with revenue and costs. Working Interests do not take into account the terms of any royalties, government shares of production, or similar fiscal terms, and thus do not reflect net entitlement to any oil or gas produced

In this document, references to the "**Company**" are to KrisEnergy Ltd. on an unconsolidated basis and references to the "**Group**" are to KrisEnergy Ltd. and its Subsidiaries on a consolidated basis.

The terms "**Depositor**", "**Depository Register**" and "**Depository Agent**" shall have the same meanings ascribed to them respectively in Section 81SF of the SFA.

The term "**acting in concert**" shall have the meaning ascribed to it in the Singapore Take-over Code.

Words importing the singular shall, where applicable, include the plural and *vice versa*. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*.

References to persons shall include corporations.

Any reference in this Offering Memorandum to any enactment is a reference to that enactment as for the time being amended, modified or re-enacted. Any word defined under the Companies Act, the SFA, the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005, the Listing Manual, the U.S. Securities Act, the U.S. Investment Company Act or the Singapore Take-over Code or any amendment or modification thereof and not otherwise defined in this Offering Memorandum shall, where applicable, have the meaning assigned to it under the Companies Act, the SFA, the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005, the Listing Manual, the U.S. Securities Act, the U.S. Investment Company Act or the Singapore Take-over Code or such amendment or modification thereof, as the case may be.

Unless otherwise indicated, all information in this Offering Memorandum assumes that the S$139,464,848 in principal amount of Notes and 1,255,183,632 Warrants are issued and the Preferential Offering is fully subscribed.

Any reference to a time of day and dates in this Offering Memorandum shall be a reference to Singapore time and dates unless otherwise stated.

Unless otherwise indicated, all dollar amounts in this Offering Memorandum are rounded up or down, as the case may be, to the nearest million.

Any discrepancies in figures included in this Offering Memorandum between the amounts listed and the totals thereof are due to rounding. Accordingly, figures shown as totals in this Offering Memorandum may not be an arithmetic aggregation of the figures that precede them.

INDICATIVE TIMETABLE OF KEY EVENTS

The timetable below lists certain important dates and times relating to the Preferential Offering. All dates and times referred to below are Singapore dates and times.

Shares trade ex-rights	:	29 December 2016 from 9.00 a.m.
Record Date	:	3 January 2017 at 5.00 p.m.
Despatch of this Offering Memorandum (together with the ARE or the PAL, as the case may be) to Entitled Shareholders	:	6 January 2017
Opening date and time for the Preferential Offering	:	6 January 2017 at 9.00 a.m.
Last date and time for acceptance of and payment for provisional allotments of Notes with Warrants[(1)]	:	16 January 2017 at 5.00 p.m. (9.30 p.m. for Electronic Applications through ATMs of the Participating Bank)
Last date and time for application and payment for applications for excess Notes with Warrants[(1)]	:	16 January 2017 at 5.00 p.m. (9.30 p.m. for Electronic Applications through ATMs of the Participating Bank)
Expected date of issuance of the Notes and the Warrants	:	23 January 2017
Expected date of crediting of the Notes and the Warrants	:	24 January 2017
Expected date for refund of unsuccessful applications (if made through CDP)	:	24 January 2017
Expected date of commencement of trading of the Notes and the Warrants (subject to there being a satisfactory spread of holdings of the Warrants to provide for an orderly market in the trading of the Warrants) on the SGX-ST	:	25 January 2017

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(1) This does not apply to SRS investors and investors who hold Shares through a finance company and/or Depository Agent. SRS investors and investors who hold Shares through a finance company and/or Depository Agent should refer to the section "*Important Notice to SRS Investors and Investors who hold Shares through a Finance Company and/or Depository Agent*". Any application made by these investors directly through CDP, Electronic Applications through ATMs of the Participating Bank, the Share Transfer Agent and/or the Company will be rejected. Such investors, where applicable, will receive notification letter(s) from their respective approved bank, finance company and/or Depository Agent and should refer to such notification letter(s) for details of the last date and time to submit applications to their respective approved bank, finance company and/or Depository Agent.

The above timetable is indicative only and is subject to change. As at the date of this Offering Memorandum, the Company does not expect the above timetable to be modified. However, the Company may, with the approval of the SGX-ST and with the agreement of the Lead Manager, modify the above timetable subject to any limitation under any applicable laws. In such an event, the Company will publicly announce the same through an SGXNET announcement to be posted on the internet at the SGX-ST's website at http://www.sgx.com.

TRADING UPDATE

Although there has been a modest recovery in the price of crude oil in the second half of 2016, confidence remains fragile and uncertainty continues to linger regarding the magnitude of any further upward direction and the sustainability of higher prices. The changing political landscape in almost all corners of the world and its potential impacts to the global economy are expected to provide a level of cautiousness and therefore leave oil markets vulnerable to downside risk.

Exploration activities are expected to continue albeit at lower levels than in the last eight years during which oil prices were rising. Under the New Business Plan, the Company will focus its operational activities, and therefore capital expenditure, on maintaining existing production rates and enhancing operational efficiencies as well as the execution of development projects in the Gulf of Thailand and Indonesia to eventually increase Group production and, in turn, cash flow.

Please also see paragraph 9(c) of the section "*Key Information*" for more details on the key developments from 1 January 2016 to the Latest Practicable Date.

SUMMARY OF THE PREFERENTIAL OFFERING AND PRINCIPAL TERMS OF THE NOTES, THE WARRANTS AND THE NEW SHARES

The following is a summary of the Preferential Offering and principal terms of the Notes, the Warrants and the New Shares and is derived from, and should be read in conjunction with, the full text of this Offering Memorandum, and is qualified in its entirety by reference to information appearing elsewhere in this Offering Memorandum.

The Preferential Offering

Basis of provisional allotment	:	The Preferential Offering is made on a non-renounceable non-underwritten basis to Entitled Shareholders on the basis of 93 Notes with 837 Warrants for every 1,000 existing Shares held by Entitled Shareholders as at the Record Date, fractional entitlements to be disregarded.
Eligibility to participate in the Preferential Offering	:	Please refer to the sections "*Offering, Selling and Transfer Restrictions*" and "*Eligibility of Shareholders to Participate in the Preferential Offering*". The procedures for, and the terms and conditions applicable to, acceptances of the provisional allotments of Notes with Warrants and for the applications for excess Notes with Warrants, including the different modes of acceptance or application and payment, are contained in Appendices E, F and G of this Offering Memorandum and in the ARE and the PAL.
Acceptance, excess application and payment	:	Entitled Shareholders are at liberty to accept (in full or in part) or decline their provisional allotments of Notes with Warrants and are eligible to apply for additional Notes with Warrants in excess of their provisional allotments under the Preferential Offering. Fractional entitlements to the Notes with Warrants will be disregarded in arriving at Shareholders' entitlements and will, together with such Notes with Warrants that are not validly taken up by Entitled Shareholders and any Notes with Warrants that are not otherwise allotted for whatever reason in accordance with the terms and conditions contained in this Offering Memorandum, the ARE, the PAL and (if applicable) the Articles of Association, be aggregated and used to satisfy applications for excess Notes with Warrants (if any), or disposed of or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit for the benefit of the Company. In the allotment of excess Notes with Warrants, preference will be given to the rounding of odd lots and Directors and Substantial Shareholders who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Preferential Offering, or have representation (direct or through a nominee) on the Board will rank last in priority for the rounding of odd lots and the allotment of excess Notes with Warrants.

Irrevocable Undertakings	:	In support of the Preferential Offering, KOG has given the KOG Irrevocable Undertaking to the Company to, *inter alia*, in accordance with the terms and conditions of the Preferential Offering (i) subscribe and pay for the Pro-rata Undertaken Notes with Warrants not later than the Closing Date and (ii) subscribe and pay for all excess Notes with Warrants that are not successfully subscribed for under the Preferential Offering. In addition, the First Reserve Funds have given an irrevocable undertaking to the Company to, *inter alia*, procure that until the Closing Date, KrisEnergy Holdings Ltd. will have in aggregate not less than the Existing KE Holdings Shares credited to KrisEnergy Holdings Ltd.'s Securities Account. Please refer to paragraph 7 of the section "*The Offer and Listing*" for further details of the terms of the Irrevocable Undertakings.
Use of Proceeds	:	The Company intends to utilise the net proceeds from the Preferential Offering, after deduction of the expenses incurred in connection with the Preferential Offering, for (i) capital expenditures (relating to the Group's existing assets); (ii) repayment of the Bridge Upsize; and (iii) general working capital. Future net proceeds, if any, arising from the exercise of Warrants will be used for capital expenditures, general working capital and debt service.
Estimated Proceeds	:	Based on the basis of the provisional allotment, the estimated gross proceeds which will be raised from the Preferential Offering is approximately S$139.5 million. The estimated net proceeds from the Preferential Offering (after deducting estimated expenses incurred in connection with the Preferential Offering of approximately S$2.4 million) is approximately S$137.1 million. If all the Warrants are exercised, the further gross proceeds are expected to be approximately S$138.1 million.
Listing	:	The SGX-ST has granted in-principle approval for the listing of and quotation for the Notes, the Warrants and the New Shares on the Main Board of the SGX-ST, subject to certain conditions. Approval in-principle is not to be taken as an indication of the merits of the Preferential Offering, the Notes, the Warrants, the New Shares, the Company and/or its Subsidiaries. The SGX-ST assumes no responsibility for the accuracy of any of the statements made, reports contained and opinions expressed in this Offering Memorandum.

It should be noted that the Warrants may not be listed and quoted on the SGX-ST in the event there is an insufficient spread of holdings of the Warrants to provide for an orderly market in the trading of the Warrants. In such an event, the Warrantholders will not be able to trade their Warrants on the SGX-ST. However if the Warrantholders were to exercise their rights, subject to the terms and conditions of the Warrants, to convert their Warrants into New Shares, such New Shares will be listed and quoted on the Main Board of the SGX-ST.

The Notes

Issue Size of the Notes	:	S$139,464,848 million in aggregate principal amount of Notes.
Issue Price of the Notes	:	100 per cent. of the principal amount of the Notes or S$1.00 for each S$1.00 of principal amount of the Notes. The Notes are payable in full upon acceptance and/or application.
Interest	:	No interest will be payable on the Notes, save for any default interest which may be payable under the terms and conditions of the Notes.
Status of the Notes	:	The Notes will constitute direct, general and unconditional obligations of the Company and the performance of all the obligations of the Company under the Notes and the Note Trust Deed will be secured by *inter alia*: (a) a first ranking security interest over the shares of SJ Production Barge Ltd, a wholly-owned Subsidiary of the Company and (if applicable) a first ranking account charge over certain account(s) held by SJ Production Barge Ltd; and (b) a junior ranking security interest over the assets secured or to be secured from time to time under the RCF Security. The priority of payments as between the Group's secured creditors will be governed by the Intercreditor Agreement which will provide, among other things, (1) that the security which secures the Group's obligations under the Revolving Credit Facility on a first ranking basis may, until such time as the Revolving Credit Facility has been discharged in full, only be enforced by the Common Security Agent following instructions to this effect from the RCF Agent and, thereafter, on the instructions of the Note Trustee and (2) that the security which secures the Company's obligations under the Notes on a first ranking basis may only be enforced by

		the Common Security Agent following instructions to this effect from the Note Trustee. The Notes will at all times rank *pari passu* among themselves and at least *pari passu* with all other present and future unsecured obligations of the Company, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.
Maturity Date	:	The seventh anniversary of the Issue Date.
Form and Denomination	:	The Notes will be in registered form in the denomination of S$1.00 each and will be represented by the Global Certificate to be registered in the name of, and deposited with, CDP. Except in the limited circumstances to be described in the provisions of the Global Certificate, owners of interests in Notes represented by the Global Certificate will not be entitled to receive definitive certificates in respect of their individual holdings of Notes. Notes which are represented by the Global Certificate will be transferable only in accordance with the rules and procedures for the time being of CDP.
Redemption at Maturity	:	Unless previously redeemed or purchased and cancelled as provided in the terms and conditions of the Notes, the Company will redeem each Note at 100 per cent. of its principal amount on the Maturity Date, subject as provided in the terms and conditions of the Notes.
Redemption upon Cessation or Suspension of Trading of Shares at the option of Noteholders	:	In the event that (i) the Shares cease to be traded on the SGX-ST or (ii) trading in the Shares on the SGX-ST is suspended for a continuous period of more than seven days (other than by reason of holiday, statutory or otherwise), the Company shall, at the option of the holder of any Note, redeem such Note at a price equal to 100 per cent. of their principal amount on the date falling 60 days after (in the case of (i)) the date of cessation of trading or (in the case of (ii)) the business day immediately following the expiry of such continuous period of seven days.
Redemption for Taxation Reasons	:	The Company may redeem all (but not some only) of the Notes early if it has or will become obliged to pay any additional amounts for taxation reasons as set out in the terms and conditions of the Notes.
Purchase and Cancellation	:	The Company or any of its Subsidiaries may at any time purchase Notes in the open market or otherwise and at any price. All Notes so redeemed or purchased by the Company or any of its Subsidiaries shall be cancelled and may not be reissued or resold.

Covenants : **(A) Negative Pledge**

So long as any of the Notes remain outstanding, the Company will not, and will ensure that none of its Subsidiaries will, create or have outstanding any Security Interest over the whole or any part of its undertakings, assets or revenues, present or future, save for:

(i) any Security Interest or rights of set-off arising solely by operation of law (or by an agreement evidencing the same) in respect of (A) Indebtedness which either (1) has been due for less than 21 days or (2) is being contested in good faith and by appropriate means, or (B) taxes being contested in good faith;

(ii) any Security Interest existing as at the date of the Note Trust Deed over any of the respective undertakings, assets or revenues of the Company or any of its Subsidiaries and disclosed in writing to the Note Trustee on or prior to the date of the Note Trust Deed including, without limitation, Security Interests granted under the Revolving Credit Facility on or prior to the date of the Note Trust Deed;

(iii) any Security Interest created or to be created over any of the respective undertakings, assets or revenues of the Company or any of its Subsidiaries pursuant to the Revolving Credit Facility (in each case, in the form agreed as at the date of the Note Trust Deed);

(iv) any Security Interest created solely in connection with the financing of an acquisition and/or development of assets by the Company or any of its Subsidiaries after the date of the Note Trust Deed (including the acquisition by way of acquisition of the shares in a company or entity owning (whether directly or indirectly) such assets); **provided, however, that** such Security Interest (A) shall not extend beyond the assets that are the subject of such acquisition or development, and (B) secures a principal amount not exceeding the cost of such acquisition or development;

(v) any Security Interest created over any asset pursuant to any arrangement, transaction or activity of the Company or any of its Subsidiaries undertaken in the ordinary course of business or trading;

(vi) Security Interests to secure any Permitted Refinancing Indebtedness permitted to be Incurred under paragraph (B)(ii) below, **provided, however, that** the new Security Interest shall be limited to all or part of the same property and assets that

secured or, under the written agreements pursuant to which the original Security Interests arose, could secure the original Security Interests (plus improvements and accessions to, such property or proceeds or distributions thereof);

(vii) any Security Interest over or affecting any asset acquired by any member of the Group after the Issue Date if:

(A) the Security Interest was not created in contemplation of the acquisition of that asset by such member of the Group;

(B) the principal amount secured has not been increased in contemplation of, or since the acquisition of that asset by such member of the Group; and

(C) the Security Interest is removed or discharged within 90 days of the date of acquisition of such asset;

(viii) any Security Interest arising as a result of legal proceedings which is discharged within 21 days or otherwise contested in good faith (and not otherwise constituting an event of default under the terms and conditions of the Notes) and in respect of which adequate reserves are being maintained;

(ix) any Security Interest over cash paid into an escrow or similar account in connection with a disposal that does not fall within the circumstances referred to in the terms and conditions of the Notes;

(x) any Security Interest granted in favour of the Common Security Agent as security agent of the Note Trustee and Noteholders of the Notes as of the Issue Date; and

(xi) any other Security Interest which has been approved by the Noteholders by way of an extraordinary resolution.

(B) Limitation on Indebtedness

(i) So long as any of the Notes remain outstanding, the Company will not, and will not permit any Subsidiary to, directly or indirectly, Incur any Indebtedness, **provided that** the Company and any Subsidiary may Incur Indebtedness if, after giving effect to the Incurrence of such Indebtedness and the receipt and application of the proceeds therefrom, and on the Transaction Date:

(A) no Default has occurred and is continuing; and

(B) the ratio of Consolidated Total Debt to Consolidated EBITDA would be less than 2.5 to 1.0.

(ii) Notwithstanding the foregoing, the Company and any Subsidiary of the Company, to the extent provided below, may Incur each and all of the following:

(A) the Incurrence by the Company or any of its Subsidiaries of the Existing Indebtedness;

(B) Indebtedness under the New Notes, provided that the principal amount of the New Notes and any accrued interest capitalised and added to the then current outstanding principal amount of the New Notes in accordance with their terms and conditions shall be taken into account in the calculation of Consolidated Total Debt for the purposes of sub-paragraph (B)(i)(B) above;

(C) Indebtedness under the Notes;

(D) Indebtedness under the Revolving Credit Facility up to an aggregate principal amount outstanding thereunder from time to time of US$200 million (or its equivalent in any other currency or currencies);

(E) the Incurrence by the Company or any of its Subsidiaries of Permitted Refinancing Indebtedness in exchange for, or the net proceeds of which are used to extend, renew, refund, refinance, replace, exchange, defease or discharge any Indebtedness (other than intercompany Indebtedness) that is permitted to be Incurred under this paragraph (B), including, without limitation, under sub-paragraphs (B)(ii)(A), (B)(ii)(B), (B)(ii)(C) and (B)(ii)(D) above;

(F) Indebtedness Incurred solely in connection with the financing of an acquisition and/or development of assets by the Company or any of its Subsidiaries (including the acquisition by way of acquisition of the shares in a company or entity owning (whether directly or indirectly) such assets); provided, however, that such Indebtedness is in a principal amount not exceeding the cost of such acquisition or development;

(G) Permitted Subordinated Indebtedness;

(H) Indebtedness of the Company or any Subsidiary owed to the Company or any Subsidiary; provided that (1) any event which results in any such Subsidiary to which such Indebtedness is owed ceasing to be a Subsidiary or any subsequent transfer of such Indebtedness (other than to the Company or any Subsidiary) shall be deemed, in each case, to constitute an Incurrence of such Indebtedness not permitted by this sub-paragraph (B)(ii), (2) if the Company is the obligor on such Indebtedness, such Indebtedness must be unsecured and expressed by its terms to be subordinated in right of payment to the Notes, and (3) if the Indebtedness is owed to the Company, such Indebtedness must expressly be evidenced by an unsubordinated promissory note, intra-group loan agreement or a similar instrument under applicable law;

(I) the Incurrence by the Company or any of its Subsidiaries of Hedging Obligations not for speculative purposes (as determined in good faith by a responsible financial or accounting officer of the Company);

(J) Indebtedness Incurred by the Company or any Subsidiary constituting reimbursement obligations with respect to workers' compensation claims or self-insurance obligations or bid, performance or surety bonds (in each case other than for an obligation for borrowed money);

(K) Indebtedness Incurred by the Company or any Subsidiary constituting reimbursement obligations with respect to letters of credit or trade guarantees issued in the ordinary course of business to the extent that such letters of credit or trade guarantees are not drawn upon or, if drawn upon, to the extent such drawing is reimbursed no later than the 30 days following receipt by the Company or such Subsidiary of a demand for reimbursement;

(L) Indebtedness arising from agreements providing for indemnification, adjustment of purchase price or similar obligations, or from guarantees or letters of credit, surety bonds or performance bonds securing any obligation of the Company or any Subsidiary pursuant to such agreements, in any case, Incurred in connection with the disposition of any business, asset or Subsidiary, other than guarantees of Indebtedness Incurred by any Person acquiring all or any portion of such business, asset or Subsidiary for the purpose of financing such acquisition; provided that the maximum aggregate liability in respect of all such Indebtedness in the nature of such guarantee shall at no time exceed the gross proceeds actually received from the sale of such business, asset or Subsidiary;

(M) Indebtedness arising from the honouring by a bank or other financial institution of a cheque, draft or similar instrument drawn against insufficient funds in the ordinary course of business, provided that such Indebtedness is extinguished within five business days of Incurrence;

(N) the Incurrence by the Company of any of its Subsidiaries of obligations relating to production imbalances arising in the ordinary course of business;

(O) Indebtedness of the Company or any Subsidiary in an aggregate principal amount outstanding at any time (together with refinancings thereof) not to exceed US$5 million (or its equivalent in any other currency or currencies);

(P) the Incurrence by the Company or any of its Subsidiaries of Indebtedness in connection with one or more standby letters of credit, Guarantees, performance bonds or other reimbursement obligations, in each case, issued in the ordinary course of business and not in connection with the borrowing of money or the obtaining of an advance or credit (other than advances or credit for goods and services in the ordinary course of business and on terms and conditions that are customary in the Oil and Gas Business, and other than the extension of credit represented by such letter of credit, Guarantee or performance bond itself);

(Q) the Incurrence by the Company or any Subsidiary of Indebtedness through the provision of bonds, Guarantees, letters of credit or similar instruments required by any national or international maritime commission or authority or other governmental or regulatory agencies, including, without limitation, customs authorities; in each case, for vessels owned or chartered by, and in the ordinary course of business of, the Company or any of its Subsidiaries at any time outstanding not to exceed the amount required by such governmental or regulatory authority;

(R) the Incurrence by the Company or any of its Subsidiaries of Indebtedness in the form of customer deposits and advance payments received in the ordinary course of business from customers for purchases in the ordinary course of business; and

(S) any obligation of the Company or any of its Subsidiaries in respect of a farm-out agreement or similar arrangement entered into by the Company or any of its Subsidiaries with another Person, whereby such Person agrees to pay all or a share of the petroleum operations costs of the Company or any of its Subsidiaries (which agreement may be subject to a maximum payment obligation, after which expenses are shared in accordance with the working or participation interest therein or in accordance with the agreement of the parties) or perform such petroleum operations in exchange for an ownership interest in an oil or gas property.

(C) Limitation on Asset Sales

So long as any of the Notes remain outstanding, the Company will not, and will not permit any Subsidiary to, consummate any Asset Sale, unless:

(i) no Default shall have occurred and be continuing at that time or would occur as a result of such Asset Sale; and

(ii) the consideration received by the Company or such Subsidiary, as the case may be, is at least equal to the Fair Market Value of the assets sold or disposed of.

(D) Dividend Restriction

So long as any of the Notes remains outstanding, the Company will not pay any dividend, whether in cash or *in specie*, to reduce its capital or make any other distribution to its Shareholders.

(E) Merger, Consolidation or Sale of Assets

So long as any of the Notes remain outstanding, the Company will not, directly or indirectly (i) consolidate, amalgamate or merge with or into another Person (whether or not the Company is the surviving corporation) or (ii) sell, assign, transfer, lease, convey or otherwise dispose of all or substantially all of the properties or assets of the Company and its Subsidiaries, taken as a whole, in one or more related transactions, to another Person, unless:

(i) either:

(A) the Company is the surviving corporation; or

(B) the Person formed by or surviving any such consolidation, amalgamation or merger (if other than the Company) or the Person to which such sale, as signment, transfer, conveyance, lease or other disposition has been made assumes all the obligations of the Company under the Notes and the Note Trust Deed;

(ii) immediately after such transaction or transactions, no Default shall have occurred and be continuing at that time;

(iii) the ratio of Consolidated Total Debt to Consolidated Equity (the "**Gearing Ratio**") of the Company or the Person formed by or surviving any such consolidation, amalgamation or merger (if other than the Company), or to which such sale, assignment, transfer, conveyance, lease or other disposition has been made would, on the date of such transaction after giving pro forma effect thereto be at least equal to or lower than the Gearing Ratio of the Company immediately prior to such transaction; and

(iv) the Company shall have delivered to the Note Trustee an officer's certificate and an opinion of counsel, each stating that such consolidation, amalgamation, merger or transfer comply with this paragraph (E); provided that in giving an opinion of counsel, counsel may rely on an officer's certificate as to any matters of fact. The Note Trustee shall be entitled to accept such certificate and opinion as sufficient evidence of compliance with the requirements of this paragraph (E), in which event they shall be conclusive and binding on the Noteholders.

Clearing and Settlement	:	The Notes will be represented by the Global Certificate. The Notes will be held in book-entry form (by delivery of the Global Certificate to CDP) pursuant to the rules of the SGX-ST and CDP.
Trading of the Notes	:	Upon the listing and quotation of the Notes on the Main Board of the SGX-ST, the Notes will be traded on the Main Board of the SGX-ST under the book-entry (scripless) settlement system. The Notes may also be traded over-the-counter on the Debt Securities Clearing and Settlement System. All dealings in and transactions (including transfers) in relation to the Notes effected through the SGX-ST and/or CDP shall be made in accordance with CDP's "*Terms and Conditions for Operation of Securities Accounts with The Central Depository (Pte) Limited*", and the terms and conditions contained in the CDP Application Form. Copies of the "*Terms and Conditions for Operation of Securities Accounts with The Central Depository (Pte) Limited*" are available from CDP. For the purposes of trading on the Main Board of the SGX-ST, each board lot of Notes will comprise S$1,000 in principal amount of Notes. Shareholders who hold odd lots of Notes (that is, lots other than board lots of S$1,000 in principal amount of Notes) and who wish to trade in odd lots on the SGX-ST are able to trade odd lots of S$1.00 in principal amount of Notes on the Unit Share Market. Shareholders who hold odd lots of Notes may find difficulty and/or have to bear disproportionate transaction costs in realising the fair market price of such Notes.
Note Trustee	:	DBS Trustee Limited.
Common Security Agent	:	Madison Pacific Trust Limited
Issuing and Paying Agent and Registrar	:	DBS Bank Ltd.
Taxation	:	All payments of principal and interest in respect of the Notes by or on behalf of the Company shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of the Cayman Islands, Singapore or any political subdivision thereof or any authority therein or thereof having power to tax, unless the withholding or deduction of such taxes, duties, assessments or governmental charges is required by law. In that event the Company shall pay such additional amounts as will result in receipt by the Noteholders after such withholding or deduction of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable in respect of any Note held by certain persons or surrendered for payment in certain circumstances as set out in the terms and conditions of the Notes.

Selling Restrictions	:	The Notes are being offered, allotted and delivered only outside the United States to Entitled Shareholders who are not U.S. persons, in "offshore transactions" (as defined in Regulation S) in accordance with Regulation S.
Risk Factors	:	Please refer to the section "*Risk Factors*" for risk factors relating to the Notes.
Governing Law	:	Laws of Singapore.

The Warrants and the New Shares

Number of Warrants to be Issued	:	1,255,183,632 Warrants.
Basis of allotment	:	Nine Warrants to be issued with every one Note successfully subscribed for pursuant to the Preferential Offering, fractional entitlements to be disregarded.
Exercise Price	:	S$0.110, being the sum payable in respect of each New Share for which a Warrantholder will be entitled to subscribe upon the exercise of a Warrant, such price subject to such adjustments under certain circumstances as may be required in accordance with the terms and conditions of the Warrants to be set out in the Deed Poll. The Exercise Price is based on a discount of approximately 20.1 per cent. to the volume-weighted average price of the Shares as transacted on the SGX-ST for the three-month period up to and including 2 November 2016 (being the Market Day preceding the Preferential Offering Announcement) of S$0.1376, and represents a discount of approximately 24.1 per cent. to the closing price of the Shares as quoted on the SGX-ST on 2 November 2016 of S$0.145.
Exercise Period	:	The period during which the Warrants may be exercised commencing on and including the date of issue of the Warrants and expiring at 5.00 p.m. on the date falling 84 months following the date of issue of the Warrants, unless that date is a date on which the Register of Members and/or the Warrant Register of the Company is closed or is not a Market Day, in which event the Exercise Period shall end on the Market Day prior to the closure of the Register of Members and/or the Warrant Register or the immediately preceding Market Day, as the case may be, but excluding such period(s) during which the Register of Members and/or the Warrant Register may be closed pursuant to the terms and conditions of the Warrants.

Procedure for exercise : A Warrant may only be exercised in the manner prescribed in the terms and conditions of the Warrants to be set out in the Deed Poll including, *inter alia*, the following:

(a) the Warrantholder must be a non-U.S. person (as defined in Regulation S) outside of the United States;

(b) the Warrant must be exercised before 3.00 p.m. on any Market Day prior to the Expiration Date and before 5.00 p.m. on the Expiration Date;

(c) the Warrantholder must furnish such evidence (if any) as the Warrant Agent may require to determine or verify the due execution of the exercise notice or otherwise to ensure the due exercise of the Warrants;

(d) the Exercise Price must be paid or satisfied;

(e) any deposit, fees or expenses for the time being chargeable by and payable to CDP (if any) and any stamp, issue, registration or other similar taxes or duties arising on the exercise of the relevant Warrant(s) as the Warrant Agent may require must be paid; and

(f) any fees for certificates for the New Shares to be issued or for the New Shares to be registered in the name of the exercising Warrantholder or CDP (as the case may be) must be paid, any documents required to effect the registration of the New Shares must be submitted and certificates for the New Shares must be delivered upon exercise of the relevant Warrants to the place specified by the exercising Warrantholder in the exercise notice or to CDP (as the case may be).

Detachability and trading : The Warrants will be detached from the Notes on allotment and issue and will trade separately on the Main Board of the SGX-ST, under the book-entry (scripless) settlement system upon the listing of and quotation for the Warrants on the Main Board of the SGX-ST, subject to, *inter alia*, a satisfactory spread of holdings of the Warrants to provide for an orderly market in the trading of the Warrants. Each board lot of Warrants will consist of 100 Warrants or such other number as may be notified by the Company.

Shareholders who hold odd lots of Warrants (that is, lots other than board lots of 100 Warrants) and who wish to trade in odd lots on the SGX-ST are able to trade odd lots of Warrants in board lots of one Warrant on the Unit Share Market. Shareholders who hold odd lots of Warrants may find difficulty and/or have to bear disproportionate transaction costs in realising the fair market price of such Warrants.

Form and subscription rights	:	The Warrants will be issued in registered form and will be constituted by the Deed Poll. Subject to the terms and conditions of the Warrants to be set out in the Deed Poll, each Warrant shall entitle the Warrantholder, at any time during the Exercise Period to subscribe for one New Share at the Exercise Price on the relevant exercise date of the Warrants.
Mode and payment for exercise of Warrants	:	Payment of the Exercise Price shall be made at the specified office of the Warrant Agent by way of remittance in Singapore currency by banker's draft or cashier's order drawn on a bank operating in Singapore as the Warrant Agent may designate, for the credit of the Special Account for the full amount of the monies payable in respect of the Warrant(s) exercised under the terms and conditions of the Warrants, **provided always that** any such remittance shall be accompanied by the delivery to the Warrant Agent of the payment advice as set out in the terms and conditions of the Warrants and shall comply with any exchange control or other statutory requirements for the time being applicable.
Number of New Shares	:	1,255,183,632 New Shares will be issued, assuming that all the Warrants are exercised and no adjustment is made to the number of Warrants under the terms of the Deed Poll.
Status of New Shares	:	The New Shares will, upon allotment and issue and upon the exercise of the Warrants, rank *pari passu* in all respects with the then existing Shares for any dividends, rights, allotments or other distributions, the record date for which falls on or after allotment and issue of the New Shares arising from the exercise of the relevant Warrants. The allotment and delivery of the New Shares is being made pursuant to an exemption from the registration requirements of the U.S. Securities Act. The New Shares have not been, or will not be, registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and, accordingly, the New Shares may not be offered, sold, resold, allotted, taken up, exercised, renounced, pledged, or otherwise transferred or delivered except in an offshore transaction in accordance with Rule 904 of Regulation S, and in accordance with any applicable securities laws of the United States and of any state of the United States.
Adjustments	:	The Exercise Price and number of Warrants shall be adjusted in certain cases to be set out in the terms and conditions of the Warrants in the Deed Poll, as follows: (a) an issue by the Company of Shares to Shareholders credited as fully paid by way of capitalisation of profits or reserves (whether of a capital or income nature or not and including any capital redemption reserve fund, other than an issue of Shares to Shareholders who elect to receive Shares in lieu of cash or other dividend);

(b) a Capital Distribution (as defined below) made by the Company to its Shareholders whether on a reduction of capital or otherwise (but excluding any cancellation of capital which is lost or unrepresented by any available assets);

(c) an offer or invitation made by the Company to its Shareholders under which they may acquire or subscribe for Shares by way of rights;

(d) an issue (otherwise than pursuant to an offer or invitation made by the Company to its Shareholders under which they may acquire or subscribe for Shares by way of rights, requiring an adjustment under paragraph (c) above, and other than an issue of Shares to Shareholders who elect to receive Shares in lieu of cash or other dividend) by the Company of Shares if the Total Effective Consideration (as defined below) for each Share is less than 90 per cent. of the last dealt price for each Share; or

(e) any consolidation, subdivision or conversion of Shares.

"**Capital Distribution**" shall (without prejudice to the generality of that expression) include distributions in cash or specie (other than dividends) or by way of issue of Shares (not falling under paragraph (a)) or other securities credited as fully or partly paid up by way of capitalisation of profits or reserves (including any capital redemption reserve fund) other than an issue of Shares to Shareholders who elect to receive Shares in lieu of cash or other dividend.

"**Total Effective Consideration**" shall be determined by the directors with the concurrence of an approved bank and shall be the aggregate consideration receivable by the Company on payment in full for such Shares, without any deduction of any commissions, discounts or expenses paid, allowed or incurred in connection with the issue thereof.

Any additional warrants issued pursuant to such adjustment shall rank *pari passu* with the Warrants and will for all purposes form part of the same series of Warrants constituted by the Deed Poll.

Any such adjustments shall (unless otherwise provided under the rules of the SGX-ST from time to time) be announced by the Company on SGXNET.

Modifications of rights of Warrantholders : The Company may, without the consent of the Warrantholders but in accordance with the terms of the Deed Poll, effect any modification to the Warrants or the Deed Poll which, in the opinion of the Company:

(a) is not materially prejudicial to the interests of the Warrantholders;

(b) is of a formal, technical or minor nature or to correct a manifest error or to comply with mandatory provisions of Singapore law or the rules and regulations of SGX-ST; and/or

(c) is to vary or replace provisions relating to the transfer or exercise of the Warrants including the issue of New Shares arising from the exercise of the Warrants or meetings of the Warrantholders in order to facilitate trading in or the exercise of the Warrants or in connection with the implementation and operation of the book-entry (scripless) settlement system in respect of trades of the Company's securities on the SGX-ST, **provided that** such variation or replacement is not materially prejudicial to the interests of the Warrantholders.

Any such modification shall be binding on all Warrantholders. Upon any modification of the terms of the Deed Poll and/or the terms and conditions of the Warrants, notice shall be given to the Warrantholders in accordance with the terms and conditions of the Warrants to be set out in the Deed Poll as soon as practicable thereafter. Unless made pursuant to the terms and conditions of the Warrants to be set out in the Deed Poll, any material alteration to the terms and conditions of the Warrants after the issue thereof to the advantage of the Warrantholders and prejudicial to the Shareholders is subject to the approval of the Shareholders in a general meeting, and, if necessary, the SGX-ST.

Transfer and transmission : A Warrant may only be transferred in the manner prescribed in the terms and conditions of the Warrants to be set out in the Deed Poll including, *inter alia*, the following:

(a) a Warrantholder (the "**Transferor**") shall lodge, during normal business hours on any Market Day at the specified office of the Warrant Agent, the Transferor's Warrant Certificate(s) together with a transfer form as prescribed by the Company from time to time (the "**Transfer Form**") duly completed and signed by, or on behalf of, the Transferor and the transferee and duly stamped in accordance with any applicable law for the time being in force relating to stamp duty and accompanied by the fees and expenses set out in

the Deed Poll, **provided that** the Company and the Warrant Agent may dispense with requiring the Depository to sign as transferee any Transfer Form for the transfer of Warrants to it;

(b) the Transferor shall furnish such evidence (if any) as the Warrant Agent may require to determine the due execution of the Transfer Form by or on behalf of the transferring Warrantholder;

(c) the Transferor shall pay the expenses of, and submit any necessary documents required in order to effect the delivery of the new Warrant Certificate(s) to be issued in the name of the transferee;

(d) the Transfer Form shall be accompanied by the registration fee (such fee being for the time being a sum of S$2.00 (excluding any goods and services tax) for each Warrant Certificate to be transferred) which shall be payable by cash or cheque together with any stamp duty and any goods and services tax (if any) specified by the Warrant Agent to the Transferor, such evidence as the Warrant Agent may require to determine and verify the due execution of the Transfer Form and payment of the expenses of, and submit, such documents as the Warrant Agent may require to effect delivery of the new Warrant Certificate(s) to be issued in the name of the transferee;

(e) if the Transfer Form has not been fully or correctly completed by the Transferor or the full amount of the fees and expenses due to the Warrant Agent have not been paid to the Warrant Agent, the Warrant Agent shall return such Transfer Form to the Transferor accompanied by written notice of the omission(s) or error(s) and requesting the Transferor to complete and/or amend the Transfer Form and/or to make the requisite payment; and

(f) if the Transfer Form has been fully and correctly completed, the Warrant Agent shall, as agent for and on behalf of the Company:

(i) register the person named in the Transfer Form as transferee in the Warrant Register as registered holder of the Warrant in place of the Transferor;

(ii) cancel the Warrant Certificate(s) in the name of the Transferor; and

(iii) issue new Warrant Certificate(s) in respect of the Warrants registered in the name of the transferee.

Transfer and transmission of Warrants held by U.S. persons	:	Where the Company or directors determine, in their absolute discretion, or are of the opinion (but without imposing an obligation on them to so determine or opine) that Warrants of the Company are being held, directly or indirectly, by any U.S. person, the Company may at its option direct such person to transfer the whole or a specified percentage of such Person's Warrants to a person who is not a U.S. person. If the required transfer is not effected within 30 days after service of notice by the Company and such person has not established to the reasonable satisfaction of the Company or its directors (whose judgment shall be final and binding) that such person is not a U.S. person, the Warrants concerned may be sold by the Company in any manner it determines fit on behalf of such person (and without such sale needing to fulfil the conditions set forth above under "*Transfer and transmission*"). The consent of such person for such transfer is not required and, notwithstanding any provisions to the contrary in the Deed Poll, until such transfer is effected, the holder of such Warrants shall not be entitled to any rights, benefits or privileges attaching to such Warrants, and the Company may deal with any such rights, benefits or privileges of such person at its absolute discretion.
Winding Up	:	If an effective resolution is passed during the Exercise Period for a members' voluntary winding up of the Company, for the purpose of reconstruction or amalgamation pursuant to a scheme of arrangement approved by the Warrantholders by way of a special resolution, the terms of such scheme of arrangement shall be binding on all the Warrantholders and all persons having an interest in the Warrants. In any other case, if notice is given by the Company to its members to convene a general meeting for the purposes of considering a members' voluntary winding-up of the Company, every Warrantholder shall be entitled upon and subject to the Deed Poll and the terms and conditions of the Warrants, at any time within six weeks after the passing of such resolution for a members' voluntary winding-up of the Company, by irrevocable surrender of his Warrant Certificate(s) to the Company with the exercise notice(s) duly completed, together with all payments payable under the terms and conditions of the Warrants, to elect to be treated as if he had immediately prior to the commencement of such winding-up exercised the Warrants to the extent

		specified in the exercise notice(s) and had on such date been the holder of the Shares to which he would have become entitled pursuant to such exercise and the liquidator of the Company shall give effect to such election accordingly. The Company shall give notice to the Warrantholders in accordance with the Deed Poll and the terms and conditions of the Warrants of the passing of any such resolution within seven days after the passing thereof. Subject to the foregoing, if the Company is wound up for any other reasons, all Warrants which have not been exercised at the date of the passing of such resolution shall lapse and the Warrants shall cease to be valid for any purpose.
Further Issues	:	Subject to the terms and conditions of the Warrants, the Company shall be at liberty to issue Shares to Shareholders or other investors either for cash or as a bonus distribution and further subscription rights upon such terms and conditions as the Company sees fit but the Warrantholders shall not have any participating rights in such issue of Shares unless otherwise resolved by the Company in general meeting or in the event of a take-over offer to acquire the Shares.
Warrant Agent	:	M & C Services Private Limited.
Governing Law	:	Laws of Singapore.

ILLUSTRATIVE EXAMPLES

For the avoidance of doubt, Entitled Shareholders will be entitled to participate in the Preferential Offering if they hold less than 1,000 Shares as at the Record Date.

Below are illustrative examples of the entitlements to the Notes and Warrants of Entitled Shareholders who hold 1,000 and 100 Shares, respectively as at the Record Date:

Entitlements to the Notes

An Entitled Shareholder with 1,000 Shares as at the Record Date will be entitled to 93 Notes.

An Entitled Shareholder with 100 Shares as at the Record Date will be entitled to nine Notes.

Please note that fractional entitlements will be disregarded.

Entitlements to the Warrants

The number of Warrants will be determined based on the final number of Notes allocated to an Entitled Shareholder, on the basis of nine Warrants for each Note allocated.

An Entitled Shareholder with a final allocation of 93 Notes will be entitled to 837 Warrants.

An Entitled Shareholder with a final allocation of one Note will be entitled to nine Warrants.

Please note that fractional entitlements will be disregarded.

The following summarises some of the principal risks and uncertainties that may arise in connection with an investment in the Notes, the Warrants and/or the New Shares. It should be read in conjunction with all of the other information contained in this Offering Memorandum. Additional risks and uncertainties not presently known to the Company or that the Company currently deems immaterial may become material and have a material adverse effect on the business, financial condition, results of the operations or prospects of the Group and cause the value of the Notes, the Warrants and/or the New Shares to decline. This Offering Memorandum also contains forward-looking statements, which necessarily involve risks and uncertainties of their own. Actual results may differ materially from those anticipated in these forward-looking statements as a result of various factors and circumstances, including the risks and uncertainties described herein and other factors outside of the Company's control. Moreover, if and to the extent that any of the risks described below materialise, they may occur in combination with other risks which would compound the adverse effect of such risks on the Company's business activities, financial condition, results of operations and prospects.

The risk factors set out in this Offering Memorandum are not, and are not intended to be, exhaustive and investors should make their own assessment, and where they are uncertain, take appropriate professional advice, in respect of any dealings with the Group.

The sequence in which the risk factors are presented below is not indicative of their likelihood of occurrence or of the potential magnitude of their financial consequences.

Risks Relating to the Group

The Group is and may continue to be negatively affected by continued uncertainty in the global commodity and financial markets.

The Group is an independent upstream oil and gas company focused on the exploration, appraisal, development and production of oil and gas reserves and resources in Asia. Fluctuations in oil prices will have an immediate impact on the Group's revenue, which is derived from the sale of crude oil, liquids and gas. There has been, and continues to be, significant fluctuations in the price of crude oil. The average monthly price of Dubai crude oil, a relevant benchmark in Asia, ranged from US$41.69 per barrel ("**bbl**") to US$43.86/bbl from November 2015 to November 2016 and the average monthly price of Brent crude ranged from US$45.93/bbl to US$47.08/bbl from November 2015 to November 2016, and achieved a 13-year low slightly below US$28.00/bbl in January 2016. While there has been an uptick in oil prices from 13-year lows at the beginning of 2016, the markets remain uncertain. Such conditions have adversely impacted, and continue to present risks for the oil and gas and offshore marine sectors. These conditions have similarly impacted the Group and the Group's results of operations, financial condition and prospects. This, in turn, has affected the Company's traditional strategy of financing investments in projects through an optimal funding mix of operating cash flow and debt and equity financing. Access to financial markets is impeded by such factors and the Group's ability to obtain funding or to refinance its indebtedness on commercially reasonably terms and in a timely manner. Such prolonged uncertainty in the global commodity and financial markets will and may continue to adversely affect the Group's business, results of operations, financial condition and prospects.

The Group has previously incurred and may continue to incur losses in its results of operations.

The Group has previously incurred and may continue to incur losses in its results of operations. There are substantial risks, uncertainties, expenses and difficulties to which the Group's business is subject. The Company's ability to make scheduled payments on, or to refinance its obligations with respect to, its indebtedness will depend on its financial and operating performance. There can be no assurance that it will generate sufficient cash flow from operations, which could impact its ability to sustain operations, bring operations to a point where it is able to make full use of its rights to cost recovery

petroleum or obtain any additional funds it may require in the future to satisfy requirements beyond its current committed capital expenditure. The Group cannot be certain that it will successfully develop and implement the new business plan approved and adopted by the Company in October 2016 (the "**New Business Plan**") or that it will successfully address the risks that face its business.

The Group's leverage and debt service obligations could materially and adversely affect the Group's business.

The Company expects that the Revolving Credit Facility, the Bridge Upsize, the Notes, the New Notes and the security documents to be entered into in connection with the Revolving Credit Facility and the Notes will impose significant operating and financial restrictions on the Company and other members of the Group.

The degree to which the Group is leveraged and the restrictions imposed on the Group could have important consequences to its business, including, but not limited to:

- making it difficult for the Group to satisfy its obligations with respect to its indebtedness;
- increasing the Group's vulnerability to, and reducing its flexibility to respond to, general adverse economic and industry conditions;
- requiring the dedication of a substantial portion of the Group's cash flow from operations to the repayment of principal of, and interest on, indebtedness, thereby reducing the availability of such cash flow. In addition, as the interest rates under the Revolving Credit Facility are floating rates, the interest costs could rise significantly in the future, thereby increasing the Group's interest expenses associated with these obligations;
- limiting the Group's ability to obtain additional financing to fund working capital, capital expenditures, debt service requirements, business ventures, or other general corporate purposes;
- limiting the Group's flexibility in planning for, or reacting to, changes in its business and the competitive environment and the industry in which the Group does business; and
- placing the Group at a competitive disadvantage as compared to its competitors, to the extent that its competitors are not as highly leveraged.

These consequences could have a material adverse effect on the Group's business, liquidity, prospects, financial condition and results of operations and the Company's ability to satisfy its debt obligations.

The terms under the Revolving Credit Facility, the terms and conditions of the Notes to be issued by the Company pursuant to the Preferential Offering and the terms and conditions of the New Notes to be issued by the Company pursuant to the Notes Exchanges may restrict the Group's ability to dispose of assets. Although there are carve-outs provided for in these asset disposal restrictions of the Group's various debt obligations, such carve-outs may not always be applicable. Further, even if such disposal was allowed, proceeds from such disposal may not be adequate to meet any debt service obligations then due. The Group's inability to generate sufficient cash flows to satisfy its debt service obligations, or to refinance its indebtedness on commercially reasonable terms and in a timely manner, could have a material adverse effect on its business, results of operations, financial condition and future prospects.

The Group's earnings and cash flow may be insufficient to satisfy its debt obligations.

If the Group is unable to generate sufficient cash flow and capital resources to satisfy its debt obligations or other liquidity needs, it may have to undertake alternative financing plans, such as refinancing or restructuring debt, selling assets, reducing or delaying capital investments or seeking to raise additional capital. There is no assurance that any refinancing would be possible, that any assets could be sold or, if sold, of the timing of the sales and the amount of proceeds that may be

realised from those sales, or that the Group could obtain additional financing on acceptable terms, or at all. In the absence of such operating results and resources, the Group could face substantial liquidity problems and might be required to dispose of material assets or operations to meet its debt service and other obligations.

It may be expensive and logistically burdensome to discontinue operations should economic, physical or other conditions subsequently deteriorate.

Once the Group has an interest in an established oil or gas development and/or production operation in a particular location, it may be expensive and logistically burdensome to discontinue such operation should economic, physical or other conditions subsequently deteriorate. This is due to, among other reasons, the significant capital investment required in connection with oil and gas development and production, the nature of the contractual arrangements with government authorities in the relevant jurisdictions, and significant decommissioning costs. For example, the Company and/or its joint venture partners are required to commit to long-term contractual obligations with service providers pursuant to the development and production phases and in a volatile oil price environment, the Company will be unable to discontinue operations without incurring significant financial penalties, which will have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

Additionally, because oil and gas assets in general are relatively illiquid, and would be even more so should the circumstances in the relevant jurisdiction deteriorate, the Group's ability to promptly sell its assets or businesses in the event it were to discontinue operations in a particular jurisdiction may be limited. No assurance can be given that the Group will be able to sell any asset for the price or on terms it sets, or that any price or other terms offered by a prospective purchaser would be acceptable to it. It is also not possible to predict with certainty the length of time that could be needed to find purchasers for its assets, if at all, and to complete the disposal of assets in times of political, economic, financial or investment uncertainty.

The Group has incurred impairments on its producing assets and may incur further impairments in the future.

As a result of the continual decline in oil prices, the Company incurred impairments on its producing assets as at 31 December 2015. Following stress testing of the Company's portfolio under various oil price sensitivities, the Company recorded impairments over its Thai producing assets of US$69.9 million and, as a result of a lowering of near- and medium-term price assumptions, the Company wrote-down US$17.7 million on crude oil inventory as at 31 December 2015. With continued volatility in the prices of crude oil and natural gas, the Company is expected to continue to incur further impairments on its producing assets in the future.

The Group cannot accurately predict its future decommissioning liabilities.

The Group has assumed certain obligations in respect of the decommissioning of its fields and related infrastructure. These liabilities are derived from legislative and regulatory requirements concerning the decommissioning of wells and production facilities and require the Group to make provision for and/or underwrite the liabilities relating to such decommissioning. Although the Group's accounts make a provision for such decommissioning costs, there can be no assurance that the costs of decommissioning will not exceed the amount of the long-term provision set aside to cover such decommissioning costs. In addition, local or national governments may require decommissioning to be carried out in circumstances where there is no express obligation to do so, which may result in higher decommissioning costs than the Group expected at the time when the Group made provisions. It is therefore difficult to forecast accurately the costs that the Group will incur in satisfying its decommissioning obligations and the Group may have to draw on funds from other sources to bear such costs. Any significant increase in the actual or estimated decommissioning costs that it incurs could have a material adverse effect on its business, results of operations, financial condition and future prospects.

Derivative transactions could result in financial losses or could reduce the Group's earnings.

To achieve more predictable cash flows and reduce the Group's exposure to adverse fluctuations in oil prices, the Group may enter into derivative instrument contracts from time to time. Accordingly, the Group's earnings may fluctuate as a result of changes in the fair value of the Group's derivative instruments. Derivative instruments also expose the Group to the risk of financial loss in some circumstances, including when the counterparty to the derivative instrument defaults on its contractual obligations or there is an increase in the differential between the underlying price in the derivative instrument and actual prices received. The use of derivatives may, in some cases, require the posting of cash collateral with counterparties. If the Group enters into derivative instruments that require cash collateral and commodity prices or interest rates change in a manner adverse to the Group thereby requiring it to post the cash collateral, the Group's cash may be reduced, which could limit its ability to fund capital expenditures. Future collateral requirements will depend on arrangements with the Group's counterparties, volatility in oil prices and interest rates.

The Group may not be able to successfully implement its business and restructuring plan.

The successful implementation of the New Business Plan depends on, amongst other things, movements in oil and gas prices, ability to rationalise the Group's select assets within its portfolio, ability to progress and execute developments on time and within budget and maintenance of existing production from the Group's portfolio.

If the Proposed Restructuring Plan is not successfully implemented, the Group may have to seek other third-party financing in the future, and its ability to arrange for such financing will depend on numerous factors, including general economic and capital market conditions, interest rates, credit availability from other lenders, investor confidence in the Group and the political and economic conditions in the region. There can be no assurance that such additional financing, either on a short-term or long-term basis, will be available to the Group in the future or, if available, such financing would be obtained on favourable terms.

The Group conducts some of its operations through joint operations and has limited control over the activities in contract areas that the Group does not operate.

The Group has entered into joint operations in respect of certain of the Group's assets, and the Group's joint-venture partners operate a number of the contract areas in which the Group has an interest, including some of the Group's primary producing assets. Under the terms of the relevant joint operating agreement ("**JOA**"), the Group is only entitled to receive information relating to petroleum operations from its joint operation partners, and may therefore be unable to obtain all of the information that would be necessary in order for the Group to ascertain whether the operator fully complies with relevant laws and the terms of the JOA. The information that is available to the Group in respect of these contract areas is therefore limited to information which would generally be available to minority stakeholders and the Group would not, amongst other things, be in a position to determine if the operator has obtained all necessary licences and approvals and complied with all requirements in these contract areas. As a non-operator, the Group has limited control over certain decisions related to activities at these areas, which could affect the Group's business, results of operations, financial condition and prospects.

Decisions over which the Group may have limited control include, amongst others:

- the timing and amount of capital expenditures;
- the timing and level of exploration activities;
- final investment decisions;
- the timing of initiating the drilling and completing of wells;

- the extent of operating costs;
- the level of ongoing production;
- health and safety, environmental and other regulatory compliance practices;
- the procurement of insurance; and
- the prices at which and customers to whom products are sold.

It is possible that the Group's interests and those of its joint-venture partners will not always be aligned, resulting in, among other things, possible project delays, additional costs or disagreements.

Moreover, the Group's joint-venture partners must obtain any applicable licence or related agreement pursuant to which the Group operates, in addition to JOAs or other arrangements governing the Group's relationship with the joint-venture partners and comply with all requirements thereto. The Group may suffer unexpected costs or other losses if a joint-venture partner does not meet the obligations under the licence or related agreement or the agreements governing the Group's relationship with them or if such violations lead to fines, penalties, restrictions, withdrawal of licences and termination of the agreements under which the Group operates. In some instances, the Group may be jointly and severally liable for required payments pursuant to the terms of the petroleum licences in which the Group has interests. The Group may also be subject to claims by the Group's joint-venture partners regarding potential non-compliance with the Group's obligations.

In the event that any of the Group's joint-venture partners becomes insolvent or otherwise unable to pay their debts as they fall due, the Group may be required to pay its proportionate share of the unpaid debts, and licences or agreements awarded to such joint-venture partners may revert to the relevant government authority who will then reallocate the licence. In addition, according to the terms of some of the Group's petroleum licences, the Group may not always be able to choose its partners in the event that one of its partners assigns their interest to another party. As the Group typically either shares an undivided interest with its partners (at the fields where the Group has a participation interest) or has a contractual right to production with no participation interest, it relies on its partners or other entities as licence holders. Although the Group anticipates that the relevant government authority may permit it to continue operations at a field during a reallocation process, there can be no assurance that the Group will be able to continue operations pursuant to these reclaimed licences or that any transition related to the reallocation of a licence would not materially disrupt its operations or development and production schedule. In a reallocation process, the other joint-venture partners who are not insolvent will have the right to acquire the Working Interest of the insolvent joint-venture partner. If none of the other joint-venture partners acquires the insolvent joint-venture partner's Working Interest, the relevant government authority may step in to either acquire the Working Interest through a state-owned oil company or direct that the Working Interest be transferred to an operator designated by the said government authority. The occurrence of any of the situations described above could have a material adverse effect on the Group's business, results of operations, financial condition and future prospects.

The 3Q2016 financial information contained in this Offering Memorandum is unreviewed and unaudited.

The 3Q2016 financial information contained in this Offering Memorandum has not been audited or reviewed by an independent registered public accounting firm. An audit or review of the Group's 3Q2016 financial statements by a public accountant could result in material changes to such financial statements.

Any acquisitions of or farm-ins to new assets, or divestments of or farm-outs of existing assets, that the Group pursues may not receive governmental approval.

The acquisition or divestment of interests in contract areas, either through corporate acquisitions/divestments or farm-in/farm-out transactions, typically requires regulatory approval from the host country in which the contract area is located. There can be no assurance that the Group will receive the requisite approvals to complete any corporate acquisition/divestment or farm-in/farm-out that it proposes to undertake. Prior to receiving regulatory approval, the Group is unable to formally undertake a variety of actions that participants in a contract area are typically able to undertake, such as making investment decisions, submitting work programs and budgets and assuming operatorship of a contract area. Failure to obtain any requisite regulatory approval, or delays or increased costs in obtaining such regulatory approval, could materially adversely affect the Group's business, results of operations, financial condition and future prospects.

The Group is controlled by Keppel Corporation Limited ("Keppel") and First Reserve Fund XII, L.P. and FR XII-A Parallel Vehicle, L.P. (collectively, "First Reserve Funds") and their interests may conflict with the interests of other holders of the Company's securities.

The Group is controlled by Keppel and the First Reserve Funds (together, the "**Controlling Shareholders**") and as a result, the Controlling Shareholders have significant influence over the election of the Group's directors, the approval of a merger or sale of substantially all of the Group's assets, the affairs and policies of the Group and the approval of most other actions requiring the authorisation of its shareholders. The interests of the Controlling Shareholders may conflict with the interests of other holders of the Company's securities and control of a majority of the Shares by the Controlling Shareholders could delay, defer or prevent a future take-over or a change in control of the Company and could make some transactions more difficult or impossible to complete without the support of the Controlling Shareholders. There is no assurance that the Controlling Shareholders will act in the interests of the Company or other holders of the Company's securities, or that any differences of interest will be resolved in favour of the Company or other holders of the Company's securities.

The Group depends on certain key customers for sales of its oil and gas.

The Group has entered into agreements with its customers in relation to the sale and supply of its oil and gas for its producing contract areas and is therefore subject to the risk of delayed offtakers or payment for delivered production volumes or default. In certain cases, a customer, either pursuant to contractual arrangements or as a result of geographic, infrastructure or other constraints or factors, is in practice the sole potential purchaser of the Group's production output in a contract area. This is particularly the case for sales of the Group's gas, as sales and transportation of gas are dependent upon the availability of transmission and other infrastructure facilities to supply the gas the Group produces to end users. The absence of alternative purchasers for the gas the Group produces may expose it to offtake and production delays as gas is typically not stored given its low density and must be sold soon after its extraction. To the extent the Group's customers reduce the volumes of oil and/or gas that they purchase from it and are not replaced by new customers or the market prices for oil and/or gas decline in the Group's market areas, the Group's revenues could decline. In addition, the Group may be exposed to other adverse contractual terms, which could have a material adverse effect on its business, results of operations, financial condition and prospects.

The Group's insurance coverage may not cover all types of possible losses and may be insufficient to cover certain losses.

The Group's operations are subject to various risks inherent in exploration, development and production activities. However, the insurance industry is not yet fully developed in the countries in which the Group operates, and many forms of insurance protection common in other more developed countries are not yet available in these countries on comparable terms, such as key-person or onshore terrorism insurance. The Group's insurance (including that of the operators of contract areas in which

the Group participates) currently includes coverage for damage to or loss of the majority of the Group's production facilities, loss of production income (to a limited extent), insurance for out-of-control wells (including coverage of pollution and environmental damage caused thereby), mandatory third-party liability coverage (including employer's liability insurance), tanker pollution coverage, and directors and officers liability insurance, in each case subject to deductibles, exclusions and limitations. The Group does not carry key-person, onshore terrorism or sabotage insurance.

Moreover, the operator of each of the contract areas in which the Group participates is responsible for obtaining insurance on behalf of the joint operation participants in accordance with the terms of the applicable JOA. Accordingly, the Group is subject to risks associated with its reliance on its joint operations partners' procurement of insurance.

There can be no assurance that any insurance proceeds the Group receives would be sufficient to cover expenses relating to insured losses or liabilities. Moreover, depending on the severity of the damage, the Group may not be able to rebuild damaged property in a timely manner or at all. The Group is also subject to the risk of increased premiums or deductibles, reduced coverage, and additional or expanded exclusions in connection with its existing insurance policies and those of operators of those assets that the Group does not currently operate. The Group may suffer material losses from uninsurable or uninsured risks or insufficient insurance coverage, which could have a material adverse effect on its business, results of operations, financial condition and prospects.

From time to time, the Group may be involved in legal, regulatory and other proceedings arising out of its operations, and may incur substantial costs arising therefrom.

From time to time the Group is, and in the future may continue to be, involved in disputes with various parties involved in the development and lease of its facilities, including customers, contractors, suppliers and construction workers. These disputes may lead to legal or other proceedings and may result in substantial costs, delays in its development schedule, and the diversion of resources and management's attention, regardless of the outcome. If the Group were to fail to win these disputes, the Group may incur substantial losses and face significant liabilities. Further, even if the Group were to win these disputes, the Group may suffer harm to its reputation, which could materially affect its prospects and future growth.

The Group may be subject to regulatory action in the course of its operations, which may subject it to administrative proceedings and unfavourable decisions that could result in penalties and/or delayed construction of new logistics facilities. In such cases, the Group's results of operations and cash flow could be materially and adversely affected.

The Group may continue to incur substantially more debt in the future, including at the level of its Subsidiaries, which may make it difficult for the Group to service its debt.

The Company and its Subsidiaries may be able to incur substantial additional indebtedness in the future, including secured indebtedness. Although the terms under the Revolving Credit Facility, the terms and conditions of the Notes to be issued by the Company pursuant to the Preferential Offering and the terms and conditions of the New Notes to be issued by the Company pursuant to the Notes Exchanges contain restrictions governing the incurrence of additional indebtedness, these restrictions are subject to a number of significant qualifications and exceptions and the amount of indebtedness that could be incurred in compliance with these restrictions could be substantial. If the Company or its Subsidiaries incur new debt or other obligations, the related risks that the Group faces, as described in "— *The Group's leverage and debt service obligations could materially and adversely affect the Group's business*" and elsewhere in these "*Risk Factors*", could increase.

The Group may not be able to repay or refinance the debt outstanding under the Revolving Credit Facility and there could be a default under the terms of the Revolving Credit Facility.

Amounts borrowed using the commitments made available through the Bridge Upsize are repayable on the date falling six months after the date on which the Bridge Upsize took effect (being 3 November 2016) or, if earlier, at the time(s) of receipt by any member of the Group of the gross proceeds of any funds raising (subject to certain exceptions), including but not limited to the Preferential Offering. It is expected that the utilisations under the Bridge Upsize will be repaid (and the commitments under the Bridge Upsize cancelled in an equivalent amount) using part of the proceeds from the Preferential Offering. All other amounts borrowed under the Revolving Credit Facility together with any other amounts (including accrued interest) then outstanding are due on 30 June 2018, unless the maturity date is extended. If the Company is unable to procure that the Revolving Credit Facility is repaid or refinanced in a timely manner, the Company could be in default under the terms of the Revolving Credit Facility. In the event of such default, there could be a cross-default under the terms of its other debt facilities, including the Notes, and the lenders of such debt facilities could terminate their commitments to lend to the Company or its Subsidiaries, accelerate repayment of the debt and declare all amounts due and payable, terminate the agreements or (subject to the terms of (i) the intercreditor and security trust deed dated 9 December 2016 (as amended and/or restated from time to time) entered into between the Company and certain other parties to the Revolving Credit Facility (including the Common Security Agent) (to which the Note Trustee will accede on or around the time at which the Notes are issued and which is expected to be amended and restated) and (ii), if required, a separate intercreditor agreement between, among others, such parties (either or both of them, the "**Intercreditor Agreement**")) enforce the relevant security, as the case may be.

Risks Relating to the Oil and Gas Exploration and Production Industry

The Group's business, revenues and cash flows may fluctuate with changes in oil and gas prices.

The Group's business and revenues are substantially dependent upon the prevailing prices of oil and gas. Historically, the markets for oil and gas have been volatile and they may continue to experience volatility in the future. In particular, crude oil prices have been historically highly volatile. The Group can give no assurance as to the level of oil prices in the future. It is impossible to predict accurately further crude oil price movements. There have recently been significant fluctuations in the prices of crude oil and natural gas. In particular, crude oil prices have been and are expected to continue to be volatile. The average monthly price of Dubai Crude ranged from US$41.69/bbl to US$43.86/bbl from November 2015 to November 2016 and the average monthly price of Brent crude oil ranged from US$45.93/bbl to US$47.08/bbl from November 2015 to November 2016.

The price the Group receives for its oil and gas will depend on changes in the supply of, and demand for, oil and gas in the global markets, market uncertainty and a variety of additional factors that are beyond its control, including, *inter alia*, the following:

- political conditions, including embargoes, in or affecting oil or gas producing regions generally and particularly in the Middle East and Russia;
- the ability of the Organisation of the Petroleum Exporting Countries and other Hydrocarbon producing nations to influence production levels and prices;
- the level of global oil and gas exploration and production activity;
- changes in domestic and foreign government regulations;
- technological advances affecting energy consumption;
- type, quality and chemical composition of its Hydrocarbons;

- the price and availability of alternative fuels;
- weather conditions and natural disasters;
- changes in the economic sharing arrangements for revenues between the host governments of the countries where the Group has operations and the Group, such as "windfall profit taxes";
- speculative activities by those who buy and sell oil and gas on the world markets;
- exchange rate fluctuations; and
- unexpected events beyond the Group's control.

Lower oil and gas prices may not only decrease the Group's revenues on a per unit basis but also may reduce the amount of oil and gas that the Group can produce commercially or may reduce the economic viability of the production levels of specific wells or of projects planned or in development to the extent that production costs exceed anticipated income from such production. Lower prices may also negatively impact the value and even quantum of the Group's reserves, because the measure of the Group's reserves depends upon its ability to commercially exploit any underlying petroleum quantities. A decline in oil or gas prices may materially and adversely affect the Group's future business, results of operations, financial condition, liquidity or ability to finance planned capital expenditures.

The Group faces exploration, development and production risks.

The Group faces a variety of risks related to the exploration, development and production of hydrocarbon products as well as operational, geophysical, financial and regulatory risks. The results of exploration, development and production are uncertain and, therefore, oil and gas exploration may involve unprofitable efforts, not only from dry wells, but from wells that are productive but do not achieve sufficient revenues to return a positive cash flow after taking into account drilling, development, operating and other costs. Completion of a well does not assure a profit on the investment or recovery of costs associated with drilling, completion or other aspects of operations. In addition, drilling hazards or environmental damage could greatly increase the cost of operations, and adverse field operating conditions may affect production from successful wells. These conditions may include, amongst other things, shut-ins of connected wells resulting from extreme weather conditions, insufficient storage or transportation capacity or other geological and mechanical conditions. Production delays and declines from normal field operating conditions may occur, and may adversely affect revenue and cash flow levels.

The Group's oil and gas exploration, appraisal, development and production operations involve risks including blowouts, oil spills and fires (each of which could result in damage to, or destruction of, wells, production facilities or other property, injury to persons or environmental pollution), geological uncertainties (such as unusual or unexpected rock formations and abnormal pressures, which may result in dry wells), failure to produce oil or gas in commercial quantities or an inability to fully produce discovered reserves.

Offshore operations are also subject to hazards inherent in marine operations, such as capsizing, sinking, grounding, collision and damage from severe weather conditions or damage to pipelines, platforms, facilities and subsea facilities from trawlers, anchors and vessels, storms, strong currents, and risks and hazards resulting from navigational difficulties. These hazards could result in substantial losses to the Group due to injury and loss of life, severe damage to, or destruction of, property and equipment, pollution and other environmental damage or suspension of operations, and the Group may be exposed to substantial liability in connection with any of these hazards. These risks may individually or collectively diminish the returns the Group obtains in relation to any discovery or even the ability to realise any value from the discovery at all, which may have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

The occurrence of a significant event that is not fully insured, or the insolvency of the Group's insurers, could have an adverse effect on the Group's business, results of operations, financial condition or prospects.

Reserve and resource estimates depend on many assumptions that may turn out to be inaccurate.

The process of estimating Hydrocarbon quantities is complex, requiring interpretations of available technical data and many assumptions made in a particular hydrocarbon price environment. Any significant deviations from these interpretations, prices or assumptions could materially affect the estimated quantities of Hydrocarbons reported. The uncertainties inherent in estimating quantities of Hydrocarbons include, *inter alia*, the following:

- variable factors and assumptions such as historical production from the Group's contract areas;
- the quality and quantity of technical and economic data;
- the prevailing oil and natural gas prices applicable to the Group's production;
- drilling and operating expenses, capital expenditures, taxes and the availability of funds, both debt and equity;
- the assumed effects of regulations by governmental agencies and future operating costs;
- the production performance of the Group's reserves; and
- extensive engineering, geological and geophysical judgements.

Understanding of the subsurface conditions is based on the Group's interpretation of the best data available but due to the inherent uncertainty of such interpretation, the Group may reach incorrect conclusions. The Group's reserves and contingent resources data represents estimates only and represents quantities estimated at a given point in time. Many of the factors, assumptions and variables involved in estimating hydrocarbon volumes are beyond the Group's control and may prove incorrect over time. Estimates of the commercially recoverable Hydrocarbon volumes attributable to any particular contract area, classification of such hydrocarbon volumes based on risk of recovery and estimates of future net revenues expected, prepared by different persons at different times, may vary substantially. In the event that actual production with respect to these Hydrocarbon volumes is lower than these estimates and/or actual future prices are materially lower, the Group's revenue and therefore its results of operations and financial condition will be adversely affected.

The uncertainties inherent in estimating oil and gas resources and reserves are generally greater for areas where there have been limited historic hydrocarbon exploration, such as in the case of contingent resource estimates, which are derived from the interpretation of seismic and other geoscientific data and, where appropriate, drilling results. Such interpretation and estimates of the amounts of oil and gas resources are subjective and the results of drilling, testing and production subsequent to the date of any particular estimate may result in substantial revisions to the original interpretation and estimates, including the recoverability and commerciality of the reserves and resources.

The Group may need to obtain external debt and equity financing to support growth, undertake acquisitions of new contract areas or to develop new projects. Accordingly, the Group's ability to obtain bank financing depends, to a certain extent, on the value of the Group's proved and probable reserves. Any revisions to hydrocarbon volume estimates may have an effect on the Group's current and future banking facilities. Furthermore, any revisions may also have an effect on the book value of the contract areas recorded in the Group's financial statements. In the event that the Group's reserves are assessed to be lower than previously recorded, the Group's business, results of operations, financial condition and prospects may be adversely affected.

The Group's use of 2D and 3D seismic data is subject to interpretation and may not accurately identify the presence of oil and gas.

Seismic data is a method used to determine the depth and orientation of subsurface rock formations. Seismic data is generated by applying a source of energy, such as vibrations, to the surface of the ground and capturing the reflected sound waves to create two-dimensional ("**2D**") "lines" or three-dimensional ("**3D**") grids, the latter of which provide more accurate subsurface maps. Even when properly used and interpreted, 2D and 3D seismic data and visualisation techniques are only tools used to assist geoscientists in identifying subsurface structures and hydrocarbon indicators and do not enable geoscientists to know whether Hydrocarbons are, in fact, present in those structures or the amount of Hydrocarbons. The Group employs 3D seismic technology with respect to certain of its projects. In addition, the use of 3D seismic and other advanced technologies requires greater pre-drilling expenditures than traditional drilling strategies, and the Group could incur greater drilling and exploration expenses as a result of such expenditures, which may result in a reduction in its returns. Moreover, the Group's drilling activities may not be successful or economical, and the Group's overall drilling success rate, or its drilling success rate for activities in a particular area, could decline.

A number of the contract areas in which the Group holds interests are unproven and may never be developed.

A number of the contract areas in which the Group holds interests are unproven and undeveloped. The Group would require significant capital to prove and develop such contract areas before they may become productive, and even if the Group had such capital, the Group may not succeed in proving or developing all of its contract areas. Estimates of oil and gas reserves in the subsurface are made by inferring subsurface conditions from limited surface data such as seismic data, and wells that penetrate only a small fraction of potential and actual reservoirs. Such inferences are, by their nature, uncertain and while such uncertainties can be reduced by additional seismic data or the drilling of further wells, they cannot be eliminated. Accordingly, there is no way to predict in advance of drilling and testing whether any particular prospect will yield oil or gas in sufficient quantities to recover drilling or completion costs or to be commercially viable. The use of seismic data and other technologies and the study of producing fields in the same area will not enable the Group to know conclusively prior to drilling whether oil or gas will be present or, if present, whether oil or gas will be present in quantities that would be commercially viable to recover. Due to the inherent uncertainties associated with drilling for oil and gas, some or all of these contract areas may never be successfully drilled and developed, and the exploration and production results in respect of certain of the Group's contract areas have not been as successful as anticipated. If the Group is successful in its drilling and development efforts, the Group would require significant capital to drill and develop its contract areas and it could take several years for a significant portion of the Group's unproven contract areas to be developed and generate positive cash flow.

The Group relies on access to necessary equipment and transportation systems from independent third-party providers.

Oil and gas exploration and development activities are dependent upon the availability of drilling and related equipment in the particular areas where such activities will be conducted. Demand for limited equipment such as drilling rigs, or access restrictions on such equipment, may affect the availability of, and access to, such equipment. Failure by the Group or its contractors to secure necessary equipment could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

The Group contracts or leases services and capital equipment from third-party providers and will continue to do so. While there is an excess availability and capacity for such equipment and services currently, there is no assurance that this situation will continue. If the Group is unable to obtain the equipment and services that it needs, this could result in a delay or restriction in the Group's projects and adversely affect the feasibility and profitability of such projects, and therefore have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

The Group and its offtakers rely, and any future offtakers will rely, upon transportation systems, including systems owned and operated by third parties which may become unavailable. The Group may be unable to access the transportation systems it uses currently or alternative transportation systems. Further, the Group's offtakers could become subject to increased tariffs imposed by government regulators or the third-party operators or owners of the transportation systems available for the transport of the Group's oil and gas which could result in decreased offtaker demand and downward pricing pressure.

Moreover, the Group is subject to drilling and other exploration commitments under the terms of a number of its contract areas, and if, for any reason, the Group is unable to obtain the equipment or services necessary to fully perform its commitments, the Group may face penalties or the possible loss of some of its rights and interests in such contract areas, which may have a material adverse effect on its business, results of operations, financial condition and prospects.

Additionally, importation of certain equipment and chemicals for drilling, exploration and production requires licences of the relevant governmental agencies which may cause unexpected delay and substantial costs.

The Group relies on the discovery and development of additional reserves to replace its produced reserves.

The Group must continually acquire, explore for or develop new hydrocarbon reserves to replace those produced and sold. If the Group is unsuccessful in locating and developing or acquiring new reserves, its existing reserves (and hence production) will decline over time due to depletion by production. The Group's ability to achieve this objective depends, in part, on its level of success in discovering or acquiring additional oil and gas reserves, its further exploration and development of its existing reserves base, and the raising of capital to fund its portion of exploration or development costs. Such exploration and development activities expose it to a number of risks, including competition from other interested purchasers who may have larger financial resources than it does; unidentified historical or future liabilities of the operations that it may acquire; the inability to receive accurate and timely information about these operations in order to make informed investment decisions; problems in integrating acquired operations; as well as the geological risk that commercially recoverable reserves will not be discovered. Exploration, development and the acquisition of reserves are capital intensive. If the Group is not successful in exploring for or developing new reserves, or acquiring contract areas containing proved plus probable reserves, its total proved plus probable reserves will decline, which will adversely affect its business, results of operations, financial condition and prospects.

The Group may face unanticipated increased or incremental costs.

The oil and gas industry is capital intensive. To implement the Group's business strategy, it has invested, and continues to invest, in drilling and exploration activities and infrastructure. The Group's expenditures on such projects may be subject to unexpected problems, costs and delays, and the economic results and the actual costs of these projects may differ significantly from the Group's current estimates.

The Group relies on suppliers and contractors to provide materials and services in conducting its exploration and production activities. Any competitive pressures on its suppliers and contractors, or substantial increases in the worldwide prices of commodities, such as steel, could result in a material increase of costs for the materials and services required to conduct its business. The cost increases may be the result of inflationary pressures. Future increases could have a material adverse effect on its operating income, cash flows and borrowing capacity and may require a reduction in the carrying value of its contract areas, its planned level of spending for exploration and development and the level of its reserves, which depends upon its ability to commercially exploit any underlying petroleum quantities. Prices for materials and services which the Group requires to conduct its business may not be sustained at levels that enable it to operate profitably. The Group may also need to incur various unanticipated costs, such as those associated with personnel, transportation, government taxes and compliance with environmental and safety requirements. An increase in any of these costs could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

The expected levels of energy demand in Southeast Asia may not materialise.

Substantially all of the Group's existing assets are located in Southeast Asia. If economic growth in Southeast Asia does not continue or declines, or if all or part of the region enters into a recession, demand for oil and gas in the region and the prices of oil and gas in the region are likely to decline. As the Group's hydrocarbon sales are made in Southeast Asia, its revenues and results of operations will be materially adversely affected if it is unable to find alternative markets. Even if it is successful in finding alternative markets outside of Southeast Asia, it may incur higher costs of sales as a result of, among other things, higher transportation expenses and additional import/export tariffs and taxes, and the pricing of oil and gas may be lower outside of Southeast Asia. Consequently, a decline in the actual or anticipated levels of energy demand in Southeast Asia may have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

The Group's business development may require external financing and its ability to obtain such financing is uncertain.

The Group may need to obtain external debt and equity financing, through public or private financing, or farm-out certain contract areas to support growth, to acquire new contract areas or to develop new projects. Moreover, the Group is subject to drilling and other exploration commitments under the terms of the Group's contract areas, and if, for any reason, it is unable to fully fund its drilling budget and fails to satisfy its commitments, it may face penalties or the possible loss of some of its rights and interests in prospects. The Company's ability to finance its capital expenditure plans is subject to a number of risks, contingencies and other factors, some of which are beyond its control. Among other things, any significant decrease in the prices or demand for oil or gas, or adverse developments in the Asian and international equity capital or credit markets, may be significant barriers to raising financing and may significantly increase the overall cost of its funds. Moreover, the Group may not be successful in its ordinary course business strategy of farming out interests in its contract areas in order to reduce its exploration and development expenditures, which could result in it requiring more capital resources than otherwise anticipated.

There is no assurance that additional funding, if needed, will be available on acceptable terms, or at all. If adequate funding is not available to the Group on terms acceptable, or at all, this will materially and adversely affect its ability to fund the development and expansion of its business. The Group's inability to obtain sufficient funding for operations or development plans could adversely affect its business, results of operations, financial condition and prospects.

The Group operates in a competitive environment.

The oil and gas industry is highly competitive. Key areas in respect of which the Group faces competition include:

- acquisition of exploration and production licences through bidding processes run by governmental authorities;
- alternative energy sources that may compete with or reduce demand for oil and gas;
- acquisition of other companies that may already own licences or existing hydrocarbon assets;
- engagement of third-party service providers whose capacity to provide key services may be limited;
- entering into commercial arrangements with customers; and
- purchase of capital equipment that may be scarce.

The Group competes with oil and gas companies that possess greater technical, physical and financial resources, longer operating histories and larger teams of technical and professional staff. Many of these competitors not only explore for and produce oil and gas, but also carry on refining operations and market hydrocarbon and other products on an international basis. These competitors may be able to pay more for producing oil and gas contract areas and exploratory prospects and to evaluate, bid for and purchase a greater number of contract areas and prospects than the Group's financial or personnel resources permit. This may result in higher than anticipated prices for the acquisition of licences or assets, the hiring by competitors of key management or operatives and/or restrictions on the availability of equipment or services.

If the Group is unsuccessful in identifying suitable contract areas or continuing satisfactory relationships with its partners and competing against other companies, its business, results of operations, financial condition and prospects could be materially adversely affected.

The Group is subject to environmental regulations and risks.

The oil and gas industry is subject to laws and regulations relating to environmental and safety matters in the exploration for and the development and production of Hydrocarbons. Many of the environmental laws and regulations applicable to the countries where the Group operates are significantly less developed than those in certain developed market economies. The Group incurs, and expects to continue to incur, substantial capital and operating costs in order to comply with increasingly complex health, safety and environmental laws and regulations. New laws and regulations, the imposition of tougher licensing requirements, increasingly strict enforcement of, or new interpretations of, existing laws, regulations and licences, or the discovery of previously unknown contamination may require further expenditures to:

- modify operations;
- install pollution control equipment;
- perform site clean ups;
- curtail or cease certain operations;
- cease operations temporarily or permanently; or
- pay fees or fines or make other payments for pollution, discharges or other breaches of environmental requirements.

These factors may lead to delayed or reduced exploration, development or production activity as well as increased costs.

Furthermore, the discharge of oil, gas or other pollutants into the air, soil or water, whether inadvertent or otherwise, may give rise to liabilities to the governments of the countries in which the Group operates and to third parties, and may require the Group to incur costs to remedy such discharge. The terms of licences or permissions may include even more stringent environmental and/or health and safety requirements. In certain cases, severe environmental damage could give rise to financial liabilities that exceed the value of the Group's assets. Further, there is a risk that, in the event that the Group does incur costs to remedy any such discharges, such costs would exceed the value of the Group's assets or insurance coverage.

Risks Relating to the Jurisdictions in which the Group Operates

The Group is subject to government regulations relating to the oil and gas industry and the procurement of relevant government permits, licences and approvals.

The Group's operations are subject to licences, regulations and approvals for the exploration, development, construction, operation, production, marketing, pricing, transportation and storage of oil and gas. The governments of the countries in which the Group operates have exercised and continue to exercise significant influence over their respective oil and gas industries. In certain developing countries, petroleum companies have faced the risks of expropriation or nationalisation, breach, abrogation or renegotiation of project agreements, application to such companies of laws and regulations from which they were intended to be exempt, denials of required permits and approvals, increases in royalty rates and taxes that were intended to be stable, application of exchange or capital controls, and other risks. Any government action (such as a change in oil and/or gas pricing policy or taxation rules or practice, or renegotiation or nullification of existing concession contracts or oil and gas exploration policy, laws or practice) could have a material adverse effect on the Group. Sovereign or regional governments could also require the Group to grant to them larger shares of oil and gas or revenues than previously agreed to, or postpone or review projects, nationalise assets, or make changes to laws, rules, regulations or policies, in each case, which could adversely affect the Group's business, prospects, financial condition and results of operations. Possible future changes in the government, major policy shifts or increased security arrangements in the countries in which the Group operates could have to varying degrees an adverse effect on the value of the Group's investments. These factors could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

The Group is currently awaiting certain government permits, licences and approvals in relation to its Working Interests in contract areas, exploration plans and/or development plans in a number of contract areas. There can be no assurance that the Group will receive the necessary permits, licences and approvals in a timely fashion or at all or that such permits, licences or approvals will not contain onerous restrictions or conditions. The implementation of the Group's exploration and/or development plans in contract areas is subject to receiving the necessary government permits, licences and approvals, and failure to obtain, or a delay in obtaining, such permits, licences and approvals, or the subsequent revocation of such permits, licences and approvals, could have a material adverse effect on the Group's business, financial condition, results of operations and prospects. Once commercial production is established and/or exploration success is achieved in a contract area, the Group may be required under the terms of its licence to apply for contract extensions from time to time to provide adequate time to explore and develop the relevant contract area. Approvals of such extensions are based on the fulfilment of work programs. In the event that the Group is not able to fulfil a work program's obligations in respect of a contract area or is in breach of the terms of the licence, the host government might not grant extensions on the terms of these contract areas.

For example, in Cambodia, the regulatory infrastructure applicable to upstream oil and gas opportunities is still relatively new and in development. There are no producing contract areas or contract areas in development in Cambodia, and so regulations governing contract areas at those stages are as yet untested, as are the relationships between contractual terms provided in petroleum agreements to which the Cambodian Ministry of Mines and Energy (the successor agency to the Cambodian National Petroleum Authority) is a party and prevailing laws and regulations. Cambodia Block A is pending the approval from the Cambodian Ministry of Mines and Energy of the Production Permit Application ("**PPA**") for the development of Cambodia Block A, and there is no certainty as to when, if ever, such approval will be forthcoming. As part of the review and approval process by the Cambodian Ministry of Mines and Energy, the petroleum agreement for Cambodia Block A is currently being renegotiated. It is unclear when the PPA review and petroleum agreement negotiations will be completed. Similarly, due to the unclear relationship between petroleum contracts and petroleum laws and regulations in Cambodia, there is some uncertainty as to whether some of the terms of the petroleum agreement are in compliance with, or will be enforceable under, prevailing laws. Such terms may also be subject to renegotiation at the request of the Cambodian Ministry of Mines and Energy and/or the Royal Government of Cambodia. As such, it is uncertain whether the terms provided in the petroleum agreement and the PPA, including the fiscal terms, are the terms that will be in place once Cambodia Block A reaches development or production. Any protracted negotiations in relation to Cambodia Block A will delay the date of final investment decision, which may limit the Company's ability to develop Cambodia Block A in the near future, or at all. Moreover, any renegotiation of the fiscal or other terms of the petroleum agreement or PPA in relation to Cambodia Block A may adversely impact the Group's business results of operations, cash flows, financial condition and prospects.

There is no assurance that the governments of the countries in which the Group operates will not postpone or review projects or will not make any changes to government policies, in each case which could adversely affect the Group's business, results of operations, financial position and prospects.

The countries in which the Group operates face political, economic, fiscal, legal, regulatory and social uncertainties.

The Group's operations are exposed to the political, economic, fiscal, legal, regulatory and social environment of the countries in which it operates. The Group's business involves a high degree of risk, which a combination of experience, knowledge and careful evaluation may not overcome. These risks include, but are not limited to, civil strife or labour unrest, armed conflict, limitations or price controls on oil exports and limitations or the imposition of tariffs or duties on imports of certain goods.

Exploration and development activities in developing countries may require protracted negotiations with host governments, national oil companies and third parties and may be subject to economic and political considerations such as the risks of war, community disturbances, criminal activities (such as oil or gas theft), expropriation, nationalisation, renegotiation, forced change or nullification of existing contracts or royalty rates, unenforceability of contractual rights, foreign ownership controls or approvals, protests, changing taxation policies or interpretations, adverse changes to laws (whether of general application or otherwise) or the interpretation thereof, foreign exchange restrictions, inflation, changing political conditions, the death or incapacitation of political leaders, local currency devaluation, currency controls, and foreign governmental regulations that favour or require the awarding of contracts to local contractors or require foreign contractors to employ citizens of, or purchase supplies from, a particular jurisdiction. Any of the factors detailed above or similar factors could have a material adverse effect on the Group's business, results of operations or financial condition. If disputes arise in connection with the Group's operations in developing countries, the Group may be subject to the exclusive jurisdiction of foreign courts or foreign arbitration tribunals or may not be successful in subjecting foreign persons, especially foreign oil ministries and national oil companies, to the jurisdiction of courts in other countries. Further, the Group may also be adversely affected by increased action by non-governmental organisations opposing to the oil and gas exploration and production industry.

There are risks associated with emerging and developing markets generally.

The disruptions experienced in the international and domestic capital markets have led to reduced liquidity and increased credit risk premiums for certain market participants and have resulted in a reduction of available financing. Companies located in countries with emerging markets, such as those in Southeast Asia where the Group operates, may be particularly susceptible to these disruptions and reductions in the availability of credit or increases in financing costs, which could result in them experiencing financial difficulty. In addition, the availability of credit to entities operating within the emerging and developing markets is significantly influenced by levels of investor confidence in such markets as a whole and as such any factors that impact market confidence including a decrease in credit ratings, state or central bank intervention in a market or terrorist activity and conflict, could affect the price or availability of funding for entities within any of these markets.

Since the onset of the global economic crisis in 2007, certain emerging market economies have been, and may continue to be, adversely affected by market downturns and economic slowdowns elsewhere in the world. As has happened in the past, financial problems outside countries with emerging or developing economies, or an increase in the perceived risks associated with investing in such economies could dampen foreign investment in and adversely affect the economies of these countries. Investments in emerging markets are therefore subject to greater risks than more developed markets, including in some cases significant legal, fiscal, economic and political risks.

The countries in which the Group operates may suffer from governmental or business corruption.

The Group operates and conducts business in countries which some perceive as having potentially more corrupt governmental and business environments compared to certain developed countries. Corrupt action against the Group could have a material adverse effect on the Group's business, results of operations and financial condition. In spite of the Group's best efforts, it may not be possible for the Group to detect or prevent every instance of fraud, bribery and corruption in every jurisdiction in which the Group's employees, agents, subcontractors or joint-venture partners are located. The Group may therefore be subject to civil and criminal penalties and to reputational damage. Instances of fraud, bribery and corruption, and violations of laws and regulations in the jurisdictions in which the Group operates, could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

Tax disputes relating to operations at Block 9 could expose the Group to liabilities.

In 2013, the Group signed a sale and purchase agreement with Tullow Oil International Limited ("**Tullow**") to acquire all of the outstanding shares in KrisEnergy Bangladesh Limited (formerly known as Tullow Bangladesh Ltd) which holds 30.0 per cent. operated Working Interest in Block 9 onshore in Bangladesh ("**KrisEnergy Bangladesh**"). As the operator of Block 9, KrisEnergy Bangladesh had on 3 February 2013 successfully obtained judgement from the High Court of Bangladesh against the Commissioner of Taxes of Bangladesh for a tax assessment confirming the deductibility of up to US$118.63 million in respect of past expenditure in Block 9 (the "**Bangladesh Tax Dispute**"). Based on the prevailing Bangladesh corporate income tax rate of 37.5 per cent., the Bangladesh Tax Dispute presents a potential tax liability of around US$44.49 million excluding late interests and penalties. Although the decision of the High Court of Bangladesh was given in favour of KrisEnergy Bangladesh, an appeal to the Appellate Division of the Supreme Court of Bangladesh was filed by the Commissioner of Taxes of Bangladesh on 2 June 2013. The appeal to challenge the decision of the High Court of Bangladesh in favour of KrisEnergy Bangladesh is due to be heard in the last quarter of 2016. Should the appeal be delayed or the appeal judgement be contested, the ultimate outcome may not be determined until the legal process is complete, which may take many years. Under the terms of the Block 9 Production Sharing Contract, Bangladesh Oil, Gas & Minerals Corporation ("**Petrobangla**"), which among its functions acts as the Bangladesh petroleum public sector statutory and regulatory body, is liable to pay properly assessed income tax on behalf of Block 9 Contractor parties.

In this connection, the purchaser of KrisEnergy Bangladesh, KrisEnergy Asia Holdings BV, a wholly-owned subsidiary of the Company, and the vendor, Tullow, had on 8 April 2013 entered into a tax deed for which Tullow shall indemnify KrisEnergy Asia Holdings BV as to any tax, claims or losses arising from the Bangladesh Tax Dispute, whether before or following the completion of the acquisition of KrisEnergy Bangladesh. In addition, Tullow Oil plc, the ultimate parent of Tullow and an international oil and gas company listed on the London Stock Exchange plc, has provided a deed of guarantee dated 8 April 2013 guaranteeing all obligations of Tullow, including that under the tax deed. However, in the event that Tullow or Tullow Oil plc, as the case may be, is unable to make good the indemnity if it is triggered under the tax deed or deed of guarantee, as the case may be, KrisEnergy Bangladesh may be exposed to any tax, claims or losses arising from the Bangladesh Tax Dispute, and this may in turn have a material adverse effect on the Group's consolidated financial position, results of operations or cash flows.

Possible unitisation or similar arrangement relating to Bangora/Srikail.

In July 2012, Bangladesh Petroleum Exploration and Production Company Limited ("**Bapex**") announced a potentially significant gas discovery, with reserves publicised at 300 bcf, in Srikail, a ring fenced area within Block 9, operated by Bapex. Bapex may be able to access reserves in Block 9 from the Srikail field or may allege that Block 9 (in which Bapex is also a partner) is wrongfully taking its reserves. The Block 9 joint venture may equally allege that Bapex is accessing Block 9 reserves from Srikail. Petrobangla has previously requested that Bapex and the Block 9 partners discuss the situation and inform Petrobangla of the outcome of discussions. To date, Bapex has not engaged with the Block 9 partners in concluding any agreement on the matter. Any dispute with Bapex affecting Block 9 could adversely affect the Group's business and prospects.

A portion of Block 120 may be affected by border disputes between China and Vietnam.

China asserts territorial sovereignty over a large portion of the South China Sea, including certain portions near mainland Vietnam over which Vietnam also asserts territorial sovereignty. There is a certain portion of the eastern flank of Block 120 which China may assert to be within its maritime border but is considered by the Vietnamese Government to be within its territorial waters.

While the Group has historically limited its activity in Block 120 to the portion of the contract area over which there is no territorial dispute and has, in 2015, relinquished 20.0 per cent. of the contract area of which a portion may be affected by border disputes, there can be no assurance that the territorial dispute between Vietnam and China will not affect the Group's activities in the disputed portion of Block 120. Due to the volatile nature of the dispute over the South China Sea, it may not be possible for the Group to contract for ships or other equipment to conduct activities in the disputed part of Block 120, or to do so on terms which the Group considers acceptable. Further, it is possible that Vietnam will relinquish sovereignty to the disputed portion of Block 120, voluntarily or otherwise, which may require the Group to forfeit or renegotiate its petroleum licence over the disputed portion of Block 120. Any territorial dispute affecting Block 120 could adversely affect the Group's business and prospects.

Some of the countries in which the Group operates suffer from terrorism and militant activity.

The Group operates and conducts business in some countries which have experienced terrorist and militant activity. There can be no assurance that further terrorist acts will not occur in the future. The fear of terrorist actions, either against the Group's properties or generally, could have an adverse effect on the Group's ability to adequately staff and/or manage its operations or could substantially increase the costs of doing so. Any future terrorist acts in the countries in which the Group operates, or neighbouring countries in Southeast Asia, could destabilise those countries and increase internal divisions within their governments, and might result in concerns about stability in the region and negatively affect investors' confidence. Violent acts arising from and leading to instability and unrest have in the past had, and could continue to have, a material adverse effect on investment and

confidence in, and the performance of, the economies in Southeast Asia, and in turn on the Group's business. Any terrorist attack, including those targeting the Group's properties, could interrupt parts of the Group's business and materially and adversely affect the Group's business, results of operations, financial condition and prospects.

Some of the areas in which the Group operates lack physical infrastructure or contain physical infrastructure in poor condition.

Physical infrastructure in some areas of the countries in which the Group operates is obsolete or non-existent and in certain respects has not been adequately funded and maintained. In some areas, oil and gas pipelines are particularly affected. Breakdowns or failures of any part of the physical infrastructure in the areas where the Group operates may disrupt the Group's normal business activity, cause the Group to suspend operations or result in environmental damage to the surrounding areas which could increase the cost of operations and expose the Group to environmental liability. Further deterioration of the physical infrastructure in the areas where the Group operates may disrupt the transportation of goods and supplies, increase operational costs of doing business in these areas and generally interrupt business operations, any or all of which could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

The interpretation and application of laws and regulations in the jurisdictions in which the Group operates involves uncertainty.

The courts in the jurisdictions in which the Group operates may offer less certainty as to the judicial outcome or a more protracted judicial process than is the case in more established economies. Businesses can become involved in lengthy court cases over simple issues when rulings are not clearly defined, and the poor drafting of laws and excessive delays in the legal process for resolving issues or disputes compound such problems. Accordingly, the Group could face risks such as: (i) effective legal redress in the courts of such jurisdictions being more difficult to obtain, including in respect of a breach of law or regulation, or in an ownership dispute, (ii) a higher degree of discretion on the part of governmental authorities and therefore less certainty, (iii) the lack of judicial or administrative guidance on interpreting applicable rules and regulations, (iv) inconsistencies or conflicts between and within various laws, regulations, decrees, orders and resolutions, or (v) relative inexperience or unpredictability of the judiciary and courts in such matters.

Enforcement of laws in some of the jurisdictions in which the Group operates may depend on and be subject to the interpretation placed upon such laws by the relevant local authority, and such authority may adopt an interpretation of an aspect of local law which differs from the advice that has been given to the Group by local legal counsel or even previously by the relevant local authority itself. Furthermore, there is limited or no relevant case law providing guidance on how courts would interpret such laws and the application of such laws to the Group's contracts, joint operations, licences, licence applications or other arrangements.

Moreover, in Indonesia, regional autonomy is a sensitive political subject. Laws and regulations have changed the regulatory environment by decentralising certain regulatory and other authority from the central Indonesian Government to regional (i.e., provincial and/or local) governments. The process of devolving authority to regional governments is ongoing, and while the regulations on regional autonomy, as well as various sector-specific laws (including Oil and Gas Law No. 22 of 2001 of the Republic of Indonesia), have set out the divisions of authority between the central Indonesian Government and the regional governments, the implementation of such regulations has been erratic, causing the scope of devolved authority to be uncertain. Although the central Indonesian Government has made efforts in the regulatory sector to curb overreaching by regional governments, jurisdictional uncertainty is expected to continue for the foreseeable future. One consequence of this uncertainty is that the powers of the licensing authorities in Indonesia are not completely transparent or clearly delineated. It is unclear whether the rights granted by the Indonesian Government at the central, provincial and local levels conflict with one another, or whether the application of regulatory powers will be consistent.

There can be no assurance that unfavourable interpretation or application of the laws in the jurisdictions in which the Group operates will not adversely affect the Group's contracts, joint operations, licences, licence applications or other arrangements. In certain jurisdictions, the commitment of local businesses, government officials and agencies and the judicial system to abide by legal requirements and negotiated agreements may be less certain and more susceptible to revision or cancellation, and legal redress may be uncertain or delayed. If the existing body of laws and regulations in the countries in which the Group operates are interpreted or applied, or relevant discretions exercised, in an inconsistent manner by the courts or applicable regulatory bodies, this could result in ambiguities, inconsistencies and anomalies in the enforcement of such laws and regulations, which in turn could hinder the Group's long-term planning efforts and may create uncertainties in the Group's operating environment, and may adversely affect the Group's business, results of operations, financial condition and prospects.

The Group may be subject to sovereign immunity risk in the countries in which it operates.

All of the countries in which the Group operates have constitutions and laws which entrench and vest all of the rights over their natural resources in the state, including oil and gas resources, which are regarded as sovereign state assets. These countries have also established state-owned entities which enter into commercial contracts with oil and gas exploration and production companies in relation to the exploration, development and production of oil and gas resources. Accordingly, the natural resources discovered within a contract area are ultimately owned by the state and the exploration and production company only has contractual rights of exploration, development and production. As the Group's contracts are with state-owned entities, in the event of a dispute, any of these state-owned entities may be able to invoke the principles of sovereign immunity. The invocation of such immunity may limit the Group's ability to enforce its rights, which in turn adversely affects the Group's business, results of operations, financial condition and prospects.

The Group may be subject to changes in taxation in the countries in which it operates.

The Group is subject to taxation in various countries and is faced with increasingly complex tax laws. The amount of tax the Group pays could increase as a result of changes in, or new interpretations of, these laws, which could have a material adverse effect on the Group's liquidity and results of operations. During periods of high profitability in the oil and gas industry, there are often calls for increased or windfall taxes on oil and gas revenue. Taxes have increased or been imposed in the past and may increase or be imposed again in the future. In addition, taxing authorities could review and question the Group's tax returns leading to additional taxes and penalties which could be material.

Certain changes to Indonesian tax laws may adversely affect the Group. The Group has interests in seven PSCs in Indonesia. On 20 December 2010, the Indonesian Government enacted Government Regulation 79/2010 ("**GR 79/2010**"), which changes the regime governing cost recovery under PSCs and the taxation of oil and gas activities. GR 79/2010 generally applies to PSCs entered into after 20 December 2010. PSCs entered into before 20 December 2010 will continue to be governed by the regulations prevailing at the time such PSCs were executed, unless it is determined that such PSCs have not expressly or sufficiently provided for the areas mentioned in the list below, in which case the provisions of GR 79/2010 will apply and such PSCs must be adjusted within three months of the effective date of GR 79/2010 (being 20 December 2010). It is not yet clear who will make such determinations or how they will be made.

The transitional provisions in GR 79/2010 list eight areas that make GR 79/2010 applicable to PSCs entered into before 20 December 2010 including:

- government share, requirements for cost recovery and the norms for claiming operating non-allowable costs;

- the appointment of independent third parties to carry out financial and technical verifications;

- the issuance of income tax assessments;
- the exemption of customs duty and import tax on the importation of goods used during exploitation and exploration activities;
- contractor's tax in the form of oil and gas from the contractor's share; and
- income from outside the PSC in the form of uplifts and/or the transfer of PSC interests.

Further, with the issue of Indonesian Regulation No. PER-11/PJ/2012 ("**PER-11**"), which came into force on 20 April 2012, the Directorate General of Tax in Indonesia introduced a broader interpretation of "area" as the taxable object to mean the entire PSC area. The tax position was later clarified by Indonesian Regulation No. PER-45/PJ/2013 ("**PER-45**"), which came into force on 1 January 2014, such that the taxable object may be land and/or buildings within an area used for an oil, gas or geothermal mining business (and not the entire area). PER-45 further clarified that areas on which exploration activities were carried out would not attract the land and building tax. Notwithstanding the clarifications provided in PER-45, it remains unclear how the Indonesian regulatory authority or tax courts will determine tariffs based on the new scope of determining "area", especially for tax assessments done during the period between PER-11 and PER-45.

Changes to any of the above areas may result in higher taxes and operating costs in Indonesia, which could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

Natural disasters in certain of the countries in which the Group operates could disrupt the economy of such countries and the Group's business.

The Group's operations, including its drilling and other exploration activities and the transport and other logistics on which it is dependent, may be adversely affected and severely disrupted by climatic or geophysical conditions. For example, in 2013, typhoons occurring offshore of Vietnam caused widespread destruction in Southeast Asia and resulted in severe delays in the Group's exploration drilling in Vietnam. Natural disasters or adverse conditions may occur in those geographical areas in which the Group operates, including severe weather, tsunamis, typhoons, cyclones, tropical storms, earthquakes, floods, volcanic eruptions, excessive rainfall and droughts as well as power outages or other events beyond the Group's control. In recent years, several particularly destructive natural disasters have occurred in Southeast Asia. A significant earthquake or other geological disturbance or natural disaster in more populated cities and financial centres could severely disrupt that country's economy and undermine investor confidence and have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

Risks Relating to the Preferential Offering, the Notes, the Warrants, the New Shares and/or the Shares

Noteholders may be structurally subordinated to the Company's Subsidiaries' third-party indebtedness and obligations.

The Notes will be obligations of the Company exclusively and not of any of its Subsidiaries. The Company conducts substantially all of its operations, including all of its producing assets, through its Subsidiaries. The Company's Subsidiaries are separate legal entities that have no obligation to pay any amounts due under the Notes or to make any funds available therefore, whether by dividends, loans or other payments. Except to the extent the Company is a creditor with recognised claims against its Subsidiaries, all claims of third-party creditors (including trade creditors) of the Company's Subsidiaries will have priority with respect to the assets of such Subsidiaries over the claims of its creditors, including Noteholders. Consequently, the Notes will be structurally subordinated to all existing and future liabilities of any of the Company's Subsidiaries and any Subsidiaries that the Group may in the future acquire or establish, including all amounts outstanding under the Revolving Credit Facility.

The proceeds realised from a sale of the Note Security Assets may not be sufficient for the Noteholders to recover all amounts due on the Notes.

The Notes are to be secured by Security Interests on the Note Security Assets (as defined below). The Note Security includes (a) a first ranking security interest over the shares of SJ Production Barge Ltd and (if applicable) a first ranking account charge over certain account(s) held by SJ Production Barge Ltd; and (b) a junior ranking security interest over the assets secured or to be secured from time to time under the RCF Security.

If the Company fails for whatever reason to redeem or pay principal or any such amount due on the Notes, the Noteholders will have to rely on the enforcement of the Note Security and the sale of the assets which are from time to time subject to the Note Security (the "**Note Security Assets**") for the repayment of any amounts due on the Notes. Given in particular that some of the Note Security Assets will be secured by a junior ranking security interest, the proceeds from the enforcement of the Note Security may not be sufficient to satisfy the Company's obligations under the Notes.

The ability of the Common Security Agent to foreclose on the Note Security upon the occurrence of an event of default under the terms and conditions of the Notes or otherwise, will be subject in certain instances to perfection and priority issues. Although procedures will be undertaken to support the validity and enforceability of the Security Interests, there is no assurance that the Common Security Agent or the Note Trustee (acting on behalf of the Noteholders) will be able to enforce the Security Interest. In addition, the Intercreditor Agreement will provide, among other things, that the Note Security which secures the Group's obligations under the Revolving Credit Facility on a first ranking basis may, until such time as the Revolving Credit Facility has been discharged in full, only be enforced by the Common Security Agent following instructions to this effect from the RCF Agent (and not from the Notes Trustee).

The amount of the proceeds realised from a sale of the Note Security Assets will depend on a number of factors, including market and economic conditions, the market value of the Note Security Assets at the time of enforcement, the jurisdiction in which the enforcement action or sale is completed, the condition of the Note Security Assets, and the Common Security Agent's (or its agent's) ability to dispose of the Note Security Assets to a willing purchaser. An appraisal of the Note Security Assets has not been prepared in connection with the Preferential Offering.

Any proceeds from the sale of the Note Security Assets may also be subject to certain transfer taxes and/or transaction costs and expenses. Furthermore, the net amounts realised from the enforcement of any security will be subject to payment of the prior-ranking fees and expenses in accordance with the Note Security Documents and, with respect to the Note Security which will secure the Group's obligations under the Revolving Credit Facility on a first ranking basis, to repayment of the Group's obligations under the Revolving Credit Facility. Each of these factors could reduce the likelihood of an enforcement action and/or reduce the amount of any proceeds from an enforcement action. Accordingly, there is no assurance that the proceeds of any sale of the Note Security Assets following an event of default under the terms and conditions of the Notes would be sufficient to satisfy, or would not be substantially less than, amounts due and payable on the Notes. By their nature, some or all of the Note Security Assets may be illiquid and may have no readily ascertainable market value. Likewise, there is no assurance that the Note Security Assets will be saleable or, if saleable, that there will not be substantial delays in its liquidation.

The Note Security will not be granted directly to the Noteholders.

Pursuant to the provisions of the Note Security Documents, the Note Security has not been and will not be granted directly to the Noteholders. Such security will only been granted in favour of the Common Security Agent. As a consequence, Noteholders will not have direct security and will not be

entitled to directly take enforcement action in respect of the Note Security. However, the Note Trustee acting on behalf of the Noteholders may pursue a course of action through the Common Security Agent or its agent, who is expected to agree to apply any proceeds of enforcement on such security towards such obligations.

There may not be an active or liquid market for the Notes or the Warrants.

There is no assurance that there will be an active or liquid market for the Notes or the Warrants because prior to the Preferential Offering, there has been no public market for the Notes or the Warrants.

Following the listing and quotation of the Notes and the Warrants on the SGX-ST, the Company is unable to predict the extent to which a trading market will develop, if at all, or how liquid that market may become. Any secondary market activities may not be continuous or regular and the value of the Notes and the Warrants may fluctuate for various reasons over which the Company has no control. Therefore, you may not be able to sell your Notes or Warrants easily or at prices that will provide you with a yield comparable to similar investments that have a developed secondary market. Liquidity may have a severely adverse effect on the market value of the Notes and the Warrants. Although the issue of additional Notes or Warrants may increase the liquidity of the Notes and Warrants, there can be no assurance that the issue in the market of such additional Notes and Warrants will not adversely affect the price of such Notes and Warrants. Further, the demand for the Notes or the Warrants, their respective price fluctuations as well as trading volume may vary from that of the Shares.

Accordingly, the subscription or purchase of the Notes and the Warrants is suitable only for investors who can bear the risks associated with a lack of liquidity in the Notes and the Warrants and the financial and other risks associated with an investment in the Notes and the Warrants.

The market price of the Notes, the Warrants and/or the New Shares (upon listing) may be volatile.

The market price of the Notes, the Warrants and/or the New Shares (upon listing) may be volatile and could be subject to fluctuations in response to the variations in the Company's operating results. In addition, there is no assurance that the market price of the Notes, the Warrants and/or the New Shares (upon listing) will not fluctuate significantly and rapidly as a result of the following factors, some of which are beyond the Group's control:

(i) positive or negative publicity relating to any of the Company's Substantial Shareholders or Directors;

(ii) success or failure of the Group's management team in implementing business and growth strategies;

(iii) gain or loss of an important business relationship or contract;

(iv) variation of the Group's operating results;

(v) announcements by the Group or its competitors of significant contracts, acquisitions, strategic alliances, partnerships, joint ventures, capital commitments or new products or services offered by the Group or its competitors;

(vi) changes in securities analysts' estimates of the Group's financial performance;

(vii) changes in analysts' recommendations or perceptions;

(viii) additions or departures of key personnel;

(ix) developments affecting the Group, its customers or competitors;

(x) fluctuations in general stock market prices and trading volume;

(xi) changes in market valuations and share prices of companies with similar businesses as the Group;

(xii) changes in accounting policies;

(xiii) involvement in litigation or other legal proceedings or processes;

(xiv) changes or uncertainty in the political, economic and regulatory environment in the markets that the Group operates; and

(xv) other events or factors described in this Offering Memorandum.

Accordingly, any of, or a combination of two or more of, the above factors may lead to fluctuations in the price of the Notes, the Warrants and/or the New Shares (upon listing) that may result in losses to investors. There is also no assurance that the market price for the New Shares will be above the Exercise Price after the Preferential Offering.

In the event that the Warrants are not exercised by the Expiration Date, they will expire and become worthless.

The Warrants have an Exercise Period of 84 months commencing on and including the date of issue of the Warrants. In the event that the Warrants are not exercised by the Expiration Date, they will expire and be worthless to the Warrantholders.

Future proceeds from the Warrants may not be realised.

Warrantholders have the option but no obligation to exercise the Warrants. Accordingly, there is no assurance that any of the Warrants will be exercised within the Exercise Period or that any future proceeds from the Warrants will be realised from the exercise of the Warrants within the Exercise Period.

The listing of the Warrants is subject to a sufficient spread of holdings.

In the event that permission is not granted by the SGX-ST for the listing of and quotation for the Warrants on the Main Board of the SGX-ST due to an insufficient spread of holdings of the Warrants to provide for an orderly market in the trading of the Warrants, the Company shall nevertheless proceed and complete the Preferential Offering. In such an event, the Warrantholders will not be able to trade their Warrants on the SGX-ST.

Shareholders will suffer dilution of their percentage of ownership of the Shares if they do not or are not able to subscribe for Notes with Warrants.

If any Shareholder does not accept his provisional allotments and the Notes with Warrants are subscribed for by other investors in the Preferential Offering, his proportionate voting and ownership interest will be reduced on exercise of the Warrants and issue of the New Shares. The percentage that such Shareholder's Shares represent of the Company's enlarged share capital after exercise of the Warrants and issue of the New Shares will also be diluted. If all the Warrants are exercised and assuming no adjustments to the number of Warrants pursuant to the terms and conditions of the Warrants to be set out in the Deed Poll, the Company will issue 1,255,183,632 New Shares, representing approximately 84 per cent. of the total number of issued Shares as at the Latest Practicable Date. The magnitude of the reduction of a Shareholder's percentage ownership will depend upon the number of Warrants ultimately exercised.

Warrantholders may suffer dilution in their investment in the Warrants.

The Exercise Period for the Warrants commences on the date of the issue of the Warrants and expires at 5.00 p.m. on the Expiration Date. From the date of issue of the Warrants up to the Expiration Date, the Group's working capital requirements, financing plans and capital expenditure needs may vary from those presently expected. If the Group does not meet its goals with respect to revenues, or if costs are higher than anticipated or if there are changes to its current financing plans, substantial additional funds may be required. To the extent that funds generated from operations have been exhausted, the Group may have to raise additional funds to meet new financial requirements which may be by way of a rights offering (which would be subject to Shareholders' approval if necessary) or through the issuance and placement of new Shares. In the event that a Warrantholder is not a Shareholder at the time of such fund-raising, he may be unable to participate in such fund-raising or if such Warrantholder is a Shareholder and is unable or unwilling to participate in such fund-raising, the percentage of such Warrantholder's interest in the Company on exercise of the Warrants may be diluted.

An investment in the Notes is subject to inflation risk.

Noteholders may suffer erosion on the return of their investments due to inflation. Noteholders would have an anticipated rate of return based on expected inflation rates on the purchase of the Notes. An unexpected increase in inflation could reduce the actual returns.

Noteholders are exposed to financial risk.

Interest payments and principal repayment for debts occur, if the terms so provide, at specified periods regardless of the performance of the Company and/or the Group. The Company may be unable to make principal repayments under the Notes should it suffer a serious decline in net operating cash flows or its financial condition, where applicable.

An investment in the Notes is subject to interest rate risk.

Noteholders may suffer unforeseen losses (both realised and unrealised) due to fluctuations in interest rates. The Notes are fixed income securities and may therefore see their prices fluctuate due to fluctuations in interest rates. Generally, a rise in interest rates may cause a fall in the prices of the Notes. The market value of the Notes may be similarly affected which may result in a capital loss for Noteholders. Conversely, when interest rates fall, the prices of the Notes and the prices at which the Notes trade may rise.

The Notes will be represented by the Global Certificate and holders of a beneficial interest in the Global Certificate must rely on the procedures of CDP.

The Notes will be represented by the Global Certificate which will be registered in the name of and deposited with CDP. Except in certain limited circumstances described in the Global Certificate, investors will not be entitled to receive definitive certificates. CDP will maintain records of their direct account holders in relation to the Global Certificate. While the Notes are represented by the Global Certificate, investors will be able to trade their beneficial interests only through CDP.

While the Notes are represented by the Global Certificate, the Company will discharge its payment obligations under the Notes by making payments to CDP for distribution to its account holders. A holder of a beneficial interest in the Global Certificate must rely on the procedures of CDP to receive payments under the Notes. The Company has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Certificate.

The liquidity of the Shares may decline.

Generally, the liquidity of the market for a particular company's shares is dependent on, among others, the size of the free float, the price of each board lot, institutional interest, and the business prospects of the company and its subsidiaries as well as the prevailing market sentiments. There is no assurance that the liquidity of the Shares or the volume of the Shares as traded on the SGX-ST may not change or decline after the Preferential Offering.

The Note Trustee may request Noteholders to provide an indemnity and/or security and/or prefunding to its satisfaction.

In certain circumstances (including giving of notice to the Company or taking action pursuant to Condition 8 of the terms and conditions of the Notes), the Note Trustee may (at its discretion) request Noteholders to provide an indemnity and/or security and/or prefunding to its satisfaction before it takes actions on behalf of Noteholders. The Note Trustee shall not be obliged to take any such actions if not indemnified and/or secured and/or prefunded to its satisfaction. Negotiating and agreeing to an indemnity and/or security and/or prefunding can be a lengthy process and may impact on when such actions can be taken. The Note Trustee may not be able to take actions, notwithstanding the provision of an indemnity or security or prefunding to it, in breach of the provisions of the Note Trust Deed and in circumstances where there is uncertainty or dispute as to the applicable laws or regulations and, to the extent permitted by the agreements and the applicable law, it will be for the Noteholders to take such actions directly.

The Company is not, and does not intend to become, regulated as an investment company under the U.S. Investment Company Act and related rules.

The Company has not been and does not intend to become registered as an investment company under the U.S. Investment Company Act of 1940, as amended (the "**U.S. Investment Company Act**"). The U.S. Investment Company Act provides certain protections to investors and imposes certain restrictions on companies that are registered as investment companies (which, among other things, require investment companies to have a majority of disinterested directors, provide limitations on leverage and limit transactions between investment companies and their affiliates). None of these protections or restrictions is or will be applicable to the Company. In addition, in order to avoid being required to register as an investment company under the U.S. Investment Company Act, the Company has implemented restrictions on the exercise of the Warrants and on the ownership of the Warrants and of the Shares, which provide that U.S. persons may not exercise the Warrants and that the Company may compel U.S. persons who acquire the Shares or the Warrants to transfer these Shares or Warrants.

The Singapore tax treatment of the Notes may change.

The Notes to be issued on 23 January 2017 under this Offering Memorandum are, pursuant to the Income Tax Act, Chapter 134 of Singapore (the "**ITA**") and the MAS Circular FSD Cir 02/2013 entitled "Extension and Refinement of Tax Concessions for Promoting the Debt Market" issued by MAS on 28 June 2013, intended to be "qualifying debt securities" for the purposes of the ITA, subject to the fulfilment of certain conditions which will be more particularly described in the section "*Taxation — Singapore Taxation*" of this Offering Memorandum. However, there is no assurance that such Notes will continue to enjoy the tax concessions in connection therewith should the relevant tax laws or MAS circulars be amended or revoked at any time.

The Notes may not be a suitable investment for all investors.

You must determine the suitability of an investment in the Notes in light of your own circumstances. In particular, you should:

(i) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes or any applicable supplement to this Offering Memorandum;

(ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact such investment will have on your overall investment portfolio;

(iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes;

(iv) understand thoroughly the terms and conditions of the Notes and be familiar with the behaviour of any financial markets; and

(v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic and other factors that may affect your investment and your ability to bear the applicable risks.

The Notes are complex financial instruments and such instruments may be purchased as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to investors' overall portfolios. You should not invest in the Notes which are complex financial instruments unless you have the expertise (either alone or with a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of such Notes and the impact this investment will have on your overall investment portfolio.

Provisions in the Note Trust Deed and the terms and conditions of the Notes may be modified.

The terms and conditions of the Notes will contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions will permit defined majorities to bind all Noteholders, including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority. The terms and conditions of the Notes will also provide that the Note Trustee may, without the consent of the Noteholders, agree to any modification of the terms and conditions of the Notes or the Note Trust Deed (other than in respect of a reserved matter), which in the opinion of the Note Trustee is expedient to make if, in the opinion of the Note Trustee such modification will not be materially prejudicial to the interests of Noteholders and to any modification of the Notes or the Note Trust Deed which is of a formal, minor or technical nature or is to correct a manifest error. In addition, the Note Trustee may, without the consent of the Noteholders, authorise or waive any proposed breach or breach of the Notes or the Note Trust Deed (other than a proposed breach or breach relating to the subject of a reserved matter) if, in the opinion of the Note Trustee the interests of the Noteholders will not be materially prejudiced thereby.

ELIGIBILITY OF SHAREHOLDERS TO PARTICIPATE IN THE PREFERENTIAL OFFERING

Entitled Shareholders

Entitled Shareholders will be entitled to participate in the Preferential Offering and to receive this Offering Memorandum, together with the ARE or the PAL, as the case may be, at their respective Singapore addresses. Entitled Depositors who do not receive this Offering Memorandum and the ARE may obtain them from CDP, the Share Transfer Agent or any stockbroking firm during the period from the date the Preferential Offering commences up to the Closing Date. Entitled Scripholders who do not receive this Offering Memorandum and the PAL may obtain them from the Share Transfer Agent during the period from the date the Preferential Offering commences up to the Closing Date.

Entitled Shareholders will be provisionally allotted the Notes with Warrants under the Preferential Offering on the basis of their shareholdings in the Company as at the Record Date. Entitled Shareholders are at liberty to accept (in full or in part) or decline their provisional allotments of Notes with Warrants and are eligible to apply for additional Notes with Warrants in excess of their provisional allotments under the Preferential Offering. The Notes are payable in full upon acceptance and/or application. For the avoidance of doubt, the Warrants will be issued free with the Notes on the basis of nine Warrants for every one Note successfully subscribed for, fractional entitlements to be disregarded.

For the avoidance of doubt, the Notes with Warrants will not be provisionally offered, allotted or delivered to Shareholders with a registered address in the United States or who are U.S. persons or who are otherwise located, resident or with a registered address in any jurisdiction in which the offering of the Notes, the Warrants and the New Shares may not be lawfully made.

Fractional entitlements to the Notes with Warrants will be disregarded in arriving at the Entitled Shareholders' entitlements and will, together with such Notes with Warrants that are not validly taken up by Entitled Shareholders and any Notes with Warrants that are not otherwise allotted for whatever reason in accordance with the terms and conditions contained in this Offering Memorandum, the ARE, the PAL and (if applicable) the Articles of Association, be aggregated and used to satisfy excess Notes with Warrants applications (if any), or disposed of or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit for the benefit of the Company. In the allotment of excess Notes with Warrants, preference will be given to the rounding of odd lots and Directors and Substantial Shareholders who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Preferential Offering, or have representation (direct or through a nominee) on the Board, will rank last in priority for the rounding of odd lots and the allotment of excess Notes with Warrants.

All dealings in and transactions of the Notes through the SGX-ST will be effected under the book-entry (scripless) settlement system. Accordingly, the PALs, which will be issued to Entitled Scripholders, will not be valid for delivery pursuant to trades done on the SGX-ST.

The Notes will be represented by the Global Certificate to be registered in the name of, and deposited with, CDP and, except in the limited circumstances described in the provisions of the Global Certificate, owners of interests in the Notes represented by the Global Certificate will not be entitled to receive definitive certificates in respect of their individual holdings of Notes.

Accordingly, Entitled Scripholders who wish to accept their provisional allotments of the Notes with Warrants and (if applicable) apply for excess Notes with Warrants must open Securities Accounts if they have not already done so, and provide their Securities Account numbers in the forms comprised in their PALs. Entitled Scripholders who fail to provide their Securities Account numbers in the forms comprised in their PALs or who have given incorrect or invalid Securities Account numbers or whose Securities Account numbers provided are not otherwise accepted by CDP for the credit of the Notes with Warrants that may be allotted to them or whose

particulars as provided in the forms comprised in the PALs differ from those particulars currently maintained with CDP or those particulars given to CDP for the opening of their Securities Accounts will have their acceptances of their provisional allotments of the Notes with Warrants and (if applicable) applications for excess Notes with Warrants rejected.

Entitled Depositors should note that all notices and documents will be sent to their last registered addresses with CDP. Entitled Depositors are reminded that any request to CDP to update their records or to effect any change in address must reach CDP at #01-19/20 The Metropolis, 9 North Buona Vista Drive, Singapore 138588, at least three Market Days before the Record Date.

Notwithstanding the foregoing, investors should note that the offer and sale of, or exercise or acceptance of provisional allotments of, or subscription of, the Notes, the Warrants and/or the New Shares to or by persons located or resident in jurisdictions other than Singapore may be restricted or prohibited by the laws of the relevant jurisdiction. The receipt of any provisional allotments of the Notes with Warrants or receipt of this Offering Memorandum and/or any of its accompanying documents, will not constitute an offer or sale in those jurisdictions in which it will be illegal to make such offer or sale, or where such offer or sale will otherwise violate the securities laws of such jurisdictions or be restricted or prohibited. The Company reserves absolute discretion in determining whether any person may participate in the Preferential Offering. Investors are cautioned to note the offering, selling and transfer restrictions set forth in the section "Offering, Selling and Transfer Restrictions".

Foreign Shareholders

This Offering Memorandum and its accompanying documents will not be lodged, registered or filed in any jurisdiction. The distribution of this Offering Memorandum and its accompanying documents, and the purchase, exercise of or subscription for the Notes or the Warrants by any persons who have registered addresses outside Singapore, or who are resident in, or citizens of countries other than Singapore, may be prohibited or restricted (either absolutely or subject to various relevant securities requirements, whether legal or administrative, being complied with) in certain jurisdictions under the relevant securities laws of those jurisdictions. For practical reasons and in order to avoid any violation of the securities legislation applicable in jurisdictions other than Singapore, this Offering Memorandum and its accompanying documents will not be despatched to Foreign Shareholders.

Foreign Shareholders will not be entitled to participate in the Preferential Offering except in limited circumstances. Accordingly, no provisional allotment of the Notes with Warrants will be made to Foreign Shareholders and no purported acceptance or application for the Notes with Warrants by Foreign Shareholders will be valid.

The Company reserves the right, but shall not be obliged, to treat as invalid any ARE or PAL which (a) appears to the Company or its agents to have been executed in any jurisdiction outside Singapore or which the Company believes may violate any applicable legislation of such jurisdiction, (b) provides an address outside Singapore for the receipt of the Warrant Certificate(s) or which requires the Company to despatch the Warrant Certificate(s) to an address in any jurisdiction outside Singapore, or (c) purports to exclude any deemed representation, warranty or confirmation. The Company further reserves the right to reject any acceptances of the Notes with Warrants and/or applications for excess Notes with Warrants where it believes, or has reason to believe, that such acceptances and/or applications may violate any applicable legislation of any jurisdiction.

Each purchaser of the Notes with Warrants being offered and sold the Notes with Warrants will be deemed to have represented and agreed, among other things, that the purchaser (a) is, and the person, if any, for whose account it is acquiring such Notes with Warrants is, outside the United States, and (b) is acquiring the Notes with Warrants in an offshore transaction meeting the requirements of Regulation S.

Shareholders and any other person having possession of this Offering Memorandum and/or its accompanying documents are advised to inform themselves of and to observe any legal requirements applicable thereto. No person in any territory outside Singapore receiving this Offering Memorandum and/or its accompanying documents may treat the same as an offer, invitation or solicitation to subscribe for any Notes with Warrants unless such offer, invitation or solicitation could lawfully be made without compliance with any registration or other regulatory or legal requirements in such territory.

OFFERING, SELLING AND TRANSFER RESTRICTIONS

GENERAL

No action has been taken or will be taken to permit a public offering of the Notes, the Warrants or the New Shares to occur in any jurisdiction, or the possession, circulation, or distribution of this Offering Memorandum, its accompanying documents or any other material relating to the Company, the Notes, the Warrants or the New Shares in any jurisdiction where action for such purpose is required. Accordingly, the Notes, the Warrants and the New Shares may not be offered or sold, directly or indirectly, and none of this Offering Memorandum, its accompanying documents or any offering materials or advertisements in connection with the Notes, the Warrants and the New Shares may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction. Investors are advised to consult their legal counsel prior to accepting any provisional allotments of Notes with Warrants, applying for excess Notes with Warrants or making any offer, sale, resale, pledge or other transfer of the Notes, the Warrants and/or the New Shares.

The Company and the Lead Manager have not taken any action, nor will the Company and the Lead Manager take any action, in any jurisdiction that would permit a public offering of the Notes, the Warrants or the New Shares, or the possession, circulation or distribution of this Offering Memorandum or any other material relating to the Company, the Notes, the Warrants or the New Shares in any jurisdiction other than Singapore where action for that purpose is required.

The distribution of this Offering Memorandum and/or its accompanying documents may be prohibited or restricted by law (either absolutely or subject to various securities requirements, whether legal or administrative, being complied with) in certain jurisdictions under the relevant securities laws of these jurisdictions. Shareholders or any other persons having possession of this Offering Memorandum and/or its accompanying documents are advised to keep themselves informed of and to observe such prohibitions and restrictions. No person in any territory outside Singapore receiving this Offering Memorandum and/or its accompanying documents may treat the same as an offer, invitation or solicitation to subscribe for any Notes with Warrants unless such offer, invitation or solicitation could lawfully be made without violating any regulations or legal requirements in such territory.

THIS OFFERING MEMORANDUM AND ITS ACCOMPANYING DOCUMENTS ARE BEING SUPPLIED TO YOU SOLELY FOR YOUR INFORMATION AND MAY NOT BE REPRODUCED, REDISTRIBUTED OR PASSED ON, DIRECTLY OR INDIRECTLY, TO ANY OTHER PERSON OR PUBLISHED, IN WHOLE OR IN PART, FOR ANY PURPOSE.

UNITED STATES

Each purchaser of the Notes with Warrants, by its acceptance of this Offering Memorandum and of the provisional allotments of Notes with Warrants, will be deemed to have represented and agreed as follows (terms defined in Regulation S have the same meanings when used herein):

(a) the purchaser (i) is, and the person, if any, for whose account it is acquiring such Notes with Warrants is, outside the United States and not a U.S. person (as defined in Regulation S); and (ii) is acquiring the Notes with Warrants in an offshore transaction in accordance with Regulation S;

(b) the purchaser is aware that the Notes with Warrants have not been and will not be registered under the U.S. Securities Act and are being distributed and offered outside the United States in reliance on Regulation S;

(c) neither the purchaser of the Notes with Warrants, any of its affiliates nor any person acting on its or their behalf, has made, and the purchase of the Notes with Warrants is not the result of, any "directed selling efforts" (as defined in Regulation S) in the United States in connection with any offer or sale of the Notes with Warrants;

(d) the proposed transfer of the Notes with Warrants is not part of a plan or scheme to evade the registration requirements of the U.S. Securities Act or the U.S. Investment Company Act;

(e) the purchaser is aware that the Company may compel any holder or beneficial owner of an interest in its Shares or the Warrants to transfer such Shares or Warrants or interest where the Company or the Directors determine, in their absolute discretion, or are of the opinion, that the Shares or Warrants are being held, directly or indirectly, by any person whose ownership may cause the Company to become required to be registered as an "investment company" under the U.S. Investment Company Act;

(f) the purchaser understands and acknowledges that, if the Warrants are to be registered in its own name, the Warrants will bear a legend to the following effect. In addition, the purchaser understands and acknowledges that the legend shall not be removed from the Warrants unless the Company agrees, in its sole and absolute discretion, to remove the legend;

THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), OR THE SECURITIES LAWS OF ANY STATE OR JURISDICTION OF THE UNITED STATES, AND HAS INITIALLY BEEN DISTRIBUTED OUTSIDE THE UNITED STATES PURSUANT TO AN EXEMPTION FROM THE SECURITIES ACT AND THE U.S INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "**INVESTMENT COMPANY ACT**"), MAY NOT BE RE-OFFERED, RE-SOLD, TRANSFERRED, ASSIGNED, PLEDGED, OR OTHERWISE DISPOSED OF EXCEPT IN AN "OFFSHORE TRANSACTION" AS DEFINED IN AND PURSUANT TO REGULATION S UNDER THE SECURITIES ACT ("**REGULATION S**") TO A PERSON OUTSIDE THE UNITED STATES AND NOT KNOWN BY THE TRANSFEROR TO BE A US PERSON (AS DEFINED IN REGULATION S) (AS "**US PERSON**") BY PRE-ARRANGEMENT OR OTHERWISE, AND MAY NOT BE EXERCISED EXCEPT BY A NON-US PERSON OUTSIDE THE UNITED STATES.

THE COMPANY, ITS AFFILIATES AND ITS AGENTS SHALL NOT BE OBLIGATED TO RECOGNIZE ANY RESALE, EXERCISE OR OTHER TRANSFER OF THIS SECURITY MADE OTHER THAN IN COMPLIANCE WITH THESE RESTRICTIONS. THE COMPANY, ITS AFFILIATES AND ITS AGENTS MAY REQUIRE ANY PERSON WITHIN THE UNITED STATES OR ANY US PERSON WHO MAY, IN THE OPINION OF THE COMPANY OR ITS DIRECTORS, IN THEIR ABSOLUTE DISCRETION, CAUSE THE COMPANY TO BE REQUIRED TO BECOME REGISTERED AS AN "INVESTMENT COMPANY" UNDER THE INVESTMENT COMPANY ACT, TO TRANSFER THIS SECURITY IMMEDIATELY TO A NON-US PERSON OUTSIDE THE UNITED STATES.

THIS SECURITY IS NOT TRANSFERABLE EXCEPT IN ACCORDANCE WITH THE RESTRICTIONS DESCRIBED HEREIN. EACH TRANSFEROR OF THIS SECURITY AGREES TO PROVIDE NOTICE OF THE TRANSFER RESTRICTIONS SET FORTH HEREIN AND IN THE COMPANY'S OFFERING MEMORANDUM RELATING TO THE NOTES WITH WARRANTS TO THE TRANSFEREE AND TO ANY EXECUTING BROKER.

(g) the purchaser is aware that the Notes with Warrants may not be offered, sold, pledged or otherwise transferred except in an offshore transaction in accordance with Regulation S to a person outside the United States and not known by the transferor to be a U.S. person by pre-arrangement or otherwise; and

(h) the purchaser acknowledges that the Company, the Lead Manager, their respective affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements.

Each direct or indirect holder or acquirer of the Notes with Warrants, by holding, purchasing or otherwise acquiring Notes with Warrants (or a beneficial interest therein), is deemed to have represented and agreed that (i) it is not using the assets of and shall not at any time hold such Notes with Warrants for or on behalf of a Benefit Plan Investor or a governmental, church or non-U.S. plan or (ii) its acquisition, holding and disposition of such Notes with Warrants or of any interest therein, will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code or, in the case of a governmental, church or non-U.S. plan, a violation of any applicable similar laws.

CAYMAN ISLANDS

This Offering Memorandum is not intended to and does not constitute an offer or invitation to the public in the Cayman Islands of the Notes, the Warrants and the New Shares. Neither the Cayman Islands Monetary Authority nor any other regulatory authority in the Cayman Islands has approved this Offering Memorandum or the offering of the Notes, the Warrants and the New Shares.

SINGAPORE

This Offering Memorandum has not been registered as a prospectus with the MAS. Accordingly, this Offering Memorandum and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes with Warrants may not be circulated or distributed, nor may the Notes with Warrants be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) existing Shareholders pursuant to Section 273(1)(ce) and/or 273(1)(cg) of the SFA or (ii) pursuant to, and in accordance with, the conditions of an exemption under any provision of Subdivision (4) of Division 1 of Part XIII of the SFA.

The Company wishes to draw to the attention of Shareholders that the acquisition of New Shares by a Shareholder pursuant to an exercise of the Warrants acquired pursuant to his application for excess Notes with Warrants under the Preferential Offering may cause such Shareholder to reach or exceed the applicable shareholding limits referred to below.

Shareholders who are in doubt as to the actions they should take should consult their professional advisers immediately.

The Singapore Take-over Code

The Singapore Take-over Code regulates the acquisition of shares of, *inter alia*, corporations with a primary listing of their equity securities on the SGX-ST, including the Company. Under Rule 14 of the Singapore Take-over Code, except with the consent of the SIC, where:

(i) any person acquires whether by a series of transactions over a period of time or not, Shares which (taken together with Shares held or acquired by persons acting in concert with him) carry 30 per cent. or more of the voting rights of the Company; or

(ii) any person who, together with persons acting in concert with him, holds not less than 30 per cent. but not more than 50 per cent. of the voting rights in the Company and such person, or any person acting in concert with him, acquires in any period of six months additional Shares carrying more than one per cent. of the voting rights,

such person must extend a mandatory general offer immediately to the holders of any class of share capital of the Company which carries votes and in which such person, or persons acting in concert with him, hold Shares in accordance with the provisions of the Singapore Take-over Code. In addition to such person, each of the principal members of the group of persons acting in concert with him may, according to the circumstances of the case, have the obligation to extend an offer.

Shareholders who are in doubt as to their obligations, if any, to make a mandatory general offer under the Singapore Take-over Code as a result of any acquisition of New Shares pursuant to an exercise of the Warrants acquired pursuant to the Preferential Offering should consult the SIC and/or their professional advisers.

Whitewash Waiver

Pursuant to the completion of the Internal Restructuring, as at the Latest Practicable Date, KOG holds a shareholding interest of approximately 39.99 per cent. of the existing issued share capital of the Company, representing approximately 39.99 per cent. of the voting rights in the Company.

Assuming that:

(a) on the Record Date, the Company had 1,499,622,024 issued Shares;

(b) KOG subscribes for the Pro-rata Undertaken Notes with Warrants under the Preferential Offering in accordance with the KOG Irrevocable Undertaking;

(c) none of the other Entitled Shareholders subscribe for any of their provisional allotments of the Notes with Warrants;

(d) KOG is required to subscribe for the Excess Notes Commitment in accordance with the KOG Irrevocable Undertaking; and

(e) all the Warrants to be acquired by KOG pursuant to the KOG Irrevocable Undertaking are exercised by KOG,

KOG will have a direct interest in approximately 67.28 per cent. of the enlarged issued share capital of the Company of 2,754,805,656 Shares immediately after the Preferential Offering, pursuant to the allotment and issue of 1,255,183,632 New Shares (assuming all Warrants are exercised).

Accordingly, the acquisition of New Shares by KOG pursuant to the exercise of the Warrants to be acquired pursuant to the KOG Irrevocable Undertaking may result in the Concert Party Group increasing its shareholding in the Company by more than one per cent. within a period of six months. In such event, the Concert Party Group would incur an obligation to make a mandatory general offer for the Company pursuant to Rule 14 of the Singapore Take-over Code unless such obligation is waived by the SIC.

Accordingly, an application was made by the Keppel Holding Group to the SIC for the Whitewash Waiver and on 15 November 2016, the SIC granted the Whitewash Waiver subject to the satisfaction of the SIC Conditions set out below. The SIC further granted the SIC KOG Ruling, details of which are also set out below.

On 15 November 2016, the SIC waived the requirement for Devan to make a mandatory general offer under Rule 14 of the Singapore Take-over Code for the Company in the event that Devan and its concert parties (including the Keppel Holding Group) increase their aggregate shareholdings in the Company by more than one per cent. based on its enlarged issued share capital as a result of Devan acquiring New Shares upon the exercise of any of the Warrants to be subscribed pursuant to the Excess Notes Commitment, subject to the following conditions:

(a) a majority of holders of voting rights of the Company approve at a general meeting, before the Preferential Offering, the Whitewash Resolution by way of a poll to waive their rights to receive a general offer from Devan and its concert parties (including the Keppel Holding Group);

(b) the Whitewash Resolution is separate from other resolutions;

(c) Devan and its concert parties (including the Keppel Holding Group) and parties not independent of them abstain from voting on the Whitewash Resolution;

(d) Devan and its concert parties (including the Keppel Holding Group) did not acquire or are not to acquire any Shares or instruments convertible into and options in respect of Shares (other than subscriptions for, rights to subscribe for, instruments convertible into or options in respect of new Shares which has been disclosed in the Circular):

    (i) during the period between the Preferential Offering Announcement and the date Shareholders' approval is obtained for the Whitewash Resolution; and

    (ii) in the six months prior to the first announcement of the Preferential Offering, i.e. the Preferential Offering Announcement but subsequent to negotiations, discussions or the reaching of understandings or agreements with the Directors in relation to such issue;

(e) the Company appoints an independent financial adviser to advise Independent Shareholders on the Whitewash Resolution;

(f) the Company sets out clearly in the Circular:

    (i) details of the Preferential Offering including the Excess Notes Commitment;

    (ii) the dilution effect to existing holders of voting rights upon the acquisition of New Shares upon exercise of the Warrants by Devan pursuant to the Excess Notes Commitment;

(iii) the number and percentage of voting rights in the Company as well as the number of instruments convertible into, rights to subscribe for and options in respect of Shares held by Devan and its concert parties (including the Keppel Holding Group) as at the latest practicable date prior to printing of the Circular;

(iv) the number and percentage of voting rights in the Company to be acquired by Devan and its concert parties (including the Keppel Holding Group) upon exercise of the Warrants to be subscribed pursuant to the Excess Notes Commitment;

(v) specific and prominent reference to the fact that the exercise of the Warrants by Devan could result in Devan and its concert parties (including the Keppel Holding Group) holding Shares carrying over 49 per cent. of the voting rights of the Company based on its enlarged issued share capital, and the fact that Devan and its concert parties (including the Keppel Holding Group) will as a result be free to acquire further Shares without incurring any obligation under Rule 14 of the Singapore Take-over Code to make a general offer;

(vi) specific and prominent reference to the fact that the Shareholders, by voting for the Whitewash Resolution, are waiving their rights to a general offer from Devan at the highest price paid by Devan and its concert parties (including the Keppel Holding Group) for the Shares in the past six months preceding the commencement of the offer; and

(vii) specific and prominent reference to the fact that the Shareholders, by voting for the Whitewash Resolution, could be forgoing the opportunity to receive a general offer from another person who may be discouraged from making a general offer in view of the potential dilution effect of the Warrants to be subscribed by Devan;

(g) the Circular states that the Whitewash Waiver is subject to the conditions stated in sub-sections (a) to (f) above;

(h) Devan and its concert parties (including the Keppel Holding Group) obtains the SIC's approval in advance for those parts of the Circular that refer to the Whitewash Resolution;

(i) to rely on the Whitewash Resolution, the acquisition of the Warrants by Devan must be completed within three months of the date of the approval of the Whitewash Resolution and acquisition of the New Shares upon exercise of the Warrants must be completed within five years of the date of issue of the Warrants; and

(j) Devan provides a written undertaking to the SIC that it will comply with the disclosure requirements set out in paragraph 2 of the Note on Section 2 of Appendix 1 of the Singapore Take-over Code,

(collectively, the "**SIC Conditions**").

The SIC further ruled that the Whitewash Waiver shall apply to KOG when, as a result of the Internal Restructuring, the Warrants are either transferred or issued to KOG, and KOG acquires New Shares as a result of the exercise of any of such Warrants acquired pursuant to the Excess Notes Commitment (the "**SIC KOG Ruling**"), subject to such ruling being disclosed in the Circular.

As at the Latest Practicable Date, save for the condition set out in sub-section (i) above in respect of the Concert Party Group, all the other SIC Conditions set out above have been satisfied.

Listing and Quotation of the Notes, the Warrants and the New Shares

Approval in-principle has been obtained from the SGX-ST for the listing and quotation of the Notes, the Warrants and the New Shares on the Main Board of the SGX-ST, subject to certain conditions. Approval in-principle is not to be taken as an indication of the merits of the Preferential Offering, the Notes, the Warrants, the New Shares, the Company and/or its Subsidiaries. The SGX-ST assumes no responsibility for the accuracy of any of the statements made, reports contained and opinions expressed in this Offering Memorandum.

Upon listing and quotation on the Main Board of the SGX-ST, the Notes, the Warrants and the New Shares, when issued, will be traded under the book-entry (scripless) settlement system. The Notes may also be traded over-the-counter on the Debt Securities Clearing and Settlement System. All dealings in and transactions (including transfers) of the Notes, the Warrants and the New Shares effected through the SGX-ST and/or CDP shall be made in accordance with the "Terms and Conditions for Operation of Securities Accounts with The Central Depository (Pte) Limited" and/or the "Terms and Conditions for The Central Depository (Pte) Limited to act as Depository for the Warrants", as the same may be amended from time to time, and the terms and conditions contained in the CDP Application Form. Copies of the "Terms and Conditions for Operation of Securities Accounts with The Central Depository (Pte) Limited" and the "Terms and Conditions for CDP to act as Depository for the Warrants" are available from CDP.

The Notes will be represented by the Global Certificate registered in the name of, and deposited with, CDP and, except in the limited circumstances to be described in the provisions of the Global Certificate, owners of interests in Notes represented by the Global Certificate will not be entitled to receive definitive certificates in respect of their individual holdings of Notes. **Accordingly, Entitled Scripholders who wish to accept their provisional allotments of the Notes with Warrants and (if applicable) apply for excess Notes with Warrants must open Securities Accounts if they have not already done so, and provide their Securities Account numbers in the forms comprised in their PALs. Entitled Scripholders who fail to provide their Securities Account numbers in the forms comprised in their PALs or who have given incorrect or invalid Securities Account numbers or whose Securities Account numbers provided are not otherwise accepted by CDP for the credit of the Notes and the Warrants that may be allotted to them or whose particulars as provided in the forms comprised in the PALs differ from those particulars currently maintained with CDP or those particulars given to CDP for the opening of their Securities Accounts will have their acceptances of their provisional allotments of the Notes with Warrants and (if applicable) applications for excess Notes with Warrants rejected.**

If an Entitled Scripholder's address stated in the PAL is different from his address registered with CDP, he must inform CDP of his updated address immediately, failing which the notification letter on successful allotment and other correspondence will be sent to his address last registered with CDP.

In the event that permission is not granted by the SGX-ST for the listing of and quotation for the Warrants on the Main Board of the SGX-ST due to an insufficient spread of holdings of the Warrants to provide for an orderly market in the trading of the Warrants, the Company shall nevertheless proceed and complete the Preferential Offering. Accordingly, in such event, Warrantholders will not be able to trade their Warrants on the SGX-ST. However, if a Warrantholder were to exercise his Warrants in accordance with the Deed Poll, the New Shares arising therefrom will be listed and quoted on the Main Board of the SGX-ST.

Trading of Odd Lots

For the purposes of trading on the Main Board of the SGX-ST, each board lot of Notes will comprise S$1,000 in principal amount of Notes. Shareholders who hold odd lots of Notes (that is, lots other than board lots of S$1,000 in principal amount of Notes) and who wish to trade in odd lots on the SGX-ST are able to trade odd lots of S$1.00 in principal amount of Notes on the Unit Share Market.

For the purposes of trading on the Main Board of the SGX-ST, each board lot of Warrants will comprise 100 Warrants.

Shareholders who hold odd lots of Warrants (that is, lots other than board lots of 100 Warrants) and who wish to trade in odd lots on the SGX-ST are able to trade odd lots of Warrants in board lots of one Warrant on the Unit Share Market.

Shareholders should note that the Shares are quoted on the Main Board of the SGX-ST in board lot sizes of 100 Shares. Shareholders who hold odd lots of Shares (that is, lots other than board lots of 100 Shares) are able to trade odd lots of Shares in board lots of one Share on the Unit Share Market.

Shareholders who hold odd lots of Notes, Warrants and/or Shares may find difficulty and/or have to bear disproportionate transaction costs in realising the fair market price of such Notes, Warrants and/or Shares, as the case may be.

Singapore Taxation

*The statements below are general in nature and are based on certain aspects of current tax laws in Singapore, administrative guidelines and circulars issued by the Monetary Authority of Singapore ("**MAS**") in force as of the date of this Offering Memorandum and are subject to any changes in such laws, administrative guidelines or circulars, or the interpretation of those laws, administrative guidelines or circulars, occurring after such date, which changes could be made on a retroactive basis. Neither these statements nor any other statements in this Offering Memorandum are intended or are to be regarded as advice on the tax position of any holder of the Notes or New Shares or of any person acquiring, selling or otherwise dealing with the Notes or New Shares or on any tax implications arising from the acquisition, sale or other dealings in respect of the Notes or New Shares. The statements made herein do not purport to be a comprehensive or exhaustive description of all of the tax considerations that may be relevant to a decision to subscribe for, purchase, own or dispose of the Notes or New Shares and do not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities or financial institutions in Singapore which have been granted the relevant Financial Sector Incentive tax incentive(s)) may be subject to special rules or tax rates. The statements below should not be regarded as advice on the tax position of any holder of the Notes or New Shares or of any person subscribing for, acquiring, owning, disposing or otherwise dealing with the Notes or New Shares or on any tax implications arising from the subscription, acquisition, sale or other dealings in respect of the Notes or New Shares. Holders and prospective holders of the Notes or New Shares are advised to consult their own professional tax advisers as to the Singapore or other tax consequences of the subscription for, acquisition, holding or disposal of the Notes or New Shares, including, in particular, the effect of any foreign, state or local tax laws to which they are subject. It is emphasised that none of the Company, the Lead Manager, or any other persons involved in the Preferential Offering accepts responsibility for any tax effects or liabilities resulting from the subscription for, acquisition, holding or disposal of the Notes or New Shares.*

1. Interest and Other Payments

Subject to the following paragraphs, under Section 12(6) of the ITA, the following payments are deemed to be derived from Singapore:

(a) any interest, commission, fee or any other payment in connection with any loan or indebtedness or with any arrangement, management, guarantee, or service relating to any loan or indebtedness which is (i) borne, directly or indirectly, by a person resident in Singapore or a permanent establishment in Singapore (except in respect of any business carried on outside Singapore through a permanent establishment outside Singapore or any immovable property situated outside Singapore) or (ii) deductible against any income accruing in or derived from Singapore; or

(b) any income derived from loans where the funds provided by such loans are brought into or used in Singapore.

Such payments, where made to a person not known to the paying party to be a resident in Singapore for Singapore tax purposes, are generally subject to withholding tax in Singapore. The rate at which tax is to be withheld for such payments (other than those subject to the 15.0 per cent. final withholding tax described below) to non-resident persons other than non-resident individuals is currently 17.0 per cent. The applicable withholding tax rate for non-resident individuals is currently 22.0 per cent. However, if the payment is derived by a person not resident in Singapore other than from any trade, business, profession or vocation carried on or exercised by such person in Singapore, and is not effectively connected with any permanent establishment in Singapore of that person, the payment is subject to a final withholding tax of 15.0 per cent. The rate of 15.0 per cent. may be reduced by applicable tax treaties.

QUALIFYING DEBT SECURITIES

Certain Singapore-sourced investment income derived by individuals from financial instruments is exempt from tax, including:

(a) interest from debt securities derived on or after 1 January 2004;

(b) discount income (not including discount income arising from secondary trading) from debt securities derived on or after 17 February 2006; and

(c) prepayment fee, redemption premium and break cost from debt securities derived on or after 15 February 2007,

except where such income is derived through a partnership in Singapore or is derived from the carrying on of a trade, business or profession in Singapore.

The terms "**break cost**", "**prepayment fee**" and "**redemption premium**" are defined in the ITA as follows:

"**break cost**", in relation to debt securities, qualifying debt securities or qualifying project debt securities, means any fee payable by the issuer of the securities on the early redemption of the securities, the amount of which is determined by any loss or liability incurred by the holder of the securities in connection with such redemption;

"**prepayment fee**", in relation to debt securities, qualifying debt securities or qualifying project debt securities, means any fee payable by the issuer of the securities on the early redemption of the securities, the amount of which is determined by the terms of the issuance of the securities; and

"**redemption premium**", in relation to debt securities, qualifying debt securities or qualifying project debt securities, means any premium payable by the issuer of the securities on the redemption of the securities upon their maturity.

Any references to "**break cost**", "**prepayment fee**" and "**redemption premium**" in this Singapore tax disclosure shall have the same meanings as defined in the ITA.

In addition, as the Preferential Offering is lead managed by DBS Bank Ltd., which is a Financial Sector Incentive (Standard Tier) Company (as defined in the ITA) at the time of issuance of the Notes under the Preferential Offering, and the Notes are issued under the Preferential Offering on 23 January 2017, the Notes would be pursuant to the ITA and the MAS Circular FSD Cir 02/2013 entitled "Extension and Refinement of Tax Concessions for Promoting the Debt Market" issued by the MAS on 28 June 2013 ("**MAS Circular**"), "qualifying debt securities" for the purposes of the ITA ("**Qualifying Debt Securities Scheme**"), to which the following treatments shall apply:

(a) subject to certain prescribed conditions (as listed below) having been fulfilled (including the furnishing by the Company or such other person as the MAS may direct of a return on debt securities for the Notes in the prescribed format within such a period as the MAS may specify and such other particulars in connection with the Notes as the MAS may require to the MAS and the inclusion by the Company in all offering documents relating to the Notes of a statement to the effect that where interest, discount income, prepayment fee, redemption premium or break cost are derived from the Notes by any person who is not resident in Singapore and who carries on any operation in Singapore through a permanent establishment in Singapore, the tax exemption for qualifying debt securities shall not apply if such person acquires the Notes using funds and profits from such person's operations through the Singapore permanent establishment), interest, discount income (not including discount income arising from secondary trading), prepayment fee, redemption premium, break cost and any other income directly attributable to the Notes (such as income, if any, arising from the issue of free Warrants with the Notes)

(collectively, the "**Qualifying Income**") from the Notes paid by the Company and derived by a holder who is not resident in Singapore and who (aa) does not have any permanent establishment in Singapore or (bb) carries on any operation in Singapore through a permanent establishment in Singapore but the funds used by that person to acquire the Notes are not obtained from such person's operation through a permanent establishment in Singapore, are exempt from Singapore tax;

(b) subject to certain conditions (as listed below) having been fulfilled (including the furnishing by the Company, or as such other person as the MAS may direct, to the MAS of a return on debt securities for the Notes in the prescribed format within such a period as the MAS may specify and such other particulars in connection with the Notes as the MAS may require), Qualifying Income from the Notes paid by the Company and derived by any company or body of persons (as defined in the ITA) in Singapore is subject to tax at a concessionary rate of 10.0 per cent. (except for holders of the relevant Financial Sector Incentives(s) who may be taxes at different rates); and

(c) subject to:

    (a) the Company including in all offering documents relating to the Notes a statement to the effect that any person whose interest, discount income, prepayment fee, redemption premium or break cost (i.e. the Qualifying Income) derived from the Notes is not exempt from tax shall include such income in a return of income made under the ITA; and

    (b) the furnishing by the Company or such other person as the MAS may direct to the MAS of a return on debt securities for the Notes in the prescribed format within such period as the MAS may specify, and other particulars in connection with the Notes as the MAS may require.

Qualifying Income derived from the Notes and made by the Company is not subject to withholding of tax.

However, notwithstanding the foregoing:

(a) if during the primary launch of any tranche of Notes, the Notes of such tranche are issued to fewer than four persons, and 50.0 per cent. or more of the issue of such Notes is beneficially held or funded, directly or indirectly, by related party/parties of the Company, such Notes would not qualify as "qualifying debt securities"; and

(b) even though a particular tranche of Notes is "qualifying debt securities", if, at any time during the tenure of such tranche of Notes, 50.0 per cent. or more of the issue of such Notes which are outstanding at any time during the life of their issue are beneficially held or funded, directly or indirectly, by any related party/parties of the Company, Qualifying Income derived from such Notes held by:

    (i) any related party of the Company; or

    (ii) any other person where the funds used by such person to acquire such Notes are obtained, directly or indirectly, from any related party of the Company,

shall not be eligible for the tax exemption or concessionary rate of tax of 10.0 per cent. as described above.

The term "**related party**", in relation to a person, means any other person who, directly or indirectly, controls that person, or is controlled, directly or indirectly, by that person, or where he and that other person, directly or indirectly, are under the control of a common person.

Notwithstanding that the Company is permitted to make payments of interest, discount income, prepayment fee, redemption premium and break cost in respect of the Notes without deduction or withholding of tax under Section 45 or Section 45A of the ITA, any person whose Qualifying Income (whether it is interest, discount income, prepayment fee, redemption premium, break cost or any other income directly attributable to the Notes (such as income, if any, arising from the issue of free Warrants with the Notes)) derived from the Notes is not exempt from tax is required to include such income in a return of income made under the ITA.

The 10.0 per cent. concessionary tax rate for qualifying debt securities does not apply to persons who have been granted the financial sector incentive (standard-tier) status (within the meaning of Section 43N of the ITA).

2. Capital Gains

Singapore does not impose tax on gains of a capital nature. Any gains considered to be in the nature of capital made from the sale of the Notes will not be taxable in Singapore. However, any gains derived by any person from the sale of the Notes which are gains derived from any trade, business, profession or vocation carried on by that person, if accruing in or derived from Singapore, may be taxable as such gains are considered revenue in nature.

There are no specific statutory laws or regulations which deal with the characterisation of gains. The characterisation of gains arising from the sale of the Notes will depend on the facts and circumstances of each holder.

Holders of the Notes who apply or are required to apply Singapore Financial Reporting Standard 39—Financial Instruments: Recognition and Measurement ("**FRS 39**"), may, for Singapore income tax purposes, be required to recognise gains or losses (not being gains or losses in the nature of capital) on the Notes, irrespective of disposal, in accordance with FRS 39. Please see the section below on "Adoption of FRS 39 treatment for Singapore income tax purposes".

3. Adoption of FRS 39 treatment for Singapore income tax purposes

The Inland Revenue Authority of Singapore has issued a circular entitled "Income Tax Implications arising from the adoption of FRS 39—Financial Instruments: Recognition & Measurement" (the "**FRS 39 Circular**"). Legislative amendments to give effect to the tax treatment set out in the FRS 39 Circular have been enacted in Section 34A of the ITA.

The FRS 39 Circular and Section 34A of the ITA generally apply, subject to certain "opt-out" provisions, to taxpayers who are required to comply with FRS 39 for financial reporting purposes.

Holders of the Notes who may be subject to the tax treatment under the FRS 39 Circular should consult their own accounting and tax advisers regarding the Singapore income tax consequences of their acquisition, holding or disposal of the Notes.

4. Shares

Dividend Distributions

As the Company is incorporated in the Cayman Islands and the control and management of its business is exercised outside of Singapore, the Company would not be treated a tax resident of Singapore.

Dividends paid by the Company in respect of the New Shares would be considered as income sourced outside Singapore (unless the New Shares are held as part of a trade or business carried out in Singapore in which case, the holders of such New Shares may taxed on the dividends as they are derived).

To the extent that this foreign-sourced dividend income is received or deemed received in Singapore by an individual who is either a resident or non-resident of Singapore for tax purposes, it will generally be exempt from Singapore tax (except where such income is received by a Singapore tax resident through a partnership in Singapore).

Foreign-sourced dividends on the New Shares received or deemed received by corporate investors who are tax resident in Singapore will be liable to Singapore income tax. However, if the conditions for the exemption of the foreign-sourced income are met, the dividends on the New Shares received by corporate investors resident in Singapore could be exempt from Singapore income tax.

Foreign-sourced dividends on the New Shares received or deemed received in Singapore by corporate investors who are not tax resident in Singapore and who do not have a permanent establishment or tax presence in Singapore will generally not be subject to income tax in Singapore.

Gains on Disposal of Shares

Singapore does not impose tax on capital gains. However, there are no specific laws or regulations which deal with the characterisation of capital gains, and hence, gains arising from the disposal of the New Shares may be construed to be of an income nature and subject to income tax, especially if they arise from activities which the Comptroller would regard as the carrying on of a trade or business in Singapore.

Holders of the New Shares who are adopting the FRS 39, may for Singapore income tax purposes may be required to recognise gains or losses on the New Shares, irrespective of disposal. Please see the section on "Adoption of FRS 39 treatment for Singapore income tax purposes". Holders of the New Shares who may be subject to the tax treatment under the FRS 39 Circular should consult their own accounting and tax advisers regarding the Singapore income tax consequences of their acquisition, holding or disposal of the New Shares.

5. Estate Duty

Singapore estate duty has been abolished for deaths occurring on or after 15 February 2008.

Cayman Islands Taxation

The following is a discussion on certain Cayman Islands income tax consequences of an investment in the Notes and New Shares. The discussion is a general summary of present law, which is subject to prospective and retroactive change. It is not intended as tax advice, does not consider any investor's particular circumstances, and does not consider tax consequences other than those arising under Cayman Islands law.

Payments of interest and principal on the Notes, and payments of dividend on the New Shares will not be subject to taxation in the Cayman Islands and no withholding will be required on the payment of interest and principal or a dividend or capital to any holder of the Notes or New Shares nor will gains derived from the disposal of the Notes or New Shares be subject to Cayman Islands income or corporation tax. The Cayman Islands currently have no income, corporation or capital gains tax and no estate duty, inheritance tax or gift tax.

No stamp duty is payable in respect of the issue of the Notes or New Shares. Certain instruments may be stampable if they are executed in or brought into the Cayman Islands or produced before a Cayman Islands court. Transfer duty may be applicable on transfers of shares in Cayman Islands companies that hold real property in the Cayman Islands.

IDENTITY OF DIRECTORS, ADVISERS AND AGENTS

Directors

1. Provide the names and addresses of each of the directors or equivalent persons of the relevant entity.

Names of Directors	Addresses
John William Gervase Honeybourne (Non-Executive Chairman)	83 Clemenceau Avenue #10-05 UE Square Singapore 239920
Koh Tiong Lu John (Lead Non-Executive Independent Director)	83 Clemenceau Avenue #10-05 UE Square Singapore 239920
Jeffrey Saunders MacDonald (Interim Chief Executive Officer, Executive Director)	83 Clemenceau Avenue #10-05 UE Square Singapore 239920
Christopher Gibson-Robinson (Executive Director)	83 Clemenceau Avenue #10-05 UE Square Singapore 239920
Richard Allan Lorentz Jr. (Executive Director)	83 Clemenceau Avenue #10-05 UE Square Singapore 239920
Chan Hon Chew (Non-Executive Director)	83 Clemenceau Avenue #10-05 UE Square Singapore 239920
Michael Chia Hock Chye (Non-Executive Director)	83 Clemenceau Avenue #10-05 UE Square Singapore 239920
Duane Carl Radtke (Non-Executive Independent Director)	83 Clemenceau Avenue #10-05 UE Square Singapore 239920
Tan Ek Kia (Non-Executive Independent Director)	83 Clemenceau Avenue #10-05 UE Square Singapore 239920
Alan Rupert Nisbet (Non-Executive Independent Director)	83 Clemenceau Avenue #10-05 UE Square Singapore 239920
Keith James Pringle (Non-Executive Independent Director)	83 Clemenceau Avenue #10-05 UE Square Singapore 239920

Advisers

2. Provide the names and addresses of —

(a) **the issue manager to the offer, if any;**

Name of Lead Manager	Addresses
DBS Bank Ltd.	12 Marina Boulevard Marina Bay Financial Centre Tower 3 Singapore 018982

(b) **the legal adviser for or in relation to the offer, if any.**

Legal Adviser to the Company as to Singapore and United States federal securities laws	
Clifford Chance Pte. Ltd	12 Marina Boulevard 25th Floor Marina Bay Financial Centre Tower 3 Singapore 018982

Legal Adviser to the Company as to Cayman Islands law	
Walkers (Singapore) Limited Liability Partnership	3 Church Street Samsung Hub #16-02 Singapore 049483

Legal Adviser to the Lead Manager as to Singapore law	
Allen & Gledhill LLP	One Marina Boulevard #28-00 Singapore 018989

Registrars and Agents

3. Provide the names and addresses of the relevant entity's registrars, transfer agents and receiving bankers for the securities being offered, where applicable.

Share Registrar in Cayman Islands	Intertrust Corporate Services (Cayman) Limited 190 Elgin Avenue George Town Grand Cayman KY1-9005 Cayman Islands
Share Transfer Agent	M & C Services Private Limited 112 Robinson Road #05-01 Singapore 068902
Receiving Bank	DBS Bank Ltd. 12 Marina Boulevard Marina Bay Financial Centre Tower 3 Singapore 018982
Note Trustee	DBS Trustee Limited 12 Marina Boulevard Level 44 Marina Bay Financial Centre Tower 3 Singapore 018982
Common Security Agent	Madison Pacific Trust Limited 1720, Level 17, Tower One, Admiralty Centre 18 Harcourt Road Hong Kong
Issuing and Paying Agent and Registrar	DBS Bank Ltd. 10 Toh Guan Road #04-11 (Level 4B) DBS Asia Gateway Singapore 608838
Warrant Agent	M & C Services Private Limited 112 Robinson Road #05-01 Singapore 068902

Offer Statistics

1. For each method of offer, state the number of the securities being offered.

Non-renounceable non-underwritten preferential offering of S$139,464,848 in principal amount of Notes, in the denomination of S$1.00 for each Note, with 1,255,183,632 free detachable Warrants, each Warrant carrying the right to subscribe for one New Share, on the basis of 93 Notes of principal amount of S$1.00 each with 837 Warrants for every 1,000 existing Shares held by Entitled Shareholders as at the Record Date, fractional entitlements to be disregarded.

Method and Timetable

2. Provide the information referred to in paragraphs 3 to 7 of this Section to the extent applicable to:

(a) **the offer procedure; and**

(b) **where there is more than one group of targeted potential investors and the offer procedure is different for each group, the offer procedure for each group of targeted potential investors.**

Please refer to paragraphs 3 to 7 below.

3. State the time at, date on, and period during which the offer will be kept open, and the name and address of the person to whom the purchase or subscription applications are to be submitted. If the exact time, date or period is not known on the date of this document, describe the arrangements for announcing the definitive time, date or period. State the circumstances under which the offer period may be extended or shortened, and the duration by which the period may be extended or shortened. Describe the manner in which any extension or early closure of the offer period shall be made public.

Please refer to the section "*Indicative Timetable of Key Events*".

The procedures for, and the terms and conditions applicable to, acceptances of provisional allotments of Notes with Warrants and applications for excess Notes with Warrants, including the different modes of acceptance or application and payment, are contained in Appendices E, F and G of this Offering Memorandum and in the ARE and the PAL.

As at the date of this Offering Memorandum, the Company does not expect the timetable set out in the section "*Indicative Timetable of Key Events*" to be modified. However, the Company may, with the approval of the SGX-ST and with the agreement of the Lead Manager, modify the timetable subject to any limitation under any applicable laws. In such an event, the Company will publicly announce the same through an SGXNET announcement to be posted on the internet at the SGX-ST's website at http://www.sgx.com.

4. State the method and time limit for paying up for the securities and, where payment is to be partial, the manner in which, and dates on which, amounts due are to be paid.

The Notes with Warrants are payable in full upon acceptance and/or application. Details of the methods of payment for the Notes with Warrants are contained in Appendices E, F and G of this Offering Memorandum.

Please refer to the section "*Indicative Timetable of Key Events*" for the last date and time for payment for the Notes with Warrants and, if applicable, excess Notes with Warrants.

5. State, where applicable, the methods of and time limits for —

(a) **the delivery of the documents evidencing title to the securities being offered (including temporary documents of title, if applicable) to subscribers or purchasers; and**

(b) **the book-entry transfers of the securities being offered in favour of subscribers or purchasers.**

The Notes with Warrants will be provisionally allotted to Entitled Shareholders by crediting the Notes with Warrants to Entitled Depositors or through the despatch of the PALs to Entitled Scripholders on or about 6 January 2017.

Following the receipt of valid acceptances, excess applications and payments for the Notes with Warrants on or before the Closing Date, the Notes and the Warrants are expected to be issued on or about 23 January 2017.

The Notes will, on issue, be represented by the Global Certificate to be registered in the name of, and which will be deposited with, CDP. Except in the limited circumstances described in the provisions of the Global Certificate, owners of interests in the Notes represented by the Global Certificate will not be entitled to receive definitive certificates in respect of their individual holdings of Notes. The Notes will not be issued in bearer form. The Warrants will, on issue, be represented by Warrant Certificate(s) and Warrants held through CDP will be represented by a Warrant Certificate registered in the name of, and which will be deposited with, CDP. Except in the limited circumstances described in the terms and conditions of the Warrants, owners of interests in the Warrants represented by the Warrant Certificate registered in the name of CDP will not be entitled to receive definitive warrant certificates in respect of their individual holdings of Warrants. Upon crediting of the Notes and the Warrants to the Securities Accounts of the relevant subscribers, it is expected that CDP will send to the relevant subscriber, at the relevant subscriber's own risk, a notification letter stating the number of Notes and Warrants credited to the relevant subscriber's Securities Account.

Please refer to Appendices E, F and G of this Offering Memorandum and the ARE and PAL for further details.

6. In the case of any pre-emptive rights to subscribe for or purchase the securities being offered, state the procedure for the exercise of any right of pre-emption, the negotiability of such rights and the treatment of such rights which are not exercised.

Please refer to Appendix E of this Offering Memorandum and the ARE and PAL for details on the procedure for the acceptance of provisional allotments of Notes with Warrants and application for excess Notes with Warrants.

7. Provide a full description of the manner in which results of the allotment or allocation of the securities are to be made public and, where appropriate, the manner for refunding excess amounts paid by applicants (including whether interest will be paid).

Results of the Preferential Offering

The Company will announce the results of the Preferential Offering through an SGXNET announcement to be posted on the internet at the SGX-ST's website at http://www.sgx.com.

Manner of Refund

Where any acceptance of provisional allotments of Notes with Warrants and/or applications for excess Notes with Warrants is invalid or unsuccessful, the amount paid on acceptance and/or application will be returned or refunded to such applicants without interest or any share of revenue or other benefit arising therefrom within three business days after the commencement of trading of the Notes and the Warrants as follows:

(i) where the acceptance and/or application had been made through CDP, by means of a crossed cheque in Singapore currency drawn on a bank in Singapore and sent by ordinary post at their own risk to their mailing addresses as maintained in the records of CDP or in such other manner as they may have agreed with CDP for the payment of any cash distributions;

(ii) where the acceptance and/or application had been made through the Share Transfer Agent, by means of a crossed cheque in Singapore currency drawn on a bank in Singapore and sent by ordinary post at their own risk to their mailing address in Singapore as maintained with the Share Transfer Agent; and

(iii) where the acceptance and/or application had been made through an Electronic Application through an ATM of the Participating Bank, by crediting their bank accounts with the Participating Bank at their own risk, the receipt by such bank being a good discharge to the Company, the Lead Manager and CDP of their obligations.

Please refer to Appendices E, F and G of this Offering Memorandum for details of the refunding of excess amounts paid by applicants.

Use of Proceeds from Offer and Expenses Incurred

1. **In the same section, provide the information set out in paragraphs 2 to 7 of this Section.**

   Please refer to paragraphs 2 to 7 below.

2. **Disclose the amount of the proceeds from the offer (net of the estimated amount of expenses incurred in connection with the offer) (referred to in this paragraph and paragraph 3 of this Section as the net proceeds). Where only a part of the net proceeds will go to the relevant entity, indicate the amount of the net proceeds that will be raised by the relevant entity. If none of the proceeds will go to the relevant entity, provide a statement of that fact.**

   The net proceeds from the Preferential Offering (after deducting estimated expenses incurred in connection with the Preferential Offering of approximately S$2.4 million) are expected to be approximately S$137.1 million. Assuming all the Warrants are exercised, the Company is expected to receive further gross proceeds of approximately S$138.1 million.

   All net proceeds will go to the Company.

3. **Disclose how the net proceeds raised by the relevant entity from the offer will be allocated to each principal intended use. If the anticipated proceeds will not be sufficient to fund all of the intended uses, disclose the order of priority of such uses, as well as the amount and sources of other funds needed. Disclose also how the proceeds will be used pending their eventual utilisation for the proposed uses. Where specific uses are not known for any portion of the proceeds, disclose the general uses for which the proceeds are proposed to be applied. Where the offer is not fully underwritten on a firm commitment basis, state the minimum amount which, in the reasonable opinion of the directors or equivalent persons of the relevant entity, must be raised by the offer of securities.**

   Based on the measures to be taken in connection with the Proposed Restructuring Plan and the New Business Plan, in the reasonable opinion of the Directors, the optimal amount of net proceeds to be raised under the Preferential Offering is approximately S$137.1 million.

   The Company intends to utilise the net proceeds from the Preferential Offering, after deduction of the expenses incurred in connection with the Preferential Offering, in the following approximate manner:

	S$ million	US$ million [1]	Per cent. of net proceeds
Capital expenditures (relating to the Group's existing assets)	60.6	41.9	44.2
Repay Bridge Upsize	72.3	50.0	52.7
General working capital	4.2	2.9	3.1
Total	137.1	94.8	100.0

   Assuming all the Warrants are exercised, the Company is expected to receive further gross proceeds of approximately S$138.1 million, which will be used for capital expenditures, general working capital and debt service.

[1] Based on the exchange rate of US$1.00 = S$1.4468 (sourced from Bloomberg L.P. as at the Latest Practicable Date).

Pending the deployment of the net proceeds from the Preferential Offering, such net proceeds may be deposited with banks and/or financial institutions or used for investment in short-term money markets or debt instruments or used for other purposes on a short-term basis, including using such net proceeds to temporarily reduce outstanding amounts under the Revolving Credit Facility, as the Directors may deem appropriate in the interests of the Company.

4. **For each dollar of the proceeds from the offer that will be raised by the relevant entity, state the amount that will be allocated to each principal intended use and the amount that will be used to pay for expenses incurred in connection with the offer.**

   For each Singapore dollar of the gross proceeds of approximately S$139.5 million from the Preferential Offering, the Company will use:

   (i) approximately 43.5 cents for capital expenditures (relating to the Group's existing assets);

   (ii) approximately 51.8 cents for repayment of the Bridge Upsize;

   (iii) approximately 3.0 cents for general working capital; and

   (iv) approximately 1.7 cents to pay for the expenses incurred in connection with the Preferential Offering.

5. **If any of the proceeds to be raised by the relevant entity will be used, directly or indirectly, to acquire or refinance the acquisition of an asset other than in the ordinary course of business, briefly describe the asset and state its purchase price. If the asset has been or will be acquired from an interested person of the relevant entity, identify the interested person and state how the cost to the relevant entity is or will be determined.**

   There is no intention to use the net proceeds from the Preferential Offering, directly or indirectly, to acquire or refinance the acquisition of an asset other than in the ordinary course of business.

6. **If any of the proceeds to be raised by the relevant entity will be used to finance or refinance the acquisition of another business, briefly describe the business and give information on the status of the acquisition.**

   There is no intention to use the net proceeds from the Preferential Offering to finance or refinance the acquisition of another business.

7. **If any material part of the proceeds to be raised by the relevant entity will be used to discharge, reduce or retire the indebtedness of the relevant entity or, if the relevant entity is the holding company or holding entity of a group, of the group, describe the maturity of such indebtedness and, for indebtedness incurred within the past year, the uses to which the proceeds giving rise to such indebtedness were put.**

   The Bridge Upsize is available for up to six months from 3 November 2016 however loans made available under the Bridge Upsize are repayable (and corresponding commitments under the Bridge Upsize will be cancelled) upon the receipt by any member of the Group of the gross proceeds of any funds raising (subject to certain exceptions), including but not limited to the Preferential Offering. The proceeds of the Bridge Upsize have been and will be used to fund the Company's capital expenditures, general working capital requirements and debt service.

8. **In the section containing the information referred to in paragraphs 2 to 7 of this Section or in an adjoining section, disclose the amount of discount or commission agreed upon between the underwriters or other placement or selling agents in relation to the offer and the person making the offer. If it is not possible to state the amount of discount or commission, the method by which it is to be determined must be explained.**

In consideration of the Lead Manager's agreement to manage the Preferential Offering, the Company will pay to the Lead Manager a commission of 1.0 per cent. of the principal amount of the Notes.

Information on the Relevant Entity

9. **Provide the following information:**

(a) **the address and telephone and facsimile numbers of the relevant entity's registered office and principal place of business (if different from those of its registered office);**

Registered Office	:	Intertrust Corporate Services (Cayman) Limited 190 Elgin Avenue George Town Grand Cayman KY1-9005 Cayman Islands
Telephone Number	:	+1 345 943 3100
Facsimile Number	:	+1 345 945 4757
Principal place of business	:	83 Clemenceau Avenue #10-05 UE Square Singapore 239920
Telephone Number	:	+65 6838 5430
Facsimile Number	:	+65 6538 3622

(b) **the nature of the operations and principal activities of the relevant entity or, if it is the holding company or holding entity of a group, of the group;**

The Company is an independent upstream company focused on the exploration, appraisal, development and production of oil and gas in Southeast Asia. The Company was incorporated on 5 October 2009. The Group's target focus area stretches from the Surma Basin in Bangladesh in the west to the Papuan Basin in the east, and from offshore southern China in the north to Indonesia in the south.

In July 2013, the Company completed its IPO, in which it raised approximately S$254.6 million in net proceeds. In May 2014, the Company established the MTN Program pursuant to which it issued the 2017 Notes in June 2014 and the 2018 Notes in August 2014.

Since inception, the Group has built a portfolio of oil and gas assets that, as at the Latest Practicable Date, encompasses 18 contract areas, of which it operates 12, in five countries, and spanning the entire upstream life cycle of exploration, appraisal, development and production. The Group believes that these assets provide a solid foundation from which it can grow its business in Southeast Asia.

The chart below shows the Group's portfolio as at the Latest Practicable Date:



The Group has a strong track record in exploring for oil and gas and in the discovery and production of Hydrocarbons. The Group continues to use this expertise to build a diverse portfolio of exploration assets, each of which contain multiple prospects and leads that the Group believes will provide it with further growth opportunities. These exploration opportunities are largely independent of one another, which helps ensure that the outcome of drilling individual wells does not affect the prospectivity of the remaining opportunities in each individual licence.

(c) **the general development of the business from the beginning of the period comprising the 3 most recent completed financial years to the latest practicable date, indicating any material change in the affairs of the relevant entity or the group, as the case may be, since:**

(i) **the end of the most recent completed financial year for which financial statements of the relevant entity have been published; or**

(ii) **the end of any subsequent period covered by interim financial statements, if interim financial statements have been published;**

Key developments in 2013

Acquisitions	The Group acquired KrisEnergy Bangladesh, which holds a 30.0 per cent. Working Interest in Block 9 onshore in Bangladesh.
Operations	The Group agreed to the final investment decision for the Nong Yao oil development in G11/48 in the Gulf of Thailand. One exploration well in the Kutai PSC encountered gas. One appraisal well in the Bulu PSC successfully tested gas. One exploration well in each of Block 105 and Block 120 resulted in non-commercial oil and gas discoveries, respectively. In B8/32 and B9A in the Gulf of Thailand, 57 development wells were drilled and two wellhead platforms were put on stream. The Group acquired 948 km of 2D seismic data in the East Seruway PSC and 270 sq. km of 3D seismic data over the Rossukon oil discovery in G6/48 in the Gulf of Thailand. As at 31 December 2013, the Company's 2P reserves and 2C resources amounted to 32.2 mmboe and 53.9 mmboe, respectively.
Financing	KrisEnergy Holding Company Ltd. increased the 2016 Bonds from US$85.0 million to US$120.0 million and the 2011 Revolving Credit Facility from US$30.0 million to US$42.5 million.
Corporate	The Company completed its IPO, raising approximately S$254.6 million in net proceeds. Keppel, through Devan, exercised an option to increase its effective shareholding pre-IPO and in addition subscribed for US$35.0 million of new Shares in a cornerstone tranche undertaken concurrently with the IPO, resulting in a shareholding interest of 31.3 per cent. in the Company. In connection with the IPO, KrisEnergy Holdings Ltd. granted an over-allotment option, which was exercised by the stabilising manager in full, for the purposes of covering the 30,398,000 Shares which had been over-allotted in connection with the IPO. This resulted in KrisEnergy Holdings Ltd.'s shareholding interest in the Company decreasing to 45.2 per cent. The Company appointed two additional Non-Executive Independent Directors, namely Koh Tiong Lu John and Tan Ek Kia.

Key developments in 2014

Acquisitions	The Group acquired a 30.0 per cent. operated Working Interest in G6/48 in the Gulf of Thailand. The Group increased Working Interest in G10/48 from 25.0 per cent. to 100.0 per cent. and obtained operatorship of G10/48. The Group was awarded operatorship and 95.0 per cent. Working Interest of Sakti PSC offshore East Java in Indonesia; 45.0 per cent. Working Interest of SS-11 exploration block, offshore Bangladesh; 100.0 per cent. operated Working Interest in the Block 115 exploration block offshore Vietnam. The Group increased Working Interest in Bala-Balakang PSC (formerly known as Tanjung Aru PSC) to 85.0 per cent. due to the withdrawal of Neon Energy (Indonesia) Pty Ltd. Through the acquisition of Chevron Overseas Petroleum (Cambodia) Limited, the Group took over operatorship and increased Working Interest in Cambodia Block A to 52.25 per cent. The Group increased Working Interests in Block 105 PSC and Block 120 PSC to 33.33 per cent. due to the withdrawal of Neon Energy (Song Hong) Pty Ltd.
Operations	The Group acquired 1,284 km of 2D seismic data in the East Muriah PSC, 502 sq. km of 3D seismic data in the Bala-Balakang PSC, and 1,202 km of 2D and 401 sq. km of 3D seismic data in the Sakti PSC. One exploration commitment well was drilled in each of G10/48 and G11/48 and encountered non-commercial Hydrocarbons. In B8/32 and B9A in the Gulf of Thailand, 55 development wells were drilled and one wellhead platform was put on stream and a wellhead platform restarted production following infill drilling. As of 31 December 2014, the Company's 2P reserves and 2C resources amounted to 71.0 mmboe and 136.8 mmboe, respectively.
Financing	KrisEnergy Holding Company Ltd., the Company's wholly-owned Subsidiary, redeemed in full the 2016 Bonds at 105.25 per cent. of the principal amount, being US$126.3 million (which includes accrued interest of US$0.3 million) and cancelled the 2011 Revolving Credit Facility.

KrisEnergy (Asia) Ltd, the Company's wholly-owned Subsidiary, as borrower and The Hongkong and Shanghai Banking Corporation Limited, as lender, entered into the US$100.0 million Revolving Credit Facility which provides an option to increase the total commitments to US$140.0 million in the event that the Group adds more 2P reserves in connection with the entities securing the Revolving Credit Facility and with the consent of the lender.

The Company established the MTN Program pursuant to which it issued the Existing Notes.

Corporate

The Company appointed two additional Non-Executive Independent Directors, namely Alan Rupert Nisbet and Keith James Pringle.

Key developments in 2015

Acquisitions and disposals

The Group completed the acquisition of the entire issued and paid-up share capital of Premier Oil Sumatra (North) B.V. which held 41.6666 per cent. Working Interest in the Block A Aceh PSC.

The Group completed the sale of 14.67 per cent. shareholding in KrisEnergy Management Ltd to Palang Sophon Offshore, a wholly-owned entity of Palang Sophon Ltd. KrisEnergy Management Ltd holds 100.0 per cent. of KrisEnergy G10 (Thailand) Ltd, which holds 75.0 per cent. Working Interest of G10/48. The Company's wholly-owned subsidiary, KrisEnergy (Gulf of Thailand) Ltd., holds the remaining 25.0 per cent. Working Interest in G10/48 and the operatorship of G10/48. The transaction reduced KrisEnergy's effective Working Interest in G10/48 to 89.0 per cent.

Eni Vietnam B.V. transferred a 66.67 per cent. operated Working Interest in Block 105 to the Company, and the Group thereafter assigned its non-operated 49.0 per cent. Working Interest in Block 105 to Vietnam Oil and Gas Group in June 2015. The Company holds a 51.0 per cent. operated Working Interest in Block 105.

The Tanjung Aru PSC was formally renamed as the Bala-Balakang PSC.

Operations

Oil production from the Nong Yao field in the G11/48 licence in the Gulf of Thailand commenced from three initial wells on 17 June 2015. The Nong Yao development comprises 16 development wells, a wellhead processing platform and a minimum facility wellhead platform with the export of crude via a floating storage and offloading vessel. The facilities have a production capacity of up to 15,000 bopd and a processing capacity of 30,000 barrels of fluids per day.

Oil production from the Wassana oil field in the G10/48 concession in the Gulf of Thailand commenced on 14 August 2015.

52 development wells were drilled in the B8/32 and B9A oil and gas complex in the Gulf of Thailand and one wellhead platform was installed.

The Group drilled two exploration and two sidetrack wells in G6/48 and one exploration well in G10/48, all of which resulted in oil and gas discoveries. Sub-commercial discovery resulted from an exploration well drilled in the Sakti PSC.

Government approval was received for a Production Area Application for the Rossukon series of discoveries in the G6/48.

A gas sales agreement was signed for in January 2015 for the Block A Aceh gas development onshore North Sumatra for a daily contracted quantity of 58 billion British thermal unit ("**Btu**") with an agreed gas price of US$9.45 per million Btu.

The Group awarded the front-end engineering and design contract for the Lengo gas field development in the Bulu PSC offshore East Java.

The Mustika-1 exploration well in the Sakti PSC offshore East Java, Indonesia, was completed on 14 December 2015. Initial indications from wireline logs showed that the encountered gas had a high carbon dioxide content and therefore are likely to be below the economic threshold for a commercial discovery.

The Group acquired 3,146 km of 2D seismic data in the SS-11 PSC, 575 sq. km of 3D seismic data in Block 120 and completed a 300 km of 2D seismic acquisition program in the Udan Emas PSC.

As of 31 December 2015, the Company's 2P reserves and 2C resources amounted to 105.9 mmboe and 109.3 mmboe, respectively.

Financing

KrisEnergy (Asia) Ltd increased the total commitments of the Revolving Credit Facility to US$122.0 million.

In August 2015, the Company completed a renounceable underwritten rights issue (the "**2015 Rights Issue**") and raised net proceeds of S$164.4 million.

On 12 November 2015, the Company undertook a consent solicitation exercise to seek approval of the Existing Noteholders to amend Clause 7.2(b) of the trust deed dated 26 May 2014 constituting each of series of Existing Notes and Condition 3.2(b) of the relevant series of Existing Notes in order to effect an amendment of the step-up in the Consolidated EBITDAX (as defined in the trust deed) to Consolidated Interest Expense (as defined in the trust deed)

ratio in the covenant contained in Clause 7.2(b) of the trust deed and Condition 3.2(b) of the relevant series of Existing Notes. On 4 December 2015, the extraordinary resolutions in relation to the above was duly passed (the "**2015 Consent Solicitation**").

Key developments from 1 January 2016 to the Latest Practicable Date

Acquisitions and disposals

As of 7 October 2016, the Group increased its Working Interest in Cambodia Block A from 52.25 per cent. to 95.0 per cent. due to the withdrawal of Mitsui Oil Exploration Co. Ltd ("**MOECO**") and GS Energy Corporation.

The agreement to transfer 23.4 per cent. Working Interest from Ophir Energy plc ("**Ophir**"), due to the withdrawal of Ophir was signed on 11 October 2016 and is pending governmental approvals. Upon completion of the transfer, the Company's Working Interest will increase from 54.6 per cent. to 78.0 per cent. The block exploration phase will expire on 15 January 2017.

The agreement to transfer 26.6666 per cent. Working Interest in Block A Aceh PSC from KrisEnergy (Block A Aceh) BV to Medco was signed on 9 November 2016 and is pending approvals from the Government of Indonesia and the Government of Aceh. Upon completion of the farm-out, the Company's Working Interest will decrease from 41.6666 per cent. to 15.0 per cent.

Relinquishments

East Muriah PSC expired on 12 November 2016.

Operations

Development drilling in the Wassana oil field in G10/48 was completed in January 2016 and production reached a peak at approximately 12,800 bopd. The field development comprises 14 development wells, a mobile offshore production unit and a floating storage and offloading vessel.

In the first nine months of 2016, seven development wells were drilled in the B8/32 and B9A oil and gas complex.

A US$240 million engineering procurement and construction contract was awarded for the Block A Aceh gas development onshore North Sumatra.

Drilling of the Bangora-6 development well commenced on 4 September 2016.

Mubadala, the operator of G11/48 completed drilling four infill wells at the Nong Yao oil field in September 2016.

The Group acquired 884 sq. km of 3D seismic data in G10/48 over two sub-areas northwest and southwest of the Wassana oil field.

Financing

On 24 March 2016, the Company extended the Revolving Credit Facility by one year to 24 March 2017.

On 30 June 2016, the Revolving Credit Facility was transferred to a single lender, the RCF Lender and was upsized to US$148.3 million on 11 July 2016.

On 3 November 2016, the Company entered into an amendment agreement with, among others, the RCF Lender to amend certain terms and covenants of the Revolving Credit Facility, including, *inter alia*, the (a) extension of the maturity of the Revolving Credit Facility from March 2017 to June 2018; and (b) provision of the Bridge Upsize of US$50.0 million short-term bridge upsize for up to six months pending the completion of the Preferential Offering.

The Bridge Upsize is available for a period of up to six months from 3 November 2016 and will be automatically cancelled at the end of this period or, if earlier, at the time(s) of receipt by any member of the Group of the gross proceeds of any funds raising (subject to certain exceptions including, without limitation, the proceeds of certain permitted disposals, permitted financial indebtedness, permitted loans and permitted transactions), including but not limited to the Preferential Offering. It is expected that the utilisations under the Bridge Upsize will be repaid, and the Bridge Upsize cancelled, using part of the proceeds from the Preferential Offering. Of the Bridge Upsize, US$15.0 million was utilised on 8 November 2016 and US$35.0 million could only be utilised following the satisfaction (or waiver by the RCF Lender) of certain conditions precedent (additional to those applicable to all loans requested under the Revolving Credit Facility) (the "**Additional Bridge CPs**"). The Additional Bridge CPs include, among other things: (i) a requirement that KrisEnergy (Apsara) Ltd and KrisEnergy (Cambodia) Holding Ltd accede to the facility agreement as guarantors and that security is granted over all of the issued shares in each of them and over certain accounts held by them; (ii) a requirement to provide supplemental security reflecting the existing security package; and (iii) a requirement to provide evidence that the extraordinary resolutions proposed in respect of each series of the Existing Notes in each Notes Exchange have been duly passed or are otherwise irrevocable. Save for the requirement referred to in paragraph (iii) and the provision of certain share security and associated deliverables, the Additional Bridge CPs have not, as at the Latest Practicable Date, been satisfied.

Pursuant to the terms on which the Bridge Upsize was made available, the Additional Bridge CPs were required to be satisfied by 19 December 2016 or such later date as the RCF Lender may agree. The Company entered into an amendment agreement with the RCF Lender on 9 December 2016 ("the **December 2016 Amendment Agreement**") amending the amendment agreement dated 3 November 2016 in respect of the Revolving Credit Facility to waive the requirement to provide certain of the Additional Bridge CPs prior to

utilisation of US$25.0 million of the remaining US$35.0 million of the Bridge Upsize (without prejudice to the requirement to deliver these Additional Bridge CPs by 19 December 2016 or such later date as the RCF Lender may agree). The December 2016 Amendment Agreement also requires security over the shares of the Additional Security Providers and security over certain accounts held by the Additional Security Providers (which the Company had previously agreed with the RCF Lender would be granted to secure the Revolving Credit Facility) to be granted no later than the earlier of (i) the Issue Date of the Notes and (ii) 31 January 2017. KrisEnergy (Asia) Ltd as borrower under the Revolving Credit Facility utilised US$25.0 million of the remaining US$35.0 million of the Bridge Upsize on 13 December 2016. On 19 December 2016 it was agreed that the Longstop Date (as defined in the December 2016 Amendment Agreement) would be extended to 28 December 2016 or such later date as the RCF Lender may agree and on 23 December 2016 it was agreed that the Longstop Date would be extended to 5 January 2017 or such later date as the RCF Lender may agree.

Corporate

On 3 November 2016, the Company announced the Proposed Restructuring Plan.

On 9 December 2016, the meetings of Existing Noteholders took place and the extraordinary resolutions in relation to the Proposals were duly passed.

On 27 December 2016, the EGM took place and the Preferential Offering Resolution and Whitewash Resolution were duly passed.

(d) **the equity capital and the loan capital of the relevant entity as at the latest practicable date, showing:**

(i) **in the case of the equity capital, the issued capital; or**

(ii) **in the case of the loan capital, the total amount of the debentures issued and outstanding, together with the rate of interest payable thereon;**

As at the Latest Practicable Date, the issued share capital of the Company was approximately US$1,874,528 comprising 1,499,622,024 Shares.

As at the Latest Practicable Date, the loan capital of the Company was as follows:

Securities	Amount issued	Amount outstanding	Coupon per annum
2017 Notes[(1)]	S$130,000,000	S$130,000,000	6.25 per cent.
2018 Notes[(1)]	S$200,000,000	S$200,000,000	5.75 per cent.

Note:

(1) The 2017 Notes and the 2018 Notes will be exchanged for New Notes pursuant to the Notes Exchanges on or around 11 January 2017.

(e) **where:**

(i) **the relevant entity is a corporation, the number of shares of the relevant entity owned by each substantial shareholder as at the latest practicable date; or**

(ii) **the relevant entity is not a corporation, the amount of equity interests in the relevant entity owned by each substantial interest-holder as at the latest practicable date;**

The interests of the Substantial Shareholders as at the Latest Practicable Date (calculated based on the issued share capital of the Company of 1,499,622,024 Shares) are set out below:

Substantial Shareholders	Direct Interest		Deemed Interest		Total Interest	
	No. of Shares	per cent.	No. of Shares	per cent.	No. of Shares	per cent.
KrisEnergy Holdings Ltd	560,505,269	37.38	—	—	560,505,269	37.38
First Reserve Fund XII, L.P.	—	—	560,505,269[1]	37.38	560,505,269	37.38
First Reserve GP XII, L.P.	—	—	560,505,269[1]	37.38	560,505,269	37.38
First Reserve GP XII Limited	—	—	560,505,269[1]	37.38	560,505,269	37.38
William Macaulay	—	—	560,505,269[1]	37.38	560,505,269	37.38
Keppel Oil & Gas Pte. Ltd.	598,263,893	39.89	—	—	598,263,893	39.89
Kepventure Pte. Ltd.	—	—	598,263,893[2]	39.89	598,263,893	39.89
Keppel Corporation Limited	—	—	598,263,893[2]	39.89	598,263,893	39.89
Temasek Holdings (Private) Limited	—	—	598,263,893[3]	39.89	598,263,893	39.89

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(1) First Reserve Fund XII, L.P. ("**FR XII**"), First Reserve GP XII, L.P. ("**FR GP XII**"), First Reserve GP XII Limited ("**FR GP XII Limited**") and William Macaulay are deemed under Section 4 of the SFA to have an interest in the Shares held by KrisEnergy Holdings Ltd. ("**KEHL**") as:

(a) FR XII is the majority shareholder of KEHL;

(b) FR XII is managed by FR GP XII, its general partner;

(c) FR GP XII is managed by FR GP XII Limited, its general partner; and

(d) William Macaulay has the right to appoint the board of directors of FR GP XII Limited.

(2) Kepventure Pte. Ltd. ("**Kepventure**") and Keppel are each deemed under Section 4 of the SFA to have an interest in the Shares held by KOG as:

(a) KOG is a wholly owned subsidiary of Kepventure; and

(b) Kepventure is a wholly owned subsidiary of Keppel.

(3) Temasek Holdings (Private) Limited ("**Temasek**") is deemed under Section 4 of the SFA to have an interest in the Shares held by KOG as:

(a) KOG is a wholly owned subsidiary of Kepventure;

(b) Kepventure is a wholly owned subsidiary of Keppel; and

(c) Temasek has more than 20 per cent. interest in Keppel.

(f) **any legal or arbitration proceedings, including those which are pending or known to be contemplated, which may have, or which have had in the 12 months immediately preceding the date of this document, a material effect on the financial position or profitability of the relevant entity or, where the relevant entity is a holding company or holding entity of a group, of the group;**

As at the date of this Offering Memorandum, the Directors are not aware of any litigation or arbitration proceedings to which any member of the Group is a party or which is pending or known to be contemplated, which may have, or which have had in the 12 months immediately preceding the date of this Offering Memorandum, a material effect on the financial position or profitability of the Group.

(g) **where any securities or equity interests of the relevant entity have been issued within the 12 months immediately preceding the latest practicable date —**

(i) **if the securities or equity interests have been issued for cash, state the prices at which the securities have been issued and the number of securities or equity interests issued at each price; or**

No securities or equity interests have been issued by the Company for cash within the 12 months immediately preceding the Latest Practicable Date.

(ii) **if the securities or equity interests have been issued for services, state the nature and value of the services and give the name and address of the person who received the securities or equity interests; and**

The Company has not issued any securities or equity interests in return for services (in the sense of services provided by a service provider as opposed to services provided in the course of employment) within the 12 months immediately preceding the Latest Practicable Date.

For the avoidance of doubt, in the 12 months immediately preceding the Latest Practicable Date, 5,570,779 Shares were allotted and issued to the Company's employees resulting from the vesting of the Awards granted under the performance share plan of the Company (the "**KrisEnergy Performance Share Plan**"). Of these Shares, 574,638 Shares were allotted and issued to executive Directors.

(h) **a summary of each material contract, other than a contract entered into in the ordinary course of business, to which the relevant entity or, if the relevant entity is the holding company or holding entity of a group, any member of the group is a party, for the period of 2 years immediately preceding the date of this document, including the parties to the contract, the date and general nature of the contract, and the amount of any consideration passing to or from the relevant entity or any other member of the group, as the case may be.**

Save as disclosed below, the members of the Group have not entered into any material contracts outside the ordinary course of business for the period of two years immediately preceding the date of this Offering Memorandum:

- the Management Agreement;
- the Irrevocable Undertakings (set out in paragraph 7 of the section "*The Offer and Listing*");

- a solicitation agency agreement dated 17 November 2016, entered into between the Company and Standard Chartered Bank as solicitation agent in connection with the Consent Solicitation;

- a management and underwriting agreement dated 15 June 2015, entered into between the Company and Merrill Lynch (Singapore) Pte. Ltd., as lead manager and underwriter, in connection with the renounceable underwritten rights issue undertaken by the Company in 2015 (the "**2015 Rights Issue**");

- irrevocable undertakings by the First Reserve Funds and Devan to the Company to, *inter alia*, in accordance with the terms and conditions of the 2015 Rights Issue and not later than the closing date, subscribe and pay for, or procure the subscription and payment for, the undertaken rights shares in the 2015 Rights Issue;

- a solicitation agency agreement dated 12 November 2015, entered into between the Company and Standard Chartered Bank as solicitation agent in connection with the 2015 Consent Solicitation;

- a supplemental trust deed dated 4 December 2015 for the 2017 Notes, entered into between the Company and The Bank of New York Mellon, Singapore Branch as trustee of the 2017 Notes in connection with the 2015 Consent Solicitation; and

- a supplemental trust deed dated 4 December 2015 for the 2018 Notes, entered into between the Company and The Bank of New York Mellon, Singapore Branch as trustee of the 2018 Notes in connection with the 2015 Consent Solicitation.

Operating Results

1. **Provide selected data from:**

   (a) **the audited income statement of the relevant entity or, if the relevant entity is the holding company or holding entity of a group, the audited consolidated income statement of the relevant entity or the audited combined income statement of the group, for each financial year (being one of the 3 most recent completed financial years) for which that statement has been published; and**

   (b) **any interim income statement of the relevant entity or, if the relevant entity is the holding company or holding entity of a group, any interim consolidated income statement of the relevant entity or interim combined income statement of the group, for any subsequent period for which that statement has been published.**

   Please refer to paragraphs 2 and 3 below.

2. **The data referred to in paragraph 1 of this Section shall include the line items in the audited income statement, audited consolidated income statement, audited combined income statement, interim income statement, interim consolidated income statement or interim combined income statement, as the case may be, and shall in addition include the following items:**

   (a) **dividends declared per Share in both the currency of the financial statements and the Singapore currency, including the formula used for any adjustment to dividends declared;**

   (b) **earnings or loss per Share; and**

   (c) **earnings or loss per Share, after any adjustment to reflect the sale of new securities.**

   Set out below are the audited consolidated income statements of the Group for FY2013, FY2014 and FY2015 and the unaudited consolidated income statements of the Group for 3Q2015 and 3Q2016.

	FY2013	FY2014	FY2015	3Q2015	3Q2016
	Audited			Unaudited	
			US$		
Revenue	69,050,403	74,905,229	60,171,199	12,715,729	44,402,038
Cost of sales	(43,586,834)	(55,236,207)	(95,494,556)	(19,386,197)	(59,409,244)
Gross profit/(loss)	25,463,569	19,669,022	(35,323,357)	(6,670,468)	(15,007,206)
Other income	16,235,154	9,330,854	110,777,899	26,835,841	1,173,354
General and administrative expenses	(31,736,435)	(35,718,914)	(33,696,980)	(6,831,219)	(8,414,822)
Other operating income/(expenses)	1,631,311	(9,983,883)	(67,871,371)	(61,178)	(124,059)
Finance income	1,853,888	577,251	289,750	65,442	75,364
Finance costs	(13,333,991)	(23,153,200)	(19,458,084)	(4,932,293)	(7,935,528)
Profit/(Loss) before tax	113,496	(39,278,870)	(45,282,143)	8,406,125	(30,232,897)
Tax (expense)/credit	(12,758,629)	(11,091,626)	(3,291,691)	915,429	(1,376,031)
(Loss)/Profit for the year/period	(12,645,133)	(50,370,496)	(48,573,834)	9,321,554	(31,608,928)

	FY2013	FY2014	FY2015	3Q2015	3Q2016
	Audited			Unaudited	
			US$		
Attributable to:					
Owners of the Group	(12,645,133)	(50,370,496)	(41,675,825)	9,504,186	(31,608,928)
Non-controlling interests	—	—	(6,898,009)	(182,632)	—
(Loss)/Profit for the year/period	(12,645,133)	(50,370,496)	(48,573,834)	9,321,554	(31,608,928)
Other comprehensive income:					
Items that may be reclassified subsequently to profit or loss					
Exchange differences on translation of foreign operations	(79,567)	(164,523)	(232,955)	(87,392)	6,748
Items that will not be reclassified to profit or loss					
Re-measurement of defined benefit obligations	—	(139,139)	303,144	—	—
Total comprehensive (loss)/ income for the year/period	**(12,724,700)**	**(50,674,158)**	**(48,503,645)**	**9,234,162**	**(31,602,180)**
Attributable to:					
Owners of the Group	(12,724,700)	(50,674,158)	(41,605,636)	9,416,794	(31,602,180)
Non-controlling interests	—	—	(6,898,009)	(182,632)	—
Total comprehensive (loss)/ income for the year/period	**(12,724,700)**	**(50,674,158)**	**(48,503,645)**	**9,234,162**	**(31,602,180)**
(Loss)/Profit per share attributable to owners of the Company (cents per share) before adjustment to reflect the Preferential Offering					
Basic	(2)	(5)	(3)	1	(2)
Diluted	(2)	(5)	(3)	1	(2)
(Loss)/Profit per share attributable to owners of the Company (cents per share) after adjustment to reflect the Preferential Offering[(1)]					
Basic	(1)	(2)	(2)	0	(1)
Diluted	(1)	(2)	(2)	0	(1)

(1) Purely for illustrative purposes only, being the profit or loss per Share attributable to owners of the Company (cents per Share) for the relevant financial period adjusted by the additional 1,255,183,632 Shares arising from the Preferential Offering (assuming that all the Warrants are exercised and no adjustment is made to the number of Warrants under the terms of the Deed Poll), at the beginning of the respective financial period. The illustrative figures have not taken into account any theoretical ex-rights adjustment factor.

The Company has not declared any dividends in respect of FY2013, FY2014, FY2015 and 3Q2016.

3. **In respect of:**

(a) **each financial year (being one of the 3 most recent completed financial years) for which financial statements have been published; and**

(b) **any subsequent period for which interim financial statements have been published,**

provide information regarding any significant factor, including any unusual or infrequent event or new development, which materially affected profit or loss before tax of the relevant

entity or, if it is the holding company or holding entity of a group, of the group, and indicate the extent to which such profit or loss before tax of the relevant entity or the group, as the case may be, was so affected. Describe any other significant component of revenue or expenditure necessary to understand the profit or loss before tax for each of these financial periods.

Please refer to Appendices C and D of this Offering Memorandum.

Financial Position

4. **Provide selected data from the balance sheet of the relevant entity or, if it is the holding company or holding entity of a group, the group as at the end of:**

   (a) the most recent completed financial year for which audited financial statements have been published; or

   (b) **if interim financial statements have been published for any subsequent period, that period.**

   Please refer to paragraph 5 below.

5. **The data referred to in paragraph 4 of this Section shall include the line items in the audited or interim balance sheet of the relevant entity or the group, as the case may be, and shall in addition include the following items:**

   (a) **number of shares after any adjustment to reflect the sale of new securities;**

   (b) **net assets or liabilities per Share; and**

   (c) **net assets or liabilities per Share after any adjustment to reflect the sale of new securities.**

   Set out below are the audited consolidated balance sheet of the Group as at 31 December 2015 and the unaudited consolidated balance sheet of the Group as at 30 September 2016.

	As at 31 December 2015	As at 30 September 2016
	Audited	Unaudited
	US$	
ASSETS		
Non-current assets		
Exploration and evaluation assets	447,405,007	486,723,027
Oil and gas properties	415,068,053	331,557,351
Other property, plant and equipment	11,219,620	10,997,185
Intangible assets	33,182,972	33,049,584
Investment securities	216,000	216,000
	907,091,652	**862,543,147**
Current assets		
Inventories	28,272,387	28,463,368
Trade and other receivables	66,226,269	58,453,800
Prepayments	2,507,550	958,623
Cash and bank balances	29,351,634	40,135,647
	126,357,840	**128,011,438**
Total assets	**1,033,449,492**	**990,554,585**

	As at 31 December 2015	As at 30 September 2016
	Audited	Unaudited
	US$	
EQUITY AND LIABILITIES		
Equity		
Share capital	1,867,564	1,869,966
Share premium	727,245,039	728,657,227
Other reserves	1,494,936	(8,811,687)
Accumulated losses	(228,523,677)	(303,593,647)
Non-controlling interests	(6,833,794)	—
Total equity	**495,250,068**	**418,121,859**
Non-current liabilities		
Employee benefit liability	1,888,841	789,824
Loans and borrowings	304,571,912	291,490,790
Deferred tax liabilities	40,959,937	39,397,857
Provisions	48,472,869	49,581,279
Other payables	34,843,307	—
	430,736,866	**381,259,750**
Current liabilities		
Trade and other payables	31,911,859	41,053,789
Accrued operating expenses	38,015,365	30,153,426
Loans and borrowings	—	94,432,646
Derivative liabilities	35,545,033	22,301,929
Withholding tax payable	734,860	1,138,306
Tax payable	1,255,441	2,092,880
	107,462,558	**191,172,976**
Total liabilities	**538,199,424**	**572,432,726**
Total equity and liabilities	**1,033,449,492**	**990,554,585**
Number of Shares as adjusted for the Preferential Offering [(1)]	2,749,234,877	2,751,156,155
Net assets per Share (cents)	33	28
Net assets per Share as adjusted for the Preferential Offering [(2)] (cents)	22	19

[(1)] Purely for illustrative purposes only, being the number of Shares outstanding as at the respective date adding the 1,255,183,632 Shares arising from the Preferential Offering (assuming that all the Warrants are exercised and no adjustment is made to the number of Warrants under the terms of the Deed Poll) (the "**Adjusted Number of Shares**").

[(2)] Purely for illustrative purposes only, being the sum of the net assets after adjusting for the Preferential Offering divided by the corresponding Adjusted Number of Shares.

Liquidity and Capital Resources

6. **Provide an evaluation of the material sources and amounts of cash flows from operating, investing and financing activities in respect of:**

   (a) **the most recent completed financial year for which financial statements have been published; and**

   (b) **if interim financial statements have been published for any subsequent period, that period.**

Set out below are the audited consolidated cash flow statement of the Group for FY2015 and the unaudited consolidated cash flow statement of the Group for 3Q2016.

	FY2015	3Q2016
	Audited	Unaudited
	US$	
OPERATING ACTIVITIES		
Profit/(loss) before tax	(45,282,143)	(30,232,897)
Adjustment to reconcile profit/(loss) before tax to net cash flows:		
Depreciation, depletion and amortisation	43,196,999	22,293,057
Decommissioning provisions	8,951,487	—
Employee defined benefit	708,338	(290,901)
Equity-settled transactions with employees	2,531,789	333,366
Excess of fair value of identifiable net assets acquired over consideration paid	(42,993,442)	—
Gain on disposal of assets	(24,558,714)	—
Impairment loss on exploration and evaluation assets	584,309	—
Impairment loss on oil and gas properties	11,116,545	—
Impairment loss on intangible assets	58,177,765	—
Loss on disposal of other plant and equipment	1,140	44,497
Net fair value (gain)/loss on financial instruments	(2,151,703)	124,059
Finance cost	18,538,845	7,359,085
Unwinding of discount on decommissioning Provisions	919,239	576,444
Interest income	(289,750)	(75,364)
Operating cash flows before changes in working capital	**29,450,704**	**131,346**
Changes in working capital		
(Increase)/decrease in inventories	(3,465,666)	12,323,171
(Increase)/decrease in trade and other receivables	(664,678)	14,382,997
Increase/(decrease) in trade and other payables	37,162,383	(19,570,438)
Cash flows from operations	**62,482,743**	**7,267,076**
Interest received	289,750	75,364
Interest paid	(4,998,038)	(1,528,982)
Taxes paid	(6,473,965)	(1,829,672)
Net cash flows from operating activities	**51,300,490**	**3,983,786**
INVESTING ACTIVITIES		
Additions to exploration and evaluation assets	(104,342,738)	(24,971,708)
Additions to oil and gas properties	(193,346,053)	(7,784,684)
Expenditure on assets refurbishment	(21,370,227)	(89,476)
Proceeds from disposal of other plant and equipment	—	1,995
Proceeds from disposals of assets	110,000,000	—
Proceeds from disposal of ownership of interest in subsidiary	20,111,846	—
Purchase of other plant and equipment	(5,833,092)	—
Acquisition of subsidiaries net of cash acquired	(50,456,505)	—
Net cash flows used in investing activities	**(245,236,769)**	**(32,843,873)**

	FY2015	3Q2016
	Audited	Unaudited
	US$	
FINANCING ACTIVITIES		
Proceeds from issuance of shares	124,775,550	—
Proceeds from bank borrowings	189,000,000	35,000,000
Share issuance expense	(3,660,530)	—
Repayment of bank borrowings	(124,000,000)	—
Payment of bond interest	(13,962,569)	(4,464,323)
Decrease in cash collateralised	2,258,824	—
Net cash flows from financing activities	**174,411,275**	**30,535,677**
Net increase/(decrease) in cash and cash equivalents	**(19,525,004)**	**1,675,590**
Net effect of exchange rate changes	(198,626)	1,263
Cash and cash equivalents at 1 January/1 July	47,575,264	30,188,794
Cash and cash equivalents at 31 December/30 September	**27,851,634**	**31,865,647**

Review of cash flow statement of the Group for 3Q2016

Net cash flow from operating activities was US$4.0 million in 3Q2016 compared with US$15.2 million in 3Q2015, which was primarily a result of a net loss before tax position compared with profit before tax for 3Q2015 and movements in working capital relating to the settlement of trade and other payables.

In 3Q2016, net cash flow used in investing activities amounted to US$32.8 million compared with US$112.5 million in 3Q2015. Material capital expenditure in 3Q2016 included (i) development activities in Block A Aceh amounting to US$21.4 million; (ii) development drilling expenditure in G11/48 amounting to US$4.1 million; and (iii) expenditure relating to the seismic acquisition in G10/48 amounting to US$2.6 million.

In 3Q2016, net cash flow from financing activities amounted to US$30.5 million compared with US$73.6 million in 3Q2015. During 3Q2016, US$35.0 million was drawn from the Revolving Credit Facility, and the Company made coupon payments amounting to US$4.5 million to noteholders in relation to the 2018 Notes.

As at 30 September 2016, the total amount drawn on the Revolving Credit Facility was US$143.3 million and unused sources of liquidity (comprising cash and cash equivalents) amounted to US$36.9 million. The Group's gearing was 48.9 per cent. An aggregate S$330.0 million in principal amount of the Existing Notes was issued in 2014 under the MTN Program. The Existing Notes were issued with a fixed-rate coupon, payable semi-annually in arrears. As at 30 September 2016, the book value of the issued notes under the MTN Program amounted to US$242.6 million.

Review of cash flow statement of the Group for FY2015

Net cash flow from operating activities increased to US$51.3 million in FY2015 compared to US$6.3 million in FY2014, primarily due to an increase in trade payables and lower estimated tax payable in relation to B8/32 and B9A.

Net cash flow used in investing activities decreased by 28.8 per cent. to US$245.2 million in FY2015 compared to US$344.6 million in FY2014 as a result of capital expenditure and capital investment activities, which was offset by proceeds we received from a farm-out of an effective 11.0 per cent. working interest in G10/48 and from the sale of marine assets.

Net cash flow generated from financing activities increased by 26.2 per cent. to US$174.4 million in FY2015 compared to US$138.2 million in FY2014, mainly attributable to the receipt of net proceeds of US$120.1 million from the 2015 Rights Issue and proceeds from the bank borrowings.

7. **Provide a statement by the directors or equivalent persons of the relevant entity as to whether, in their reasonable opinion, the working capital available to the relevant entity or, if it is the holding company or holding entity of a group, to the group, as at the date of this document, is sufficient for present requirements and, if insufficient, how the additional working capital considered by the directors or equivalent persons to be necessary is proposed to be provided.**

   In the reasonable opinion of the Directors, the Company is able to settle its day-to-day operating expenses and its accrued operating liabilities as at the date of this Offering Memorandum and accordingly in this respect, the working capital of the Company is sufficient for these purposes.

   The Directors are however mindful that, if the Preferential Offering is not completed, the working capital available to the Company as at the date of this Offering Memorandum would not be sufficient for its present requirements. However, on the basis that the Proposed Restructuring and the New Business Plan are implemented, and taking into consideration completion of the Preferential Offering (and the Irrevocable Undertakings which have been given in relation to the Preferential Offering), which will raise nets proceeds of approximately S$137.1 million, the Company expects to meet its existing commitments and pay its existing debts as at the date of this Offering Memorandum as and when they fall due.

8. **If the relevant entity or any other entity in the group is in breach of any of the terms and conditions or covenants associated with any credit arrangement or bank loan which could materially affect the relevant entity's financial position and results or business operations, or the investments by holders of securities in the relevant entity, provide —**

   (a) **a statement of that fact;**

   (b) **details of the credit arrangement or bank loan; and**

   (c) **any action taken or to be taken by the relevant entity or other entity in the group, as the case may be, to rectify the situation (including the status of any restructuring negotiations or agreement, if applicable).**

   To the best of the Directors' knowledge, as at the date of this Offering Memorandum, the Group is not in breach of any of the terms and conditions or covenants associated with any credit arrangement or bank loan which could materially affect the Group's financial position and results or business operations, or the investments by holders of securities in the Company. The Company has consistently sought waivers under the Revolving Credit Facility before any breach has occurred or otherwise upon becoming aware of the same and has obtained these waivers in a timely manner.

Trend Information and Profit Forecast or Profit Estimate

9. **Discuss, for at least the current financial year, the business and financial prospects of the relevant entity or, if it is the holding company or holding entity of a group, the group, as well as any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on net sales or revenues, profitability, liquidity or capital resources, or that would cause financial information disclosed in this document to be not necessarily indicative of the future operating results or financial condition. If there are no such trends, uncertainties, demands, commitments or events, provide an appropriate statement to that effect.**

   There continues to be a great deal of uncertainty in the oil markets. Speculation that deep cuts to capital expenditure across the upstream industry would lead to a rebalancing of supply has yet to find any firm evidence and any uptick in oil prices has been capped as industry data continues to indicate burgeoning stocks of crude oil and petroleum productions in major consuming countries.

Depressed oil prices and the resulting impact on the Company's revenue streams will continue to put pressure on the Company's earnings, book equity and overall financial covenants. Due to the overall negative sentiment towards the oil and gas industry, the Company's ability to raise financing has been severely curbed. Recognising that certain covenants under existing debt instruments may come under stress in the near term, the Company is actively evaluating all viable and available options with the primary focus to strengthen the Group's capital structure.

Please also refer to the sections "*Risk Factors*" and "*Trading Update*", paragraph 9(c) of the section "*Key Information*", as well as paragraphs 2 and 5 of the section "*Operating and Financial Review and Prospects*", Appendices C and D of this Offering Memorandum and the SGXNET announcements released by the Company.

10. **Where a profit forecast is disclosed, state the extent to which projected sales or revenues are based on secured contracts or orders, and the reasons for expecting to achieve the projected sales or revenues and profit, and discuss the impact of any likely change in business and operating conditions on the forecast.**

No profit forecast is disclosed in this Offering Memorandum.

11. **Where a profit forecast or profit estimate is disclosed, state all principal assumptions, if any, upon which the directors or equivalent persons of the relevant entity have based their profit forecast or profit estimate, as the case may be.**

No profit forecast or profit estimate is disclosed in this Offering Memorandum.

12. **Where a profit forecast is disclosed, include a statement by an auditor of the relevant entity as to whether the profit forecast is properly prepared on the basis of the assumptions referred to in paragraph 11 of this Part, is consistent with the accounting policies adopted by the relevant entity, and is presented in accordance with the accounting standards adopted by the relevant entity in the preparation of its financial statements.**

No profit forecast is disclosed in this Offering Memorandum.

13. **Where the profit forecast disclosed is in respect of a period ending on a date not later than the end of the current financial year of the relevant entity, provide in addition to the statement referred to in paragraph 12 of this Section –**

    (a) **a statement by the issue manager to the offer, or any other person whose profession or reputation gives authority to the statement made by him, that the profit forecast has been stated by the directors or equivalent persons of the relevant entity after due and careful enquiry and consideration; or**

    (b) **a statement by an auditor of the relevant entity, prepared on the basis of his examination of the evidence supporting the assumptions referred to in paragraph 11 of this Section and in accordance with the Singapore Standards on Auditing or such other auditing standards as may be approved in any particular case by the Authority, to the effect that no matter has come to his attention which gives him reason to believe that the assumptions do not provide reasonable grounds for the profit forecast.**

No profit forecast is disclosed in this Offering Memorandum.

14. **Where the profit forecast disclosed is in respect of a period ending on a date after the end of the current financial year of the relevant entity, provide in addition to the statement referred to in paragraph 12 of this Section:**

(a) **a statement by the issue manager to the offer, or any other person whose profession or reputation gives authority to the statement made by him, prepared on the basis of his examination of the evidence supporting the assumptions referred to in paragraph 11 of this Part, to the effect that no matter has come to his attention which gives him reason to believe that the assumptions do not provide reasonable grounds for the profit forecast; or**

(b) **a statement by an auditor of the relevant entity, prepared on the basis of his examination of the evidence supporting the assumptions referred to in paragraph 11 of this Section and in accordance with the Singapore Standards on Auditing or such other auditing standards as may be approved in any particular case by the Authority, to the effect that no matter has come to his attention which gives him reason to believe that the assumptions do not provide reasonable grounds for the profit forecast.**

No profit forecast is disclosed in this Offering Memorandum.

Significant Changes

15. **Disclose any event that has occurred from the end of:**

(a) **the most recent completed financial year for which financial statements have been published; or**

(b) **if interim financial statements have been published for any subsequent period, that period,**

to the latest practicable date which may have a material effect on the financial position and results of the relevant entity or, if it is the holding company or holding entity of a group, the group, or, if there is no such event, provide an appropriate negative statement.

Save as disclosed in this Offering Memorandum, there is no event that has occurred from 30 September 2016 to the Latest Practicable Date which may have a material effect on the Group's financial position and results.

Offer and Listing Details

1. **Indicate the price at which the securities are being offered and the amount of any expense specifically charged to the subscriber or purchaser. If it is not possible to state the offer price at the date of this document, the method by which the offer price is to be determined must be explained.**

   The Issue Price of the Notes is 100 per cent. or S$1.00 for each S$1.00 in principal amount of Notes, payable in full on acceptance and/or application. Nine Warrants will be issued free with every one Note successfully subscribed for, fractional entitlements to be disregarded. The Exercise Price for each Warrant is S$0.110, payable in full upon the exercise of the Warrant (subject to certain adjustments in accordance with the terms and conditions of the Warrants to be set out in the Deed Poll).

   The expenses incurred in connection with the Preferential Offering will not be specifically charged to subscribers of the Notes with Warrants.

   For Electronic Applications made through ATMs of the Participating Bank, a non-refundable administrative fee of S$2 for each application will be charged by the Participating Bank at the point of application.

2. **If there is no established market for the securities being offered, provide information regarding the manner of determining the offer price, the exercise price or conversion price, if any, including the person who establishes the price or is responsible for the determination of the price, the various factors considered in such determination and the parameters or elements used as a basis for determining the price.**

   The Issue Price of the Notes is 100 per cent. or S$1.00 per S$1.00 in principal amount of the Notes, which has been agreed between the Company and the Lead Manager taking into account, *inter alia*, the prevailing market conditions.

   The Exercise Price for each Warrant was determined by the Company and the Lead Manager after taking into consideration, *inter alia*, the market price of the Shares and the Exercise Period of the Warrants. The Exercise Price is based on a discount of approximately 20.1 per cent. to the volume-weighted average price of the Shares as transacted on the SGX-ST for the three-month period up to and including 2 November 2016 (being the Market Day preceding the Preferential Offering Announcement) of S$0.1376, and represents a discount of approximately 24.1 per cent. to the closing price of the Shares as quoted on the SGX-ST on 2 November 2016 of S$0.145.

3. **If —**

   (a) **any of the relevant entity's shareholders or equity interest-holders have pre- emptive rights to subscribe for or purchase the securities being offered; and**

   (b) **the exercise of the rights by the shareholder or equity interest-holder is restricted, withdrawn or waived,**

   indicate the reasons for such restriction, withdrawal or waiver, the beneficiary of such restriction, withdrawal or waiver, if any, and the basis for the offer price.

   Other than the provisional allotments, no Shareholder has pre-emptive rights to subscribe for the Notes with Warrants.

As there may be prohibitions or restrictions against the offering of the Notes, the Warrants and the New Shares in certain jurisdictions, only Entitled Shareholders are eligible to participate in the Preferential Offering. Please refer to the sections "*Offering, Selling and Transfer Restrictions*" and "*Eligibility of Shareholders to Participate in the Preferential Offering*" for further details.

4. **If securities of the same class as those securities being offered are listed for quotation on any securities exchange —**

(a) **in a case where the first-mentioned securities have been listed for quotation on the securities exchange for at least 12 months immediately preceding the latest practicable date, disclose the highest and lowest market prices of the first- mentioned securities —**

(i) **for each of the 12 calendar months immediately preceding the calendar month in which the latest practicable date falls; and**

(ii) **for the period from the beginning of the calendar month in which the latest practicable date falls to the latest practicable date; or**

Both the Notes and the Warrants are a new issue of securities with no established trading market. Each Warrant will carry the right to subscribe for one New Share at any time during the Exercise Period.

The highest and lowest market prices and the volume of the Shares traded on the SGX-ST during each of the last 12 calendar months immediately preceding the Latest Practicable Date and for the period from 1 December 2016 to the Latest Practicable Date are as follows:

	Price Range		Volume of Shares traded
Month	**High**	**Low**	**per month**
	(S$)[1]	**(S$)[2]**	**('000)[3]**
December 2015	0.330	0.166	48,807,900
January 2016	0.185	0.155	45,413,800
February 2016	0.179	0.161	25,391,800
March 2016	0.240	0.177	62,207,400
April 2016	0.192	0.184	17,203,600
May 2016	0.185	0.140	24,171,940
June 2016	0.159	0.129	20,069,820
July 2016	0.157	0.128	11,739,000
August 2016	0.130	0.087	18,157,100
September 2016	0.111	0.088	177,421,560
October 2016	0.184	0.109	304,014,200
November 2016	0.191	0.145	668,505,600
1 December 2016 to the Latest Practicable Date	0.220	0.179	479,031,200

Source: Bloomberg Finance L.P.

(1) High Price was based on the highest closing price for the Shares in a particular month/period.
(2) Low Price was based on the lowest closing price for the Shares in a particular month/period.
(3) Volume was based on the total volume of the Shares traded in a particular month/period.

(b) **in a case where the first-mentioned securities have been listed for quotation on the securities exchange for less than 12 months immediately preceding the latest practicable date, disclose the highest and lowest market prices of the first- mentioned securities —**

(i) **for each calendar month immediately preceding the calendar month in which the latest practicable date falls; and**

(ii) **for the period from the beginning of the calendar month in which the latest practicable date falls to the latest practicable date;**

Not applicable, as the Notes and the Warrants are a new issue of securities and the Shares have been listed for quotation on the Main Board of the SGX-ST for more than 12 months immediately preceding the Latest Practicable Date.

(c) **disclose any significant trading suspension that has occurred on the securities exchange during the 3 years immediately preceding the latest practicable date or, if the securities have been listed for quotation for less than 3 years, during the period from the date on which the securities were first listed to the latest practicable date; and**

Both the Notes and the Warrants are a new issue of securities with no established trading market.

No significant trading suspension of the Shares has occurred on the SGX-ST during the three years immediately preceeding the Latest Practicable Date.

(d) **disclose information on any lack of liquidity, if the securities are not regularly traded on the securities exchange.**

Both the Notes and the Warrants are a new issue of securities with no established trading market.

Please refer to paragraph 4(a) of this section "*The Offer and Listing*" for the volume of Shares traded during each of the last 12 calendar months immediately preceding the Latest Practicable Date and for the period from 1 December 2016 to the Latest Practicable Date.

5. **Where the securities being offered are not identical to the securities already issued by the relevant entity, provide —**

(a) **a statement of the rights, preferences and restrictions attached to the securities being offered; and**

(b) **an indication of the resolutions, authorisations and approvals by virtue of which the entity may create or issue further securities, to rank in priority to or *pari passu* with the securities being offered.**

Please refer to the section "*Summary of the Preferential Offering and Principal Terms of the Notes, the Warrants and the New Shares*" of this Offering Memorandum, Appendix A of this Offering Memorandum in relation to the terms and conditions of the Notes and Appendix B of this Offering Memorandum in relation to the terms and conditions of the Warrants.

The Notes will constitute direct, general and unconditional obligations of the Company and the performance of all the obligations of the Company under the Notes and the Note Trust Deed will be secured by *inter alia*:

(a) a first ranking security interest over the shares of SJ Production Barge Ltd, a wholly-owned Subsidiary, of the Company and (if applicable) a first ranking account charge over certain account(s) held by SJ Production Barge Ltd; and

(b) a junior ranking security interest over the assets secured or to be secured from time to time under the RCF Security.

The priority of payments as between the Group's secured creditors will be governed by the Intercreditor Agreement which will provide, among other things, (1) that the security which secures the Group's obligations under the Revolving Credit Facility on a first ranking basis may,

until such time as the Revolving Credit Facility has been discharged in full, only be enforced by the Common Security Agent following instructions to this effect from the RCF Agent and, thereafter, on the instructions of the Note Trustee and (2) that the security which secures the Company's obligations under the Notes on a first ranking basis may only be enforced by the Common Security Agent following instructions to this effect from the Note Trustee. The Notes will at all times rank *pari passu* among themselves and at least *pari passu* with all other present and future unsecured obligations of the Company, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.

The New Shares will, upon allotment and issue upon exercise of the Warrants, rank *pari passu* with the then existing Shares for any dividends, rights, allotments or other distributions, the record date for which shall fall on or after allotment and issue of the New Shares arising from the exercise of the relevant Warrants.

The Company has no existing warrants in issue. Please refer to paragraph 1 of the section "*Additional Information Required for Offer of Securities by way of Preferential Offering*" of this Offering Memorandum for information on the rights, preferences and restrictions attached to the Warrants.

The Notes, the Warrants and the New Shares are to be issued pursuant to the approval granted by the Board on 2 November 2016 and the Warrants and the New Shares are to be issued pursuant to the authority granted by Shareholders at the extraordinary general meeting of the Company held on 27 December 2016 and approved by the authorised signatory pursuant to the authority granted by the Board on 2 November 2016.

Plan of Distribution

6. **Indicate the amount, and outline briefly the plan of distribution, of the securities that are to be offered otherwise than through underwriters. If the securities are to be offered through the selling efforts of any broker or dealer, describe the plan of distribution and the terms of any agreement or understanding with such entities. If known, identify each broker or dealer that will participate in the offer and state the amount to be offered through each broker or dealer.**

Basis of Provisional Allotment

The Preferential Offering is made on a non-renounceable non-underwritten basis to Entitled Shareholders on the basis of 93 Notes of principal amount of S$1.00 each with 837 Warrants for every 1,000 existing Shares held by Entitled Shareholders as at the Record Date, fractional entitlements to be disregarded. The Notes with Warrants are payable in full upon acceptance and/or application. S$139,464,848 in aggregate principal amount of Notes are offered pursuant to the Preferential Offering.

Entitled Shareholders

Entitled Shareholders are at liberty to accept (in full or in part) or decline their provisional allotments of Notes with Warrants and are eligible to apply for additional Notes with Warrants in excess of their provisional allotments under the Preferential Offering. Fractional entitlements to the Notes with Warrants will be disregarded in arriving at the Shareholders' entitlements and will, together with such Notes with Warrants that are not validly taken up by Entitled Shareholders and any Notes with Warrants that are not otherwise allotted for whatever reason in accordance with the terms and conditions contained in this Offering Memorandum, the ARE, the PAL and (if applicable) the Articles of Association, be aggregated and used to satisfy applications for excess Notes with Warrants (if any), or disposed of or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit for the benefit of the Company. In the allotment of excess Notes with Warrants, preference will be given to the

rounding of odd lots and Directors and Substantial Shareholders who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Preferential Offering, or have representation (direct or through a nominee) on the Board will rank last in priority for the rounding of odd lots and the allotment of excess Notes with Warrants.

The Notes with Warrants are not offered through the selling efforts of any broker or dealer.

Foreign Shareholders

As there may be prohibitions or restrictions against the offering of the Notes, the Warrants and the New Shares in certain jurisdictions, only Entitled Shareholders are eligible to participate in the Preferential Offering. Please refer to the sections "*Offering, Selling and Transfer Restrictions*" and "*Eligibility of Shareholders to Participate in the Preferential Offering*" for further details.

The Notes, the Warrants and the New Shares are not intended to be offered or sold to persons in the United States to U.S. persons. The Company and the Lead Manager reserve absolute discretion in determining whether to allow such participation as well as the identity of the persons who may be allowed to do so. The Notes with Warrants will not be provisionally offered, allotted or delivered to Shareholders with a registered address in the United States or who are U.S. persons or who are otherwise located, resident or with a registered addressed in which the offering of the Notes, the Warrants or the New Shares may not be lawfully made.

7. **Provide a summary of the features of the underwriting relationship together with the amount of securities being underwritten by each underwriter.**

The Preferential Offering is not underwritten.

Irrevocable Undertakings

As at the date of the Irrevocable Undertakings, (i) the First Reserve Funds collectively held a direct interest in all the shares in the capital of KrisEnergy Holdings Ltd., which in turn held 560,505,269 Shares (the "**Existing KE Holdings Shares**"), representing approximately 37.47 per cent. of the total number of issued Shares, and (ii) Devan held 598,263,893 Shares (the "**Existing Devan Shares**"), representing approximately 39.99 per cent. of the total number of issued Shares.

Devan and KOG are indirect wholly-owned Subsidiaries of Keppel. Pursuant to the Internal Restructuring, the Existing Devan Shares have been transferred by Devan to its sole shareholder KOG as at the date of this Offering Memorandum.

To show their support for the Preferential Offering and to demonstrate their commitment to, and confidence in the prospects, of the Group, the First Reserve Funds and KOG have separately, on 8 December 2016 and 9 December 2016 respectively, given the Irrevocable Undertakings, pursuant to which:

(A) The First Reserve Funds have irrevocably undertaken to the Company that, *inter alia*:

(a) they will procure that KrisEnergy Holdings Ltd. votes all the Existing KE Holdings Shares in favour of the Preferential Offering Resolution and the Whitewash Resolution;

(b) they will procure that as at the Record Date, KrisEnergy Holdings Ltd. will have in aggregate not less than the number of Existing KE Holdings Shares credited to its Securities Account; and

(c) they will procure that until the Closing Date, KrisEnergy Holdings Ltd. will have in aggregate not less than 560,505,269 Existing KE Holdings Shares credited to KrisEnergy Holdings Ltd.'s Securities Account.

(B) KOG has irrevocably undertaken to the Company that, *inter alia*:

(a) it will vote, or will procure that Devan votes, all of the Existing Devan Shares in favour of the Preferential Offering Resolution;

(b) as at the Record Date, it will have or will procure Devan to have, in aggregate not less than the Existing Devan Shares credited to its or Devan's Securities Account, held through a nominee or otherwise, with CDP;

(c) in accordance with the terms and conditions of the Preferential Offering and in any case not later than the Closing Date, it will subscribe and pay for, or procure that Devan subscribes and pays for, its or Devan's (as the case may be) full entitlement of Notes with Warrants arising from the Existing Devan Shares under the Preferential Offering (the "**Pro-rata Undertaken Notes With Warrants**"); and

(d) it will subscribe and pay for, or procure that Devan subscribes and pays for, all excess Notes with Warrants that are not successfully subscribed for under the Preferential Offering (the "**Excess Notes Commitment**") (which, taken together with the Pro-rata Undertaken Notes with Warrants, will be up to a maximum of S$140 million in principal amount of Notes with up to 1,255,183,632 Warrants (the "**Undertaken Notes with Warrants**")).

The Undertaken Notes with Warrants will constitute 100 per cent. of the total number of Notes with Warrants which are the subject of the Preferential Offering. In view of the KOG Irrevocable Undertaking, the Company has decided to proceed with a non-underwritten Preferential Offering.

KOG's obligation under the KOG Irrevocable Undertaking referred to in paragraph 7(B)(a) above is subject to and conditional upon the Existing Noteholders' approval of the Consent Solicitation being obtained.

KOG's obligations under the KOG Irrevocable Undertaking referred to in paragraph 7(B)(b) to 7(B)(d) above are subject to and conditional upon, the passing of the Preferential Offering Resolution and the Whitewash Resolution and the Existing Noteholders' approval of the Consent Solicitation being obtained.

The Existing Noteholders' approval of the Consent Solicitation was obtained on 9 December 2016. The Preferential Offering Resolution and Whitewash Resolution were passed at the EGM on 27 December 2016.

No commission or fee will be payable by the Company to the Undertaking Shareholders in consideration for the Irrevocable Undertakings.

Other Relationships

DBS Bank Ltd. and certain of its affiliates may have performed commercial banking, investment banking and other advisory services for the Group and its Substantial Shareholders from time to time for which they received customary fees and expenses. DBS Bank Ltd. has also provided certain credit facilities to the Group, including the Revolving Credit Facility. DBS Bank Ltd. may, from time to time, trade in the Group's securities, engage in transactions with, and perform services for the Group and its affiliates in the ordinary course of its business.

Other than disclosed above, the Group does not have any material relationship with DBS Bank Ltd.

Other Matters

8. **Include particulars of any other matters not disclosed under any other paragraph of this section which could materially affect, directly or indirectly —**

   (a) **the relevant entity's business operations or financial position or results; or**

   (b) **investments by holders of securities in the relevant entity.**

   Save as disclosed in this Offering Memorandum, the Directors are not aware of any other matter which could materially affect, directly or indirectly, the Company's business operations, financial position or results or investments by holders of securities in the Company.

ADDITIONAL INFORMATION REQUIRED FOR OFFER OF DEBENTURES OR UNITS OF DEBENTURES

Guarantor Entity, Advisers and Agents

1. **Provide the names and addresses of —**

   (a) **the arranger of the offer, if any; and**

   (b) **the paying agent of the relevant entity.**

   Please refer to the section "*Identity of Directors, Advisers and Agents*".

2. **In the case of a guaranteed debenture issue, provide —**

   (a) **the name and address of the guarantor entity; and**

   (b) **the names and addresses of each of the directors or equivalent persons of the guarantor entity.**

   Not applicable.

3. **Provide the name and address of the trustee, fiscal agent or any other representative for the debenture holders, and the main terms of the document governing such trusteeship or representation, including provisions concerning the functions, rights and obligations of the trustee, fiscal agent or representative.**

   The names and addresses of the Note Trustee, the Common Security Agent, the Issuing and Paying Agent and the Registrar are set out in the section "*Identity of Directors, Advisers and Agents*".

   Note Trust Deed

   The Notes will be constituted by the Note Trust Deed to be entered into between the Company, DBS Trustee Limited as the Note Trustee and Madison Pacific Trust Limited as Common Security Agent. The Note Trustee has agreed to act as trustee for the benefit of the Noteholders and the Common Security Agent has agreed to act as common security agent on the terms and subject to the conditions to be contained in the Note Trust Deed. The rights and interests of the Noteholders will be contained in the Note Trust Deed. The Note Trust Deed will provide for the Note Trustee to take action on behalf of the Noteholders in certain circumstances, but only if the Note Trustee is indemnified, secured and/or prefunded to its satisfaction. The Common Security Agent will act under the instructions of the Note Trustee except where provided for under the Note Trust Deed and/or the Note Security Documents.

   In particular, the Note Trustee at its discretion may, and if so requested by the holders of at least 25 per cent. in principal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution (as defined in the Note Trust Deed) shall (subject in each case to it being indemnified, secured and/or prefunded to its satisfaction), give notice to the Company that the Notes are immediately due and payable following the occurrence of an Event of Default (as defined in the terms and conditions of the Notes). Further, the Note Trustee will be entitled under the Note Trust Deed to employ and pay an agent on any terms, whether or not a lawyer or other professional person, to transact or conduct, or concur in transacting or conducting, any business and to do or concur in doing all acts required to be done by the Note Trustee and the Note Trustee shall not be responsible for any loss, liability, expense, demand, cost, claim or proceedings incurred by reason of the misconduct, omission or default on the part of any person appointed by it hereunder or be bound to supervise the proceedings or acts of any such person.

The Common Security Agent shall hold the Note Security on behalf of the Noteholders and the RCF Lender. If so instructed by the Note Trustee, the Common Security Agent shall give notice to the Company that the Notes are immediately due and payable following the occurrence of an Event of Default (as defined in the terms and conditions of the Notes) under the Notes and shall take such steps as instructed by the Note Trustee to enforce the Note Security. Further, the Common Security Agent will be entitled under the Note Trust Deed to employ and pay an agent on any terms, whether or not a lawyer or other professional person, to transact or conduct, or concur in transacting or conducting, any business and to do or concur in doing all acts required to be done by the Common Security Agent and the Common Security Agent shall not be responsible for any loss, liability, expense, demand, cost, claim or proceedings incurred by reason of the misconduct, omission or default on the part of any person appointed by it hereunder or be bound to supervise the proceedings or acts of any such person.

The Note Trust Deed will also provide that the Note Trustee need not take any steps to ascertain whether an Event of Default has happened and, until it has actual knowledge or express notice to the contrary, the Note Trustee may assume that no such event has happened and that the Company is observing and performing all the obligations on its part contained in the Notes and under the Notes Trust Deed.

The other functions, rights and obligations of the Note Trustee will be set out in the Note Trust Deed.

Agency Agreement

The administrative matters relating to the Notes will be addressed in the Agency Agreement.

DBS Bank Ltd. will be appointed as the Issuing and Paying Agent and the Registrar in respect of the Notes in accordance with the terms of the Agency Agreement. The Registrar will maintain a register of the Noteholders in accordance with the term and conditions of the Agency Agreement.

The Issuing and Paying Agent will, in accordance with the Agency Agreement and the terms and conditions of the Notes, pay or cause to be paid on behalf of the Company on and after each due date for payment the amounts due in respect of the Notes. The Issuing and Paying Agent shall also arrange on behalf of and at the request and expense of the Company for notices to be given to the Noteholders in accordance with the terms and conditions of the Notes. The other functions, rights and obligations of these Agents will be set out in the Agency Agreement.

CDP Application Form and Deed of Covenant

CDP will be appointed to act as depository for the Notes on the terms and conditions of the CDP Application Form and the Deed of Covenant. The Notes will be represented by the Global Certificate. The Notes will be held in book-entry form (by delivery of the Global Certificate to CDP) pursuant to the rules of the SGX-ST and CDP.

The terms and conditions of the Notes are set out in Appendix A of this Offering Memorandum. Copies of the Note Trust Deed, the Agency Agreement, the CDP Application Form and the Deed of Covenant will be available for inspection at the registered office of the Note Trustee during normal business hours from the Issue Date.

Offer Statistics

4. **State —**

   (a) **the amount of subscriptions that are being sought and, where applicable, the fact that the subscriptions may be reduced;**

   (b) **the nature, denomination and, where applicable, number of the debentures or units of debentures, as the case may be, being offered;**

   (c) **where the debentures or units of debentures, as the case may be, are offered at a discount or premium, the face value of the debentures or units of debentures being offered and the discount or premium; and**

   (d) **the currency of the issue and, if the issue is payable in any currency other than the currency of the issue, this fact.**

   Please refer to the section "*Summary of the Preferential Offering and Principal Terms of the Notes, the Warrants and the New Shares*", paragraph 1 of the section "*Offer Statistics and Timetable — Offer Statistics*" and paragraphs 1 and 2 of the section "*The Offer and Listing — Offer and Listing Details*", of this Offering Memorandum. The Issue Price for each Note is payable in Singapore dollars.

Principal Terms and Conditions

5. **Provide the following information on the debentures or units of debentures, as the case may be, being offered:**

   (a) **the yield, a summary of the method by which that yield is calculated, the issue and redemption prices, the nominal interest rate and — (i) if the nominal interest rate is a floating rate, how the rate is calculated; or (ii) if several or variable interest rates are provided for, the conditions for changes in the rate;**

   (b) **the date from which interest accrues and the interest payment dates;**

   (c) **the procedures for, and validity period of, claims to payment of interest and repayment of the principal sum;**

   (d) **the final repayment date and any early repayment dates, specifying whether exercisable at the option of the relevant entity or of the holder of the debentures or units of debentures;**

   (e) **details of the arrangements for the amortisation or early redemption of the debentures or units of debentures, as the case may be including procedures to be adopted;**

   (f) **a description of any subordination or seniority of the issue to other debts of the relevant entity already incurred or to be incurred;**

   (g) **the rights conferred upon the holders of the debentures or units of debentures, as the case may be, including rights in respect of interest and redemption;**

   (h) **the particulars of any security;**

   (i) **the particulars of any significant covenant, including those concerning subsequent issues of other forms or series of debentures or units of debentures;**

(j) **where applicable, a statement as to whether or not the relevant entity has any right to create additional charges over any of the assets subject to a charge to secure the repayment of the debentures or units of debentures, as the case may be, which will rank in priority to or *pari passu* with the secondmentioned charge and, if there is such a right, particulars of its nature and extent;**

(k) **the nature and scope of any guarantee, surety or commitment intended to ensure that the issue will be duly serviced with regard to both the principal sum of and the interest on the debentures or units of debentures, as the case may be;**

(l) **any legislation under which the debentures or units of debentures, as the case may be, have been created, and the governing law and the competent courts in the event of litigation;**

(m) **definition of events constituting defaults and effect upon acceleration of maturity of the debentures or units of debentures, as the case may be; and**

(n) **provisions for modifications of terms and conditions of the debentures or units of debentures, as the case may be.**

Please refer to the section "*Summary of the Preferential Offering and Principal Terms of the Notes, the Warrants and the New Shares*" of this Offering Memorandum and the terms and conditions of the Notes set out in Appendix A of this Offering Memorandum.

Credit Rating

6. **If the relevant entity, its guarantor entity or the debentures or units of debentures being offered have been given a credit rating by a credit rating agency, disclose the name of the credit rating agency, the credit rating (including whether it is a short-term or long-term credit rating), whether or not the relevant entity, its guarantor entity or any of their related parties had paid any fee or benefit of any kind to the credit rating agency in consideration for the credit rating, and the date on which the credit rating was given.**

Not applicable.

Secured Debentures

7. **Provide, in relation to an offer of secured debentures or certificates of debenture stock, a summary by the auditors of the relevant entity showing, in tabular form —**

(a) **the aggregate value of the tangible assets owned by the relevant entity;**

(b) **the aggregate value of the tangible assets owned by each, or jointly owned by two or more, of its guarantor entities; and**

(c) **the aggregate value of the tangible assets jointly owned by the relevant entity and one or more of its guarantor entities,**

which have been charged to secure the repayment of all or any moneys payable in respect of the secured debentures or certificates of debenture stock, including an explanation of any adjustment made for the purpose of providing a true and fair view of those assets.

	Company	Group
	As at the Latest Practicable Date	
Aggregate value of tangible assets owned by the Company/Group charged to secure the repayment of all or any moneys payable in respect of the Notes	—	US$6.6 million[(1)]
Outstanding amounts of the aggregate amounts borrowed by the Company/Group		
Outstanding amounts ranking in priority to amount under the Notes issue	—	US$188.27 million[(2)]
Outstanding amounts ranking *pari passu* with the amount under the Notes issue	—	—
For charges over a liability the amount which may vary from time to time		
Actual amount of liability	—	US$188.27 million[(2)]
Further amount which may be advanced under the charge (if any)	—	US$10.0 million[(3)]
Aggregate amount of advances by the Company/Group to related corporations or related entities		
Aggregate amount of secured advances	—	—
Aggregate amount of unsecured advances	US$654.3 million[(4)]	—

Notes:

(1) Comprising cash balances in bank accounts for the Note Security, which will consist of, *inter alia*, (i) a first ranking security interest over the shares of SJ Production Barge Ltd., and (if applicable) a first ranking account charge over certain account(s) held by SJ Production Barge Ltd, and (ii) a junior ranking security interest over the assets secured or to be secured from time to time under the RCF Security.

(2) Comprising US$148.27 million utilised under the Revolving Credit Facility and US$40.0 million utilised under the Bridge Upsize.

(3) Amount remaining unutilised under the Bridge Upsize.

(4) Balances as at 30 November 2016.

8. **Show also, in the summary —**

(a) **the amounts outstanding of the aggregate amounts borrowed by the relevant entity and by each of its guarantor entities, distinguishing between those amounts outstanding which will rank for repayment in priority to the amount under the proposed issue and those amounts outstanding which will rank for repayment *pari passu* with the amount under the proposed issue;**

(b) **where any charge is for a liability the amount of which may vary from time to time, the actual amount of the liability as at the date on which the summary is made and any further amount which may be advanced under that charge; and**

(c) **the aggregate amount of advances by the relevant entity to related corporations or related entities of the relevant entity, distinguishing between advances which are secured and advances which are unsecured.**

Please refer to the table in paragraph 7 above.

9. **The auditors of the relevant entity may explain or qualify, by way of notes or otherwise, any of the matters set out in the summary.**

The information set out in the table in paragraph 7 above has not been audited or reviewed by the auditors of the Company.

10. **Where the tangible assets referred to in paragraph 7 of this Part are in the form of property, provide information on a report of the valuation of the interest of the relevant entity and each of its guarantor entities in each property charged, showing the nature and extent of the interest of the relevant entity and of each of its guarantor entities, such report to be made not more than 6 months before the date of this Offering Memorandum by an independent qualified valuer.**

There is no valuation report.

ADDITIONAL INFORMATION REQUIRED FOR OFFER OF SECURITIES BY WAY OF PREFERENTIAL OFFERING

1. **Provide —**

(a) **the particulars of the preferential offering;**

Please refer to the section "*Summary of the Preferential Offering and Principal Terms of the Notes, the Warrants and the New Shares*" for particulars of the Preferential Offering.

(b) **the last day and time for acceptance of and payment for the securities to be issued pursuant to the offering;**

16 January 2017 at 5.00 p.m. (9.30 p.m. for Electronic Applications through ATMs of the Participating Bank) (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

Please refer to the section "*Indicative Timetable of Key Events*" for more details.

(c) **the terms and conditions of the offer of securities to be issued pursuant to the rights issue;**

The allotment and issue of the Notes and the Warrants pursuant to the Preferential Offering is governed by the terms and conditions contained in this Offering Memorandum, in particular Appendices E, F and G of this Offering Memorandum and in the ARE and the PAL.

(d) **the particulars of any undertaking from the substantial shareholders or substantial equity interest-holders, as the case may be, of the relevant entity to subscribe for their entitlements; and**

Please refer to paragraph 7 of the section "*The Offer and Listing*" for details of the terms of the Irrevocable Undertakings.

(e) **if the offering is or will not be underwritten, the reason for not underwriting the issue.**

The Company has decided to undertake the Preferential Offering on a non-underwritten basis in view of the KOG Irrevocable Undertaking.

Review of Working Capital

2. **Provide a review of the working capital for the last three financial years and the latest half year, if applicable.**

The summary of the working capital of the Group as at 31 December 2013, 31 December 2014, 31 December 2015 and 30 September 2016 is set out below:

	As at 31 December 2013	As at 31 December 2014	As at 31 December 2015	As at 30 September 2016
			US$	
Current Assets	315,748,890	197,701,810	126,357,840	128,011,438
Current Liabilities	(173,779,914)	(72,626,434)	(107,462,558)	(191,172,977)
Net Current Assets	141,968,976	125,075,376	18,895,282	(63,161,539)

9M2016 compared to FY2015

As at 30 September 2016, current assets increased by US$1.7 million as compared to 31 December 2015 primarily due to higher cash and cash equivalents.

As at 30 September 2016, current liabilities increased by US$83.7 million as compared to 31 December 2015, primarily due to the reclassification of the 2017 Notes from non-current liabilities to current liabilities.

As a result of the foregoing, net current assets decreased by US$82.1 million as compared to 31 December 2015.

FY2015 compared to FY2014

As at 31 December 2015, current assets decreased by US$71.3 million as compared to 31 December 2014, primarily due to lower assets held for sale.

As at 31 December 2015, current liabilities increased by US$34.8 million as compared to 31 December 2014, primarily due to higher accrued operating expenses.

As a result of the foregoing, net current assets decreased by US$106.2 million as compared to 31 December 2014.

FY2014 compared to FY2013

As at 31 December 2014, current assets decreased by US$118.0 million as compared to 31 December 2013, primarily due to lower cash and cash equivalents offset by the recognition of assets held for sale.

As at 31 December 2014, current liabilities decreased by US$101.2 million as compared to 31 December 2013, primarily due to lower loans and borrowings following the full redemption of the 2016 Bonds, offset by hedge revaluation of the U.S. dollar swaps.

As a result of the foregoing, net current assets decreased by US$16.9 million as compared to 31 December 2013.

Financial Effects of the Preferential Offering and the Notes Exchanges

3. **Provide a review of the financial effects of the Preferential Offering and the Notes Exchanges.**

The financial effects of the Preferential Offering and the Notes Exchanges as presented herein:

(a) are for illustrative purposes only and are not a projection of the actual future financial performance or financial position of the Group after the completion of the Preferential Offering and the Notes Exchanges;

(b) are based on the audited consolidated financial statements of the Group for FY2015 and the unaudited consolidated financial statements of the Group for 9M2016;

(c) assume, where applicable, that the Notes and Warrants had been issued, in respect of profit and loss statements on 1 January 2015 and 1 January 2016, and in respect of balance sheets on 31 December 2015 and 30 September 2016;

(d) assume, where applicable, for illustrative purposes only, that up to 1,255,183,632 Warrants are allotted and issued under the Preferential Offering but before the exercise of the Warrants;

(e) assume, where applicable, for illustrative purposes only, that up to 1,255,183,632 Warrants are allotted and issued under the Preferential Offering and all the Warrants are exercised; and

(f) assume, where applicable, for illustrative purposes only, that the Notes Exchanges have completed.

Share Capital

	Number of Shares	US$
Issued and paid-up share capital as at 31 December 2015	1,494,051,245	1,867,564
Add: New Shares arising from exercise of all the Warrants	1,255,183,632	1,568,980
Issued and paid-up share capital after the Preferential Offering assuming the exercise of all the Warrants	2,749,234,877	3,436,544
Issued and paid-up share capital as at 30 September 2016	1,495,972,523	1,869,966
Add: New Shares arising from exercise of all the Warrants	1,255,183,632	1,568,980
Issued and paid-up share capital after the Preferential Offering assuming the exercise of all the Warrants	2,751,156,155	3,438,945

NTA

	As at 31 December 2015	As at 30 September 2016
NTA before the Preferential Offering (US$'000)	462,067	385,072
NTA after adjusting for the Preferential Offering but before exercise of the Warrants (US$'000)	462,067	385,072
NTA after adjusting for the Preferential Offering and assuming exercise of all the Warrants (US$'000)	557,499	480,504
Number of Shares before the Preferential Offering	1,494,051,245	1,495,972,523
NTA per Share (US cents)	31	26
Number of Shares after the Preferential Offering but before exercise of the Warrants	1,494,051,245	1,495,972,523
NTA per Share after the Preferential Offering (US cents)	31	26
Number of Shares after the Preferential Offering assuming exercise of all the Warrants	2,749,234,877	2,751,156,155
NTA per Share after the Preferential Offering and exercise of all the Warrants (US cents)	20	17

Gearing

	As at 31 December 2015	As at 30 September 2016
Total net borrowings (US$'000)	275,220	345,788
Shareholders' equity (US$'000)	495,250	418,122
Net gearing (times)	0.36	0.45
Total net borrowings after the Preferential Offering but before exercise of the Warrants (US$'000)	275,220	345,788
Total net borrowings after the Preferential Offering assuming exercise of all the Warrants (US$'000)	179,789	250,356
Shareholders' equity after the Preferential Offering but before exercise of the Warrants (US$'000)	495,250	418,122
Shareholders' equity after the Preferential Offering assuming exercise of all the Warrants (US$'000)	590,682	513,553
Net gearing after the Preferential Offering but before exercise of the Warrants (times)	0.36	0.45
Net gearing after the Preferential Offering assuming exercise of all the Warrants (times)	0.23	0.33

Earnings/(losses) per Share

The Preferential Offering is expected to have a dilutive effect on the earnings or losses per Share ("**EPS**" or "**LPS**" as the case may be) of the Company in view of the enlarged issued share capital of the Company upon the issue of the New Shares arising from the exercise of the Warrants. The Notes Exchanges is not expected to have a dilutive effect on the EPS of the Company.

Assuming that the Preferential Offering was completed and all the Warrants were exercised at the beginning of FY2015 and 9M2016 respectively, the dilutive effects of the exercise of the Warrants on the EPS of the Company are as follows:

	FY2015	9M2016
Net (loss)/profit attributable to Shareholders (US$'000)	(41,676)	(75,070)
Weighted average number of Shares before the Preferential Offering ('000)	1,221,331	1,494,570
Weighted average number of Shares before the Preferential Offering but after adjusting for Shares allotted and issued pursuant to Share options and awards ('000)	1,231,411	1,509,148
Weighted average number of Shares after the Preferential Offering and issue of New Shares ('000)	2,476,514	2,749,754
Weighted average number of Shares after adjusting for Shares allotted and issued pursuant to Share options and awards and after the Preferential Offering and issue of New Shares ('000)	2,486,595	2,764,332
Basic (LPS)/EPS (US cents)	(3)	(5)
Diluted (LPS)/EPS (US cents)	(3)	(5)
Basic (LPS)/EPS after the Preferential Offering and issue of New Shares (US cents)	(2)	(3)
Diluted (LPS)/EPS after the Preferential Offering and issue of New Shares (US cents)	(2)	(3)

APPENDIX A — TERMS AND CONDITIONS OF THE NOTES

The following is the text of the terms and conditions of the Notes which (subject to completion and amendment and as supplemented or varied and except for the paragraphs in italics) will be applicable to the Notes in definitive form (if any) issued in exchange for the Global Certificate representing the Notes. These terms and conditions as so amended, supplemented or varied shall be endorsed on the Certificates issued in respect of the Notes. All capitalised terms that are not defined in these terms and conditions will have the meanings given to them in the Note Trust Deed.

The S$139,464,848 senior secured zero coupon notes due 2024 (the "**Notes**", which expression includes any further notes issued pursuant to Condition 14 (*Further issues*) and forming a single series therewith) of KrisEnergy Ltd. (the "**Issuer**") are constituted by, are subject to, and have the benefit of, a trust deed dated 23 January 2017 (as amended or supplemented from time to time, the "**Note Trust Deed**") between the Issuer and DBS Trustee Limited as note trustee (the "**Note Trustee**", which expression includes all persons for the time being note trustee or note trustees appointed under the Note Trust Deed) and are the subject of an agency agreement dated 23 January 2017 (as amended or supplemented from time to time, the "**Agency Agreement**") between the Issuer, DBS Bank Ltd. as registrar (the "**Registrar**", which expression includes any successor registrar appointed from time to time in connection with the Notes), DBS Bank Ltd. as issuing and paying agent (the "**Issuing and Paying Agent**", which expression includes any successor issuing and paying agent appointed from time to time in connection with the Notes), the transfer agents named therein (the "**Transfer Agents**", which expression includes any successor or additional transfer agents appointed from time to time in connection with the Notes), the paying agents named therein (together with the Issuing and Paying Agent, the "**Paying Agents**", which expression includes any successor or additional paying agents appointed from time to time in connection with the Notes), and the Note Trustee. References herein to the "**Agents**" are to the Registrar, the Issuing and Paying Agent, the Transfer Agents and the Paying Agents and any reference to an "**Agent**" is to any one of them. Certain provisions of these Conditions are summaries of the Note Trust Deed and the Agency Agreement and subject to their detailed provisions. The Noteholders (as defined below) are bound by, and are deemed to have notice of, all the provisions of the Note Trust Deed, the Agency Agreement, the Note Security Documents (as defined below) and the intercreditor agreement dated on or around 23 January 2017 (as amended or supplemented from time to time, the "**Intercreditor Agreement**") between, among others, the Issuer, the Note Trustee, the Common Security Agent (as defined below) and the facility agent under the Revolving Credit Facility (the "**RCF Agent**") applicable to them. Copies of the Note Trust Deed, the Agency Agreement, the Note Security Documents (as defined below) and the Intercreditor Agreement are available for inspection by Noteholders during normal business hours at the principal office for the time being of the Note Trustee and at the Specified Office (as defined in the Agency Agreement) of the Issuing and Paying Agent, the initial Specified Office of which is set out below.

1. Form, Denomination, Status and Security

(a) *Form and denomination*: The Notes are in registered form in the denomination of S$1.00 (each, a "**Denomination Amount**").

(b) *Status of the Notes and Security:*

(i) The Notes constitute direct, general and unconditional obligations of the Issuer and the performance of all the obligations of the Issuer under the Notes and the Note Trust Deed are or, as the case may be, will be secured by inter alia:

(A) a first ranking security interest over the shares of SJ Production Barge Ltd and (if applicable) a first ranking account charge over certain account(s) held by SJ Production Barge Ltd; and

(B) a junior ranking security interest over the assets secured or to be secured from time to time under the RCF Security,

(collectively, the "**Note Security**", and the Intercreditor Agreement, security agreements and other instruments pursuant to which the security interests in the Note Security are created, the "**Note Security Documents**").

*The priority of payments as between the Group's secured creditors will be governed by the Intercreditor Agreement which will provide, among other things, (1) that the security which secures the Group's obligations under the Revolving Credit Facility on a first ranking basis may, until such time as the Revolving Credit Facility has been discharged in full, only be enforced by the Common Security Agent following instructions to this effect from the RCF Agent and, thereafter, on the instructions of the Note Trustee and (2) that the security which secures the Issuer's obligations under the Notes on a first ranking basis may only be enforced by the Common Security Agent following instructions to this effect from the Note Trustee (the "**Permitted Enforcement Regime**").*

(ii) The Notes will at all times rank *pari passu* among themselves and at least *pari passu* with all other present and future unsecured obligations of the Issuer, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.

(iii) The Issuer, the Note Trustee, the RCF Agent and the Common Security Agent, among others, have entered into or, as the case may be, will enter into the Intercreditor Agreement which provides (or will provide) that only the Note Trustee may direct the Common Security Agent to enforce, in accordance with the Intercreditor Agreement and the Permitted Enforcement Regime described above, the Note Security created in favour of the Common Security Agent pursuant to the Note Security Documents, and accordingly no Noteholder may take any unilateral enforcement action.

(iv) In these Conditions:

"**Additional Entities**" means KrisEnergy (Apsara) Ltd, KrisEnergy (Cambodia) Holding Ltd, KrisEnergy (Phu Khanh 120) Ltd, KrisEnergy (Vietnam 115) Ltd, KrisEnergy (Song Hong 105) Ltd, KrisEnergy (Bangladesh SS-11) Ltd, KrisEnergy East Seruway B.V., KrisEnergy (Bala-Balakang) B.V., KrisEnergy (Sakti) B.V. and KrisEnergy (Udan Emas) B.V.;

"**Common Security Agent**" means Madison Pacific Trust Limited;

"**Existing Obligors**" means KrisEnergy (Asia) Ltd, KrisEnergy Holding Company Ltd, KrisEnergy International (Thailand) Holdings Ltd, KrisEnergy (Satria) Ltd, KrisEnergy Asia Coöperatief UA, KrisEnergy Asia Holdings B.V., KrisEnergy (Gulf of Thailand) Ltd., KrisEnergy Bangladesh Limited, KrisEnergy (Block A Aceh) B.V., KrisEnergy Netherlands Holdings Pte Ltd, KrisEnergy Management Ltd and the Issuer;

"**RCF Security**" means:

(A) security over the shares of the Existing Obligors (other than the Issuer);

(B) security over the shares in the Additional Entities;

(C) security over the shares held by KrisEnergy (Gulf of Thailand) Ltd in Orange Energy Limited and B8/32 Partners Limited;

(D) "all asset security" over the present and future assets and rights of the Existing Obligors (except for the Issuer and each of KrisEnergy Satria Ltd, KrisEnergy (Block A Aceh) B.V. and KrisEnergy Management Ltd, which has each granted an assignment of its rights under certain intercompany loans and (save for KrisEnergy Management Ltd) account security);

(E) assignment by the Existing Obligors, certain Additional Entities and certain other members of the Group of their present and future claims under intercompany loans; and

(F) account charges over certain accounts held by certain Existing Obligors and certain Additional Entities as well as KrisEnergy Pte Ltd and KrisEnergy G10 (Thailand) Ltd; and

"**Revolving Credit Facility**" means the US$100.0 million revolving credit facility dated 24 March 2014 (as amended and/or restated from time to time including, without limitation, pursuant to an amendment and restatement agreement dated 24 March 2016 and an amendment agreement dated 3 November 2016 (as amended and/or restated from time to time) (the "**Amendment Agreement**")) entered into between, among others, KrisEnergy (Asia) Ltd (the Issuer's wholly-owned subsidiary) as borrower and The Hongkong and Shanghai Banking Corporation Limited as agent, which was subsequently increased to US$122.0 million on 30 April 2015, to US$148.27 million on 11 July 2016 (and, on a temporary basis, pursuant to an up to six-month "bridge upsize", to US$198.27 million on 3 November 2016) and under which all of the participations and commitments were transferred to DBS Bank Ltd. as lender under transfer certificates dated on 30 June 2016.

2. Register, Title and Transfers

(a) *Register*: The Registrar will maintain a register (the "**Register**") in respect of the Notes in accordance with the provisions of the Agency Agreement. In these Conditions, the "**Holder**" of a Note means the person in whose name such Note is for the time being registered in the Register (or, in the case of a joint holding, the first named thereof) and "**Noteholder**" shall be construed accordingly. A certificate (each, a "**Note Certificate**") will be issued to each Noteholder in respect of its registered holding. Each Note Certificate will be numbered serially with an identifying number which will be recorded in the Register.

(b) *Title*: The Holder of each Note shall (except as otherwise required by law) be treated as the absolute owner of such Note for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any other interest therein, any writing on the Note Certificate relating thereto (other than the endorsed form of transfer) or any notice of any previous loss or theft of such Note Certificate) and no person shall be liable for so treating such Holder. No person shall have any right to enforce any term or condition of the Notes or the Note Trust Deed under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore.

(c) *Transfers*: Subject to paragraphs (f) (*Closed periods*) and (g) (*Regulations concerning transfers and registration*) below, a Note may be transferred upon surrender of the relevant Note Certificate, with the endorsed form of transfer duly completed, at the Specified Office of the Registrar or any Transfer Agent, together with such evidence as the Registrar or (as the case may be) such Transfer Agent may require to prove the title of the transferor and the authority of the individuals who have executed the form of transfer; *provided, however, that* a Note may not be transferred unless the principal amount of Notes transferred and

(where not all of the Notes held by a Holder are being transferred) the principal amount of the balance of Notes not transferred are Denomination Amounts. Where not all the Notes represented by the surrendered Note Certificate are the subject of the transfer, a new Note Certificate in respect of the balance of the Notes will be issued to the transferor.

(d) *Registration and delivery of Note Certificates*: Within five business days of the surrender of a Note Certificate in accordance with paragraph (c) (*Transfers*) above, the Registrar will register the transfer in question and deliver a new Note Certificate of a like principal amount to the Notes transferred to each relevant Holder at its Specified Office or (as the case may be) the Specified Office of any Transfer Agent or (at the request and risk of any such relevant Holder) by uninsured post (unless such relevant Holder requests otherwise and pays in advance to the Registrar or the relevant Transfer Agent the costs of such other method of delivery and/or insurance as it may specify) to the address specified for the purpose by such relevant Holder. In this paragraph, "**business day**" means a day on which commercial banks are open for general business (including dealings in foreign currencies) in the city where the Registrar or (as the case may be) the relevant Transfer Agent has its Specified Office.

(e) *No charge*: The transfer of a Note will be effected without charge by or on behalf of the Issuer, the Registrar or any Transfer Agent but against such indemnity and/or security and/or pre-funding as the Registrar or (as the case may be) such Transfer Agent may require in respect of any tax or other duty of whatsoever nature which may be levied or imposed in connection with such transfer.

(f) *Closed periods*: Noteholders may not require transfers to be registered during the period of 15 days ending on the due date for any payment of principal or interest in respect of the Notes.

(g) *Regulations concerning transfers and registration*: All transfers of Notes and entries on the Register are subject to the detailed regulations concerning the transfer of Notes scheduled to the Agency Agreement. The regulations may be changed by the Issuer with the prior written approval of the Note Trustee and the Registrar. A copy of the current regulations will be mailed (at the expense of the Issuer) by the Registrar to any Noteholder who requests in writing a copy of such regulations.

*Upon issue, the Notes will be represented by a global note certificate (the "**Global Note Certificate**") deposited with The Central Depository (Pte) Limited (the "**Depository**"). These Conditions are modified by certain provisions contained in the Global Note Certificate. Except in the limited circumstances described in the Global Note Certificate, owners of interests in the Notes represented by the Global Note Certificate will not be entitled to receive definitive Note Certificates in respect of their individual holdings of Notes. The Notes are not issuable in bearer form.*

*Notwithstanding anything contained in these Conditions, for so long as any of the Notes is represented by the Global Note Certificate held by the Depository, transfers of beneficial interests in the Global Note Certificate will be effected only through records maintained by the Depository and each person who is for the time being shown in the records of the Depository as the holder of a particular principal amount of such Notes (in which regard any certificate or other document issued by the Depository as to the principal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, the Note Trustee and the Agents as the holder of such principal amount of such Notes for all purposes other than with respect to the payment of principal or interest on such principal amount of such Notes, for which purpose the holder of the Global Note Certificate shall be treated by the Issuer, the Note Trustee and the Agents as the holder of such principal amount of such Notes in accordance with and subject to the terms of the Global Note Certificate and the expressions "**Noteholder**" and "**holder of Notes**" and related*

expressions shall be construed accordingly. Notes which are represented by the Global Note Certificate will be transferable only in accordance with the rules and procedures for the time being of the Depository and any records maintained by the Depository or the Depository's service providers relating to or connected with the Notes shall, save in the case of manifest error, be binding and conclusive for all purposes. For so long as the Global Note Certificate is held by the Depository, the record date for the purposes of determining entitlements to any payment of principal, interest and any other amounts in respect of the Notes shall be the date falling five business days prior to the relevant payment date (or such other date as may be prescribed by the Depository).

3. Covenants

(a) *Negative pledge:* So long as any of the Notes remain outstanding, the Issuer will not, and will ensure that none of its Subsidiaries will, create or have outstanding any Security Interest over the whole or any part of its undertakings, assets or revenues, present or future, save for:

(i) any Security Interest or rights of set-off arising solely by operation of law (or by an agreement evidencing the same) in respect of (A) Indebtedness which either (1) has been due for less than 21 days or (2) is being contested in good faith and by appropriate means, or (B) taxes being contested in good faith;

(ii) any Security Interest existing as at the date of the Note Trust Deed over any of the respective undertakings, assets or revenues of the Issuer or any of its Subsidiaries and disclosed in writing to the Note Trustee on or prior to the date of the Note Trust Deed including, without limitation, Security Interests granted under the Revolving Credit Facility on or prior to the date of the Note Trust Deed;

(iii) any Security Interest created or to be created over any of the respective undertakings, assets or revenues of the Issuer or any of its Subsidiaries pursuant to the Revolving Credit Facility and the Amendment Agreement (in each case, in the form agreed as at the date of the Note Trust Deed);

(iv) any Security Interest created solely in connection with the financing of an acquisition and/or development of assets by the Issuer or any of its Subsidiaries after the date of the Note Trust Deed (including the acquisition by way of acquisition of the shares in a company or entity owning (whether directly or indirectly) such assets); *provided, however, that* such Security Interest (A) shall not extend beyond the assets that are the subject of such acquisition or development, and (B) secures a principal amount not exceeding the cost of such acquisition or development;

(v) any Security Interest created over any asset pursuant to any arrangement, transaction or activity of the Issuer or any of its Subsidiaries undertaken in the ordinary course of business or trading;

(vi) Security Interests to secure any Permitted Refinancing Indebtedness permitted to be Incurred under Condition 3(b)(ii), provided, however, that the new Security Interest shall be limited to all or part of the same property and assets that secured or, under the written agreements pursuant to which the original Security Interests arose, could secure the original Security Interests (plus improvements and accessions to, such property or proceeds or distributions thereof);

(vii) any Security Interest over or affecting any asset acquired by any member of the Group after the Issue Date if:

(A) the Security Interest was not created in contemplation of the acquisition of that asset by such member of the Group;

(B) the principal amount secured has not been increased in contemplation of, or since the acquisition of that asset by such member of the Group; and

(C) the Security Interest is removed or discharged within 90 days of the date of acquisition of such asset;

(viii) any Security Interest arising as a result of legal proceedings which is discharged within 21 days or otherwise contested in good faith (and not otherwise constituting an Event of Default) and in respect of which adequate reserves are being maintained;

(ix) any Security Interest over cash paid into an escrow or similar account in connection with a disposal that does not fall within the circumstances referred to in Condition 8(i);

(x) any Security Interest granted in favour of the Common Security Agent as security agent of the Note Trustee and Noteholders of the Notes as of the date on which the Notes are issued; and

(xi) any other Security Interest which has been approved by the Noteholders by way of an Extraordinary Resolution.

(b) *Limitation on Indebtedness:*

(i) So long as any of the Notes remain outstanding, the Issuer will not, and will not permit any Subsidiary to, directly or indirectly, Incur any Indebtedness, provided that the Issuer and any Subsidiary may Incur Indebtedness if, after giving effect to the Incurrence of such Indebtedness and the receipt and application of the proceeds therefrom, and on the Transaction Date:

(A) no Default has occurred and is continuing; and

(B) the ratio of Consolidated Total Debt to Consolidated EBITDA would be less than 2.5 to 1.0.

(ii) Notwithstanding the foregoing, the Issuer and any Subsidiary of the Issuer, to the extent provided below, may Incur each and all of the following ("**Permitted Indebtedness**"):

(A) the Incurrence by the Issuer or any of its Subsidiaries of the Existing Indebtedness;

(B) Indebtedness under the Senior Unsecured Notes, provided that the principal amount of the Senior Unsecured Notes and any accrued interest capitalised and added to the then current outstanding principal amount of the Senior Unsecured Notes in accordance with their terms and conditions shall be taken into account in the calculation of Consolidated Total Debt for the purposes of Condition 3(b)(i)(B);

(C) Indebtedness under the Notes;

(D) Indebtedness under the Revolving Credit Facility up to an aggregate principal amount outstanding thereunder from time to time of US$200 million (or its equivalent in any other currency or currencies);

(E) the Incurrence by the Issuer or any of its Subsidiaries of Permitted Refinancing Indebtedness in exchange for, or the net proceeds of which are used to extend, renew, refund, refinance, replace, exchange, defease or discharge any Indebtedness (other than intercompany Indebtedness) that is permitted to be Incurred under this Condition 3(b), including, without limitation, under paragraphs (A), (B), (C) and (D) above;

(F) Indebtedness Incurred solely in connection with the financing of an acquisition and/or development of assets by the Issuer or any of its Subsidiaries (including the acquisition by way of acquisition of the shares in a company or entity owning (whether directly or indirectly) such assets); provided, however, that such Indebtedness is in a principal amount not exceeding the cost of such acquisition or development;

(G) Permitted Subordinated Indebtedness;

(H) Indebtedness of the Issuer or any Subsidiary owed to the Issuer or any Subsidiary; provided that (1) any event which results in any such Subsidiary to which such Indebtedness is owed ceasing to be a Subsidiary or any subsequent transfer of such Indebtedness (other than to the Issuer or any Subsidiary) shall be deemed, in each case, to constitute an Incurrence of such Indebtedness not permitted by this Condition 3(b)(ii), (2) if the Issuer is the obligor on such Indebtedness, such Indebtedness must be unsecured and expressed by its terms to be subordinated in right of payment to the Notes, and (3) if the Indebtedness is owed to the Issuer, such Indebtedness must expressly be evidenced by an unsubordinated promissory note, intra-group loan agreement or a similar instrument under applicable law;

(I) the Incurrence by the Issuer or any of its Subsidiaries of Hedging Obligations not for speculative purposes (as determined in good faith by a responsible financial or accounting officer of the Issuer);

(J) Indebtedness Incurred by the Issuer or any Subsidiary constituting reimbursement obligations with respect to workers' compensation claims or self-insurance obligations or bid, performance or surety bonds (in each case other than for an obligation for borrowed money);

(K) Indebtedness Incurred by the Issuer or any Subsidiary constituting reimbursement obligations with respect to letters of credit or trade guarantees issued in the ordinary course of business to the extent that such letters of credit or trade guarantees are not drawn upon or, if drawn upon, to the extent such drawing is reimbursed no later than the 30 days following receipt by the Issuer or such Subsidiary of a demand for reimbursement;

(L) Indebtedness arising from agreements providing for indemnification, adjustment of purchase price or similar obligations, or from guarantees or letters of credit, surety bonds or performance bonds securing any obligation of the Issuer or any Subsidiary pursuant to such agreements, in any case, Incurred in connection with the disposition of any business, asset or Subsidiary, other than guarantees of Indebtedness Incurred by any Person acquiring all or any portion of such business, asset or Subsidiary for the purpose of financing such acquisition;

provided that the maximum aggregate liability in respect of all such Indebtedness in the nature of such guarantee shall at no time exceed the gross proceeds actually received from the sale of such business, asset or Subsidiary;

(M) Indebtedness arising from the honouring by a bank or other financial institution of a cheque, draft or similar instrument drawn against insufficient funds in the ordinary course of business, provided that such Indebtedness is extinguished within five business days of Incurrence;

(N) the Incurrence by the Issuer of any of its Subsidiaries of obligations relating to production imbalances arising in the ordinary course of business;

(O) Indebtedness of the Issuer or any Subsidiary in an aggregate principal amount outstanding at any time (together with refinancings thereof) not to exceed US$5 million (or its equivalent in any other currency or currencies);

(P) the Incurrence by the Issuer or any of its Subsidiaries of Indebtedness in connection with one or more standby letters of credit, Guarantees, performance bonds or other reimbursement obligations, in each case, issued in the ordinary course of business and not in connection with the borrowing of money or the obtaining of an advance or credit (other than advances or credit for goods and services in the ordinary course of business and on terms and conditions that are customary in the Oil and Gas Business, and other than the extension of credit represented by such letter of credit, Guarantee or performance bond itself);

(Q) the Incurrence by the Issuer or any Subsidiary of Indebtedness through the provision of bonds, Guarantees, letters of credit or similar instruments required by any national or international maritime commission or authority or other governmental or regulatory agencies, including, without limitation, customs authorities; in each case, for vessels owned or chartered by, and in the ordinary course of business of, the Issuer or any of its Subsidiaries at any time outstanding not to exceed the amount required by such governmental or regulatory authority;

(R) the Incurrence by the Issuer or any of its Subsidiaries of Indebtedness in the form of customer deposits and advance payments received in the ordinary course of business from customers for purchases in the ordinary course of business; and

(S) any obligation of the Issuer or any of its Subsidiaries in respect of a farm-out agreement or similar arrangement entered into by the Issuer or any of its Subsidiaries with another Person, whereby such Person agrees to pay all or a share of the petroleum operations costs of the Issuer or any of its Subsidiaries (which agreement may be subject to a maximum payment obligation, after which expenses are shared in accordance with the working or participation interest therein or in accordance with the agreement of the parties) or perform such petroleum operations in exchange for an ownership interest in an oil or gas property.

(c) *Limitation on Asset Sales:* So long as any of the Notes remain outstanding, the Issuer will not, and will not permit any Subsidiary to, consummate any Asset Sale, unless:

(i) no Default shall have occurred and be continuing at that time or would occur as a result of such Asset Sale; and

(ii) the consideration received by the Issuer or such Subsidiary, as the case may be, is at least equal to the Fair Market Value of the assets sold or disposed of.

(d) *Dividend Restriction:* So long as any of the Notes remains outstanding, the Issuer will not pay any dividend, whether in cash or in specie, to reduce its capital or make any other distribution to its shareholders.

(e) *Merger, Consolidation or Sale of Assets:* So long as any of the Notes remain outstanding, the Issuer will not, directly or indirectly (i) consolidate, amalgamate or merge with or into another Person (whether or not the Issuer is the surviving corporation) or (ii) sell, assign, transfer, lease, convey or otherwise dispose of all or substantially all of the properties or assets of the Issuer and its Subsidiaries, taken as a whole, in one or more related transactions, to another Person, unless:

(i) either:

(A) the Issuer is the surviving corporation; or

(B) the Person formed by or surviving any such consolidation, amalgamation or merger (if other than the Issuer) or the Person to which such sale, assignment, transfer, conveyance, lease or other disposition has been made assumes all the obligations of the Issuer under the Notes and the Note Trust Deed;

(ii) immediately after such transaction or transactions, no Default shall have occurred and be continuing at that time;

(iii) the ratio of Consolidated Total Debt to Consolidated Equity (the "**Gearing Ratio**") of the Issuer or the Person formed by or surviving any such consolidation, amalgamation or merger (if other than the Issuer), or to which such sale, assignment, transfer, conveyance, lease or other disposition has been made would, on the date of such transaction after giving pro forma effect thereto be at least equal to or lower than the Gearing Ratio of the Issuer immediately prior to such transaction; and

(iv) the Issuer shall have delivered to the Note Trustee an officer's certificate and an opinion of counsel, each stating that such consolidation, amalgamation, merger or transfer comply with this Condition 3(e); provided that in giving an opinion of counsel, counsel may rely on an officer's certificate as to any matters of fact. The Note Trustee shall be entitled to accept such certificate and opinion as sufficient evidence of compliance with the requirements of this Condition 3(e), in which event they shall be conclusive and binding on the Noteholders.

(f) *Certain Definitions:*

In these Conditions:

"**Amendment Agreement**" means the amendment agreement (as amended and/or restated from time to time) amending the Revolving Credit Facility dated 3 November 2016 between, among others, the Issuer and certain of its Subsidiaries as obligors, DBS Bank Ltd. as lender and The Hongkong and Shanghai Banking Corporation Limited as agent and security agent;

"**Asset Sale**" means any sale, lease, transfer or other disposition (including by way of merger, consolidation or sale and leaseback transaction) of any of its rights, property or assets (including any sale or issuance of Capital Stock of a Subsidiary) in one transaction or a series of related transactions by the Issuer or any of its Subsidiaries to any Person; provided that "**Asset Sale**" shall not include:

(i) the sale, lease or other disposition of products, services, Hydrocarbons or mineral products inventory or accounts receivable or other assets in the ordinary course of business;

(ii) sales, transfers or other dispositions of assets with a Fair Market Value not in excess of US$5 million (or its equivalent in any other currency or currencies) in any transaction or series of related transactions;

(iii) any sale, transfer, assignment or other disposition of any property, or equipment that has become damaged, worn out, obsolete or otherwise unsuitable for use in connection with the business of the Issuer or its Subsidiaries;

(iv) any sale, transfer or other disposition by the Issuer or any of its Subsidiaries, including the sale or issuance by the Issuer or any Subsidiary of any Capital Stock of any Subsidiary, to the Issuer or any Subsidiary;

(v) the abandonment, farm-in, farm-out, lease or sublease of any oil and gas properties or the forfeiture or other disposition of such properties, in each case in the ordinary course of business;

(vi) the sale or other disposition (whether or not in the ordinary course of business) of crude oil and natural gas properties or direct or indirect interests in real property; provided, that at the time of such sale or other disposition such properties do not have associated with them any proved reserves;

(vii) granting of Security Interests not prohibited by or expressly permitted under Condition 3(a) (*Negative Pledge*); and

(viii) foreclosure, condemnation or any similar action with respect to any property or other assets;

"**Capital Stock**" means, with respect to any Person, any and all shares, interests, participations or other equivalents (however designated, whether voting or non-voting) in equity of such Person, whether outstanding on the Issue Date or issued thereafter, including, without limitation, all common stock, ordinary stock and preferred stock, but excluding debt securities convertible into such equity;

"**Consolidated EBITDA**" means, at any time, the consolidated operating profit of the Group before taxation, calculated in accordance with IFRS in respect of the most recent Measurement Period:

(i) before deducting any interest (not including any accrued interest owing to any member of the Group), commission, fees, discounts, prepayment fees, premiums or charges and other finance payments whether paid, payable or capitalised by any member of the Group (calculated on a consolidated basis);

(ii) before taking into account any exceptional, one-off, non-recurring or extraordinary items; and

(iii) after adding back any amount attributable to the amortisation or depreciation of assets of members of the Group,

in each case, in respect of such Measurement Period and to the extent added, deducted or taken into account, as the case may be, for the purposes of determining operating profits of the Group before taxation;

"**Consolidated Equity**" means, at any time, the aggregate of the amounts paid up or credited as paid up on the issued ordinary share capital of the Issuer or the Person formed by or surviving any such consolidation, amalgamation or merger (if other than the Issuer), as the case may be, and the aggregate amount of the reserves of the Group, calculated in accordance with IFRS, as shown in the most recent available consolidated balance sheet of the Group (whether audited or unaudited), including:

(i) any amount credited to the share premium account;

(ii) any capital redemption reserve fund; and

(iii) any balance standing to the credit of the consolidated income statement of the Group,

but deducting:

(iv) any debit balance on the consolidated income statement of the Group;

(v) any amount which is attributable to minority interests;

(vi) (to the extent included) any amount set aside for taxation, deferred taxation or bad debts; and

(vii) any amount in respect of any dividend or distribution declared, recommended or made by any member of the Group to the extent payable to a person who is not a member of the Group and to the extent such distribution is not provided for in the most recent financial statements,

and so that no amount shall be included or excluded more than once;

"**Consolidated Total Debt**" means, at any time, the aggregate outstanding principal, capital or nominal amount of all obligations of the Group for or in respect of Indebtedness but excluding any such obligations to any other member of the Group, calculated in accordance with IFRS, as shown in the most recent available consolidated balance sheet of the Group (whether audited or unaudited);

"**Default**" means any event that is, or with the passage of time or the giving of notice or both would be, an Event of Default;

"**Existing Indebtedness**" means Indebtedness of the Issuer and its Subsidiaries in existence on the date of the Note Trust Deed;

"**Fair Market Value**" means the price that would be paid in an arm's-length transaction between an informed and willing seller under no compulsion to sell and an informed and willing buyer under no compulsion to buy, as determined in good faith by the board of directors, whose determination shall be conclusive if evidenced by a board resolution of the Issuer or the relevant Subsidiary;

"**Group**" means, collectively, the Issuer and its Subsidiaries;

"**Guarantee**" means, in relation to any Indebtedness of any Person, any obligation of another Person to pay such Indebtedness including (without limitation):

(i) any obligation to purchase such Indebtedness;

(ii) any obligation to lend money, to purchase or subscribe shares or other securities or to purchase assets or services in order to provide funds for the payment of such Indebtedness;

(iii) any indemnity against the consequences of a default in the payment of such Indebtedness; and

(iv) any other agreement to be responsible for such Indebtedness;

"**Hedging Obligations**" means, with respect to any specified Person, the obligations (including any Indebtedness) of such Person or any of its Subsidiaries directly or indirectly under or in connection with:

(i) interest rate swap agreements (whether from fixed to floating or from floating to fixed), interest rate cap agreements and interest rate collar agreements, other agreements or arrangements designed to manage interest rates or interest rate risk;

(ii) any foreign exchange contract, currency swap agreement, currency option, cap, floor, ceiling or collar agreement or other similar agreement or arrangement designed to protect such Person against fluctuations in currency exchange rates;

(iii) any forward contract, commodity futures contract, commodity option agreement, commodity swap agreement, cap, floor, ceiling or collar agreement or other similar agreement or arrangement designed to protect against fluctuations in the price of commodities used, produced, processed or sold by that Person or any of its Subsidiaries at the time;

(iv) other agreements or arrangements designed to protect such Person against fluctuations in interest rates, commodity prices or currency exchange rates; and

(v) any other related agreement or arrangement, whether or not incurring any Indebtedness, directly or indirectly, in connection with any restructuring, amendment, variation or termination (whether in whole or in part) of any of the agreements referred to in paragraphs (i) to (iv), above;

"**Hydrocarbons**" means oil, gas, casing head gas, drip gasoline, natural gasoline, condensate, distillate, liquid hydrocarbons, gaseous hydrocarbons and all constituents, elements or compounds thereof and products refined or processed therefrom;

"**IFRS**" means the International Financial Reporting Standards (or any successor accounting standard thereto) as issued by the International Accounting Standards Board;

"**Incur**" means, with respect to any Indebtedness or Capital Stock, to incur, create, issue, assume, guarantee or otherwise become liable for or with respect to, or become responsible for, the payment of, contingently or otherwise, such Indebtedness or Capital Stock; provided that (1) any Indebtedness and Capital Stock of a Person existing at the time such

Person becomes a Subsidiary will be deemed to be Incurred by such Subsidiary at the time it becomes a Subsidiary and (2) the accretion of original issue discount shall not be considered an Incurrence of Indebtedness. The terms "Incurrence", "Incurred" and "Incurring" have meanings correlative with the foregoing;

"**Indebtedness**" means, with respect to a Person at any date of determination, any indebtedness for or in respect of:

(i) moneys borrowed;

(ii) any amount raised by acceptance under any acceptance credit facility or dematerialised equivalent;

(iii) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;

(iv) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with IFRS, be treated as a balance sheet liability (other than any liability in respect of a lease or hire purchase contract which would, in accordance with IFRS in force prior to 1 January 2019, have been treated as an operating lease);

(v) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);

(vi) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing, except Trade Payables and Prepayment Transactions;

(vii) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the marked to market value shall be taken into account);

(viii) any counter-indemnity obligation in respect of a Guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution;

(ix) any amount raised by the issue of redeemable shares;

(x) any amount of any liability under an advance or deferred purchase agreement if one of the primary reasons behind the entry into this agreement is to raise finance, except Trade Payables and Prepayment Transactions;

(xi) (without double counting) the amount of any liability in respect of any Guarantee or indemnity for any of the items referred to in paragraphs (i) to (v) above; and

(xii) (without double counting) any indebtedness referred to in paragraphs (i) to (v) above of other Persons secured by Security Interest upon any assets of the Person to which this definition is being applied, provided that the amount of such Indebtedness shall be the lesser of (A) the fair market value of such asset at such date of determination and (B) the amount of such indebtedness;

"**Issue Date**" means 23 January 2017;

"**Measurement Period**" means the most recently ended four full financial quarters of the Issuer for which consolidated financial statements are available (whether audited or unaudited);

"**Oil and Gas Business**" means:

(i) the acquisition, exploration, exploitation, development, production, operation and disposition of interests in oil, natural gas, liquid natural gas and other Hydrocarbon and mineral properties or products produced in association with the foregoing;

(ii) the gathering, marketing, distributing, treating, refining, processing, storing, distribution, selling and transporting of any production from oil, natural gas, natural gas liquids, liquefied natural gas and other Hydrocarbon and mineral properties (whether or not such properties are owned by the Issuer and/or its Subsidiaries) and products produced in association therewith and the marketing of oil, natural gas, other Hydrocarbons and minerals obtained from unrelated Persons;

(iii) any other related energy business, from oil, natural gas and other Hydrocarbons and minerals produced substantially from properties in which the Issuer or its Subsidiaries directly or indirectly participates;

(iv) any business relating to oil and gas field seismic mapping, sales and service and technology development with respect thereto; and

(v) any business, services or activity relating to, arising from, or necessary, appropriate or incidental to the activities described in paragraphs (i), (ii), (iii) or (iv) above;

"**Permitted Refinancing Indebtedness**" means any Indebtedness of the Issuer or any of its Subsidiaries issued in exchange for, or the net proceeds of which are used to extend, renew, refund, refinance, replace, exchange, defease or discharge other Indebtedness of the Issuer or any of its Subsidiaries (other than intercompany Indebtedness), *provided that*:

(i) the aggregate principal amount of such Permitted Refinancing Indebtedness does not exceed the principal amount of the Indebtedness being extended, renewed, refunded, refinanced, replaced, exchanged, defeased or discharged (plus all accrued interest on the Indebtedness and the amount of all fees and expenses, including premiums, Incurred in connection therewith);

(ii) such Permitted Refinancing Indebtedness has a final maturity date that is either (i) no earlier than the final maturity date of the Indebtedness being extended, renewed, refunded, refinanced, replaced, exchanged, defeased or discharged or (ii) after the final maturity date of the Notes, *provided that* in the case of the Notes, such Permitted Refinancing Indebtedness Incurred in connection therewith has a final maturity date that is at least one year following the Maturity Date of the Senior Unsecured Notes; and

(iii) if the Indebtedness being extended, renewed, refunded, refinanced, replaced, defeased or discharged is expressly contractually subordinated in right of payment to the Notes, such Permitted Refinancing Indebtedness is subordinated in right of payment to the Notes on terms at least as favourable to the holders of Notes as those contained in the documentation governing the Indebtedness being extended, renewed, refunded, refinanced, replaced, exchanged, defeased or discharged;

"**Permitted Subordinated Indebtedness**" means Indebtedness of the Issuer that is:

(i) contractually subordinated in right of payment (by the terms of any documents or instruments relating thereto) to the Notes;

(ii) expressed to be payable on a date falling after the Maturity Date;

(iii) does not have the benefit of any Security Interest; and

(iv) does not bear any interest or distribution rate payable to its holders, or is otherwise subject to amortisation over its tenor;

"**Person**" means any individual, corporation, partnership, limited liability company, joint venture, trust, unincorporated organization or government or any agency or political subdivision thereof;

"**Prepayment Transaction**" means, with respect to any Person, any indebtedness or monetary obligation owed to its customers, assumed or Guaranteed by such Person or any of its Subsidiaries, arising in the ordinary course of business in connection with the sale of goods or services for which the purchase price has been prepaid by such customer;

"**Security Interest**" means any mortgage, charge, pledge, lien or other security interest including, without limitation, anything analogous to any of the foregoing under the laws of any jurisdiction;

"**Senior Unsecured Notes**" means the S$130,000,000 senior unsecured notes due 2022 and the S$200,000,000 senior unsecured notes due 2023;

"**Subsidiary**" has the meaning ascribed to it in Section 5 of the Companies Act, Chapter 50 of Singapore, and "Subsidiaries" shall have a corresponding meaning;

"**Trade Payables**" means, with respect to any Person, any accounts payable or any other indebtedness or monetary obligation to trade creditors created, assumed or Guaranteed by such Person or any of its Subsidiaries arising in the ordinary course of business in connection with the acquisition of goods or services and payable within 90 days; and

"**Transaction Date**" means, with respect to the Incurrence of Indebtedness, the date such Indebtedness is to be Incurred.

4. Interest

The Notes do not bear any interest except in accordance with Condition 6(f) (*Default interest*).

5. Redemption and Purchase

(a) *Scheduled redemption*: Unless previously redeemed, or purchased and cancelled, the Notes will be redeemed at 100 per cent. of their principal amount on 23 January 2024, subject as provided in Condition 6 (*Payments*).

(b) *Redemption for tax reasons*: The Notes may be redeemed at the option of the Issuer in whole, but not in part, on giving not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable) at their principal amount, if, immediately before giving such notice:

(i) the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 7 (*Taxation*) as a result of any change in, or amendment to, the laws or regulations of the Cayman Islands, Singapore or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations (including a holding by a court of competent jurisdiction), which change or amendment becomes effective on or after the Issue Date; and

(ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it;

provided, however, that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts if a payment in respect of the Notes were then due.

Not less than 10 days nor more than 30 days prior to the publication of any notice of redemption pursuant to this Condition 5(b), the Issuer shall deliver to the Note Trustee and Issuing and Paying Agent and addressed to the Note Trustee and the Issuing and Paying Agent:

(A) a certificate signed by two directors of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred; and

(B) an opinion of independent legal or tax advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment.

The Note Trustee and the Issuing and Paying Agent shall be entitled to accept such certificate and opinion as sufficient evidence of the satisfaction of the circumstances set out in (i) and (ii) above, in which event they shall be conclusive and binding on the Noteholders and shall be protected and shall not be liable to the Noteholders or any other person in respect of any action taken, or omitted to be done or suffered to be taken in reliance of such certification.

Upon the expiry of any such notice as is referred to in this Condition 5(b), the Issuer shall be bound to redeem the Notes in accordance with this Condition 5(b).

(c) *Redemption upon Cessation or Suspension of Trading of Shares*: In the event that (i) the shares of the Issuer cease to be traded on the Singapore Exchange Securities Trading Limited or (ii) trading in the shares of the Issuer on the Singapore Exchange Securities Trading Limited is suspended for a continuous period of more than seven days (other than by reason of holiday, statutory or otherwise), the Issuer shall, at the option of the holder of any Note, redeem such Note at a price equal to 100 per cent. of their principal amount on the date falling 60 days after (in the case of (i)) the date of cessation of trading or (in the case of (ii)) the business day immediately following the expiry of such continuous period of seven days (in either case, the "**Effective Date**"). The Issuer shall within seven days after the Effective Date, give notice to the Note Trustee, the Issuing and Paying Agent and the Noteholders of the occurrence of the event specified in this Condition 5(c) (provided that any failure by the Issuer to give such notice shall not deny any Noteholder the right to exercise its option under this Condition 5(c)). To exercise such option, the holder must deposit the Note Certificate representing such Note(s) with the Registrar or any other Transfer Agent at its specified office, together with an Exercise Notice in the form obtainable from the Issuing and Paying Agent, the Registrar, any other Transfer Agent or the Issuer (as applicable) not later than 30 days after the Effective Date. Any Note so deposited may not be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer. For the purposes of this Condition 5(c), "**business day**" means any day on which banks are open for general business (including dealings in foreign currencies) in Singapore.

(d) *No other redemption*: The Issuer shall not be entitled to redeem the Notes otherwise than as provided in paragraphs (a) (*Scheduled redemption*) to (c) (*Redemption upon Cessation or Suspension of Trading of Shares*) above.

(e) *Purchase*: The Issuer or any of its Subsidiaries may at any time purchase Notes in the open market or otherwise and at any price.

(f) *Cancellation*: All Notes so redeemed or purchased by the Issuer or any of its Subsidiaries shall be cancelled and may not be reissued or resold.

(g) *Note Trustee Not Obliged to Monitor:* None of the Note Trustee or the Agents shall be under any duty to monitor whether any event or circumstance has happened or exists within this Condition 5 and will not be responsible to the Noteholders for any loss arising from any failure by it to do so. Unless and until the Note Trustee has notice in writing of the occurrence of any event or circumstance within this Condition 5, it shall be entitled to assume that no such event or circumstance exists.

6. Payments

(a) *Principal*: Payments of principal shall be made by transfer to a Singapore dollar account maintained by the payee with, a bank in Singapore and (in the case of redemption) upon surrender (or, in the case of part payment only, endorsement) of the relevant Note Certificates at the Specified Office of any Paying Agent.

(b) *Payments subject to fiscal laws*: All payments in respect of the Notes are subject in all cases to (i) any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 7 (*Taxation*) and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. International Revenue Code of 1986 (the "**Code**") or otherwise imposed pursuant to sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to the provisions of Condition 7 (*Taxation*)) any law implementing an intergovernmental approach thereto.

(c) *Payments on business days*: Where payment is to be made by transfer to a Singapore dollar account, payment instructions (for value the due date, or, if the due date is not a business day, for value the next succeeding business day) will be initiated on the later of the due date for payment and the day on which the relevant Note Certificate is surrendered (or, in the case of part payment only, endorsed) at the Specified Office of a Paying Agent. A Holder of a Note shall not be entitled to any interest or other payment in respect of any delay in payment resulting from the due date for a payment not being a business day. In this paragraph, "**business day**" means any day on which banks are open for general business (including dealings in foreign currencies) in Singapore and, in the case of surrender (or, in the case of part payment only, endorsement) of a Note Certificate, in the place in which the Note Certificate is surrendered (or, as the case may be, endorsed).

(d) *Partial payments*: If a Paying Agent makes a partial payment in respect of any Note, the Issuer shall procure that the amount and date of such payment are noted on the Register and, in the case of partial payment upon presentation of a Note Certificate, that a statement indicating the amount and the date of such payment is endorsed on the relevant Note Certificate.

(e) *Record date*: Each payment in respect of a Note will be made to the person shown as the Holder in the Register at the opening of business in the place of the Registrar's Specified Office on the fifteenth day before the due date for such payment (the "**Record Date**"). Where payment in respect of a Note is to be made by cheque, the cheque will be mailed to the address shown as the address of the Holder in the Register at the opening of business on the relevant Record Date.

(f) *Default interest:* If the Issuer fails to pay any sum in respect of the Notes when the same becomes due and payable under these Conditions, interest shall accrue on the overdue sum at the rate of two per cent. per annum from the due date and ending on the date on which payment is made to the holders of the Notes in respect thereof (both dates inclusive) as stated in a notice given to the Noteholders in accordance with Condition 15 (*Notices*). Such default interest shall be calculated on the basis of a year of 365 days and the actual number of days elapsed.

7. Taxation

All payments of principal and interest in respect of the Notes by or on behalf of the Issuer shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of the Cayman Islands, Singapore or, in each case, any political subdivision thereof or any authority therein or thereof having power to tax, unless the withholding or deduction of such taxes, duties, assessments or governmental charges is required by law. In that event the Issuer shall pay such additional amounts as will result in receipt by the Noteholders after such withholding or deduction of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable in respect of any Note:

(a) held by a Holder which is liable to such taxes, duties, assessments or governmental charges in respect of such Note by reason of its having some connection with the Cayman Islands or Singapore other than the mere holding of the Note; or

(b) where (in the case of a payment of principal or interest on redemption) the relevant Note Certificate is surrendered for payment more than 30 days after the Relevant Date except to the extent that the relevant Holder would have been entitled to such additional amounts if it had surrendered the relevant Note Certificate on the last day of such period of 30 days.

In these Conditions, "**Relevant Date**" means whichever is the later of (1) the date on which the payment in question first becomes due and (2) if the full amount payable has not been received in Singapore by the Issuing and Paying Agent or the Note Trustee on or prior to such due date, the date on which (the full amount having been so received) notice to that effect has been given to the Noteholders.

Any reference in these Conditions to principal or interest shall be deemed to include any additional amounts in respect of principal or interest (as the case may be) which may be payable under this Condition 7 (*Taxation*) or any undertaking given in addition to or in substitution of this Condition 7 (*Taxation*) pursuant to the Note Trust Deed.

If the Issuer becomes subject at any time to any taxing jurisdiction other than the Cayman Islands and/or Singapore, references in these Conditions to the Cayman Islands and/or Singapore, shall be construed as references to the Cayman Islands and/or Singapore and/or such other jurisdiction.

8. Events of Default

If any of the following events ("**Events of Default**") occurs the Note Trustee at its discretion may (but is not obliged to), and if so requested in writing by holders of at least 25.0 per cent. in aggregate principal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution shall, in each case, subject to the Note Trustee being indemnified and/or secured and/or pre-funded to its satisfaction, give notice to the Issuer that the Notes are immediately repayable, whereupon they shall become immediately due and payable at their principal amount and other interest accrued thereon but unpaid:

(a) the Issuer does not pay (i) any sum (other than interest) payable by it under any of the Notes or the Issue Documents (as defined in the Note Trust Deed) or (ii) within three days of its due date, any interest payable by it under any of the Notes or the Issue Documents;

(b) the Issuer does not perform or comply with any one or more of its obligations (other than the payment obligations of the Issuer referred to in paragraph (a)) under any of the Issue Documents or any of the Notes and, if, such default is capable of remedy but is not remedied within 21 days after the Note Trustee has given written notice of the failure to perform or comply to the Issuer;

(c) any representation, warranty or statement by the Issuer in any of the Issue Documents or any of the Notes or in any document delivered under any of the Issue Documents or any of the Notes is not complied with in any respect or is or proves to have been incorrect in any respect when made or deemed repeated and, if such default is capable of remedy, it is not remedied within 21 days after notice of such non-compliance or incorrectness shall have been given by the Note Trustee to the Issuer;

(d) (i) any other indebtedness of the Issuer or any of its Principal Subsidiaries in respect of borrowed moneys is or is declared to be or is capable of being rendered due and payable prior to its stated maturity by reason of any actual or potential default, event of default or the like (however described) or is not paid when due; or

(ii) the Issuer or any of its Principal Subsidiaries fails to pay when due any amounts owing under any guarantee or indemnity of indebtedness for borrowed moneys,

provided however that no Event of Default will occur under paragraphs (d)(i) or (d)(ii) above if the aggregate amount of the indebtedness for borrowed moneys or guarantee of indebtedness for borrowed moneys falling within paragraphs (d)(i) and (d)(ii) above is less than US$10,000,000 (or its equivalent in any other currency or currencies);

(e) the Issuer or any of its Principal Subsidiaries is (or is, or could be, deemed by law or a court to be) insolvent or unable to pay its debts, stops, suspends or threatens to stop or suspend payment of all or a material part of (or all of a particular type of) its indebtedness, begins negotiations or takes any other step with a view to the deferral, rescheduling or other readjustment of all or a material part of (or all of a particular type of) its indebtedness which it will or might otherwise be unable to pay when due, proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors or a moratorium is agreed or declared in respect of or affecting all or a material part of (or all of a particular type of) the indebtedness of the Issuer or any of its Principal Subsidiaries;

(f) a distress, attachment, execution or other legal process is levied, enforced or sued out on or against all or a material part of the property, assets or revenues of the Issuer or any of its Principal Subsidiaries and is not discharged or stayed within 30 days;

(g) any security on or over the whole or a material part of the property or assets of the Issuer or any of its Principal Subsidiaries becomes enforceable or any step is taken to enforce it (including the taking of possession or the appointment of a receiver, manager or other similar person);

(h) any meeting is convened or an order is made or, as the case may be, an effective resolution is passed for the winding-up of the Issuer or any of its Principal Subsidiaries (except for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation on terms approved by the Note Trustee or the Noteholders by way of Extraordinary Resolution) or for the appointment of a liquidator (including a provisional liquidator), receiver, judicial manager, trustee, administrator, agent or similar officer of the Issuer or any of its Principal Subsidiaries or over the whole or a material part of the property or assets of the Issuer or any of its Principal Subsidiaries;

(i) the Issuer or any of its Principal Subsidiaries ceases or threatens to cease to carry on all or any part of its business which is material in the context of the business of the Issuer and its subsidiaries, taken as a whole, other than pursuant to a permitted disposal under Condition 3(c) (*Limitation on Asset Sales*);

(j) any step is taken by any person with a view to the seizure, compulsory acquisition, expropriation or nationalisation of all or a material part of the assets of the Issuer or any of its Principal Subsidiaries;

(k) any action, condition or thing (including the obtaining of any necessary consent) at any time required to be taken, fulfilled or done for any of the purposes stated in the Note Trust Deed is not taken, fulfilled or done, or any such consent ceases to be in full force and effect without modification or any condition in or relating to any such consent is not complied with (unless that consent or condition is no longer required or applicable) and such default is capable of remedy but is not remedied within 21 days of its occurrence;

(l) it is or will become unlawful for the Issuer to perform or comply with any one or more of its obligations under the Issue Documents or any of the Notes;

(m) any of the Issue Documents or any of the Notes ceases for any reason (or is claimed by the Issuer not) to be the legal and valid obligations of the Issuer, binding upon it in accordance with its terms;

(n) any litigation, arbitration or administrative proceeding (other than those of a frivolous or vexatious nature or those which are being contested in good faith) against the Issuer or any of its Principal Subsidiaries is current or pending (i) to restrain the exercise of any of the rights and/or the performance or enforcement of or compliance with any of the obligations of the Issuer under any of the Issue Documents or any of the Notes or (ii) which has or could have a material adverse effect on the Issuer;

(o) any event occurs which, under the law of any relevant jurisdiction, has an analogous or equivalent effect to any of the events mentioned in paragraph (e), (f), (g), (h) or (j);

(p) the Issuer or any of its Principal Subsidiaries is declared by the Minister of Finance of Singapore to be a declared company under the provisions of Part IX of the Companies Act, Chapter 50 of Singapore; or

(q) *Failure of any Note Security Document to provide security*: except as expressly permitted by the applicable Note Security Document, the Note Trust Deed or the Intercreditor Agreement, any Note Security Document at any time for any reason shall cease to be in full force and effect in all material respects, or shall cease to give the Common Security Agent as security agent of the Note Trustee rights to the Note Security, or the rights, powers,

privileges and priority purported to be created thereby, in any such case other than with respect to an immaterial portion of the Note Security, and such failure continues unremedied for 30 consecutive days after the earlier of (A) the Issuer obtaining knowledge thereof or (B) the Note Trustee giving written notice thereof to the Issuer.

In this Condition:

"**Issue Documents**" has the meaning ascribed to such term in the Note Trust Deed; and

"**Principal Subsidiary**" means any subsidiary of the Issuer:

(i) whose profits before tax and minority interests (after intercompany eliminations), as shown by the accounts of such subsidiary (consolidated in the case of a company which itself has subsidiaries), based upon which the latest audited consolidated accounts of the Group have been prepared, are at least five per cent. of the consolidated profits before tax and minority interests of the Group as shown by such audited consolidated accounts; or

(ii) whose total assets (after intercompany eliminations), as shown by the accounts of such subsidiary (consolidated in the case of a company which itself has subsidiaries), based upon which the latest audited consolidated accounts of the Group have been prepared, are at least five per cent. of the total assets of the Group as shown by such audited consolidated accounts, provided that if any such subsidiary (the "**transferor**") shall at any time transfer the whole or a substantial part of its business, undertaking or assets to another subsidiary or the Issuer or to any other person (the "**transferee**") then:

(A) if the whole of the business, undertaking and assets of the transferor shall be so transferred, the transferor shall thereupon cease to be a Principal Subsidiary and the transferee (unless it is the Issuer or it is not a subsidiary of the Issuer) shall thereupon become a Principal Subsidiary; and

(B) if a substantial part only of the business, undertaking and assets of the transferor shall be so transferred, the transferor shall remain a Principal Subsidiary and the transferee (unless it is the Issuer or it is not a subsidiary of the Issuer) shall thereupon become a Principal Subsidiary.

Any subsidiary which becomes a Principal Subsidiary by virtue of (A) above or which remains or becomes a Principal Subsidiary by virtue of (B) above shall continue to be a Principal Subsidiary until the earlier of:

(1) the date of issue of the first audited consolidated accounts of the Group prepared as at a date later than the date of the relevant transfer which show the profits before tax and minority interests or (as the case may be) total assets (in each case, after intercompany eliminations) as shown by the accounts of such subsidiary (consolidated (if any) in the case of a company which itself has subsidiaries), based upon which such audited consolidated accounts have been prepared, to be less than five per cent. of the consolidated profits before tax and minority interests or (as the case may be) total assets of the Group, as shown by such audited consolidated accounts; and

(2) the date on which the Issuer has delivered to the Note Trustee (which shall in any event be no earlier than the date on which the relevant transfer is completed) pro forma unaudited accounts of such subsidiary and pro forma unaudited consolidated accounts of the Group, in each case prepared off the latest full year audited accounts of such subsidiary or the Group (as the case may be) as if the relevant transfer had been completed (in the case of profits before tax and

minority interests) on the first day of the period in respect of which both such pro forma accounts are prepared and (in the case of total assets) as of the date to which both such pro forma accounts are prepared and based on reasonable assumptions and estimates and in accordance with IFRS, which show the profits before tax and minority interests or (as the case may be) total assets (in each case, after intercompany eliminations) of such subsidiary (consolidated (if any) in the case of a company which itself has subsidiaries) to be less than five per cent. of the consolidated profits before tax and minority interests or (as the case may be) total assets of the Group. The Note Trustee shall be entitled to accept such pro forma unaudited accounts of such subsidiary and pro forma unaudited consolidated accounts of the Group as sufficient evidence of the information set out above, in which event they shall be conclusive and binding on the Noteholders.

9. Prescription

Claims for principal on redemption shall become void unless the relevant Note Certificates are surrendered for payment within ten years of the appropriate Relevant Date.

10. Replacement of Note Certificates

If any Note Certificate is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the Specified Office of the Registrar and the Transfer Agent having its Specified Office in Singapore, subject to all applicable laws and stock exchange requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Issuer may reasonably require. Mutilated or defaced Note Certificates must be surrendered before replacements will be issued.

11. Note Trustee and Agents

Under the Note Trust Deed, the Note Trustee is entitled to be indemnified and relieved from responsibility in certain circumstances and to be paid its costs and expenses in priority to the claims of the Noteholders. In addition, the Note Trustee is entitled to enter into business transactions with the Issuer and any entity relating to the Issuer without accounting for any profit.

In the exercise of its powers and discretions under these Conditions and the Note Trust Deed, the Note Trustee will have regard to the interests of the Noteholders as a class and shall not have regard to any interest arising from circumstances particular to individual Noteholders (whatever their number) and in particular, but without prejudice to the generality of the foregoing, shall not be obliged to have regard to the consequences of such exercise for any individual Noteholder (whatever their number) resulting from his or its being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or otherwise to the tax consequence thereof.

In acting under the Agency Agreement and in connection with the Notes, the Agents act solely as agents of the Issuer and (to the extent provided therein) the Note Trustee and do not assume any obligations towards or relationship of agency or trust for or with any of the Noteholders.

Each Noteholder shall be solely responsible for making and continuing to make its own independent appraisal and investigation into the financial condition, creditworthiness, affairs, status and nature of the Issuer, and the Note Trustee shall not at any time have any responsibility for the same and each Noteholder shall not rely on the Note Trustee in this respect thereof.

The initial Agents and their initial Specified Offices are listed below. The Issuer reserves the right (with the prior approval of the Note Trustee) at any time to vary or terminate the appointment of any Agent and to appoint a successor registrar or issuing and paying agent and additional or successor paying agents and transfer agents, in each case in accordance with the Agency Agreement; *provided, however, that* the Issuer shall at all times maintain (a) a issuing and paying agent and a registrar and (b) a paying agent and a transfer agent in Singapore.

Specified Office of initial Registrar	:	DBS Bank Ltd. 10 Toh Guan Road #04-11 (Level 4B) DBS Asia Gateway Singapore 608838
Specified Office of initial Issuing and Paying Agent	:	DBS Bank Ltd. 10 Toh Guan Road #04-11 (Level 4B) DBS Asia Gateway Singapore 608838
Specified Office of initial Transfer Agent	:	DBS Bank Ltd. 10 Toh Guan Road #04-11 (Level 4B) DBS Asia Gateway Singapore 608838

Notice of any change in any of the Agents or in their Specified Offices shall promptly be given to the Noteholders.

12. Meetings of Noteholders; Modification and Waiver

(a) *Meetings of Noteholders*: The Note Trust Deed contains provisions for convening meetings of Noteholders to consider matters relating to the Notes, including the modification of any provision of these Conditions or the Note Trust Deed. Any such modification may be made if sanctioned by an Extraordinary Resolution. Such a meeting may be convened by the Issuer or by the Note Trustee and shall be convened by the Note Trustee upon the request in writing of Noteholders holding not less than one-tenth of the aggregate principal amount of the outstanding Notes subject to the Note Trustee being indemnified and/or secured and/or pre-funded to its satisfaction against all costs and expenses. The quorum at any meeting convened to vote on an Extraordinary Resolution will be two or more persons holding or representing one more than half of the aggregate principal amount of the outstanding Notes or, at any adjourned meeting, two or more persons being or representing Noteholders whatever the principal amount of the Notes held or represented; *provided, however, that* certain proposals (including any proposal to change any date fixed for payment of principal in respect of the Notes, to reduce the amount of principal payable on any date in respect of the Notes, to alter the method of calculating the amount of any payment in respect of the Notes or the date for any such payment, to change the currency of payments under the Notes or to change the quorum requirements relating to meetings or the majority required to pass an Extraordinary Resolution (each, a "**Reserved Matter**")) may only be sanctioned by an Extraordinary Resolution passed at a meeting of Noteholders at which two or more persons holding or representing not less than three-quarters or, at any adjourned meeting, one quarter of the aggregate principal amount of the outstanding Notes form a quorum. Any Extraordinary Resolution duly passed at any such meeting shall be binding on all the Noteholders, whether present or not.

In addition, a resolution in writing signed by or on behalf of all Noteholders who for the time being are entitled to receive notice of a meeting of Noteholders under the Note Trust Deed will take effect as if it were an Extraordinary Resolution. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders.

(b) *Modification and waiver*: The Note Trustee may, without the consent of the Noteholders, agree to any modification of these Conditions or the Note Trust Deed (other than in respect of a Reserved Matter) which is, in the opinion of the Note Trustee, expedient to make if, in the opinion of the Note Trustee, such modification will not be materially prejudicial to the interests of Noteholders and to any modification of the Notes or the Note Trust Deed which is of a formal, minor or technical nature or is to correct a manifest error. In addition, the Note Trustee may, without the consent of the Noteholders, authorise or waive any proposed breach or breach of the Notes or the Note Trust Deed (other than a proposed breach or breach relating to the subject of a Reserved Matter) if, in the opinion of the Note Trustee, the interests of the Noteholders will not be materially prejudiced thereby.

Any such authorisation, waiver or modification shall be binding on the Noteholders and, unless the Note Trustee agrees otherwise, any such authorisation, waiver or modification shall be notified to the Noteholders as soon as practicable thereafter in accordance with Condition 15 and in any event within 14 days of such authorisation, waiver or modification.

13. Enforcement

(a) Subject to the provisions of the Intercreditor Agreement, the Note Trustee may at any time, at its discretion and without notice, institute such proceedings as it thinks fit to enforce its rights under the provisions of the Issue Documents or Conditions, but it shall not be bound to do so unless:

(i) it has been so requested in writing by the Holders of at least one quarter of the aggregate principal amount of the outstanding Notes or has been so directed by an Extraordinary Resolution; and

(ii) it has been indemnified and/or secured and/or pre-funded to its satisfaction against all actions, liabilities, proceedings, claims and demands to which it may thereby become liable and all costs, charges, damages and expenses (including, without limitation, costs and expenses of legal advisers and other experts) which may be incurred by it in connection therewith and provided that the Note Trustee shall not be held liable for the consequence of taking or refraining from taking any such action and may take or refrain from taking such action without having regard to the effect of such action on individual Noteholders.

(b) Subject to the provisions of the Intercreditor Agreement, no Noteholder may proceed directly against the Issuer unless the Note Trustee, having become bound to do so, fails to do so within a reasonable time and such failure is continuing.

(c) The Note Trustee may instruct the Common Security Agent to enforce the Note Security created by the Note Security Documents (at the times and in the manner contemplated by the Intercreditor Agreement) only if it has been so requested in writing by the Holders of at least one quarter of the aggregate principal amount of the outstanding Notes or has been so directed by an Extraordinary Resolution (and the Note Trustee shall not be bound to do so unless it has been indemnified and/or secured and/or pre-funded to its satisfaction against all actions, liabilities, proceedings, claims and demands to which it may thereby become liable and all costs, charges, damages and expenses (including, without limitation,

costs and expenses of legal advisers and other experts) which may be incurred by it in connection therewith and provided that the Note Trustee shall not be held liable for the consequence of taking or refraining from taking any such action and may take or refrain from taking such action without having regard to the effect of such action on individual Noteholders).

14. Further Issues

The Issuer may from time to time, without the consent of the Noteholders and in accordance with the Note Trust Deed, create and issue further notes having the same terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest) so as to form a single series with the Notes. The Issuer may from time to time, with the consent of the Note Trustee, create and issue other series of notes having the benefit of the Note Trust Deed.

15. Notices

Notices to the Noteholders will be sent to them by first class mail (or its equivalent) or (if posted to an overseas address) by airmail at their respective addresses on the Register. Any such notice shall be deemed to have been given on the fourth day after the date of mailing. In addition, so long as the Notes are listed on the Singapore Exchange Securities Trading Limited and the rules of that exchange so require, notices in respect of such Notes shall also be published in a leading daily newspaper in English language having general circulation in Singapore.

16. Governing Law and Jurisdiction

(a) The Notes and the Note Trust Deed are governed by, and shall be construed in accordance with, the laws of Singapore.

(b) The courts of Singapore are to have non-exclusive jurisdiction to settle any disputes that may arise out of or in connection with the Note Trust Deed or the Notes and accordingly any legal action or proceedings arising out of or in connection with the Note Trust Deed or the Notes ("**Proceedings**") may be brought in such courts. The Issuer has in the Note Trust Deed irrevocably submitted to the jurisdiction of such courts and waives any objection to any Proceedings in such courts on the ground of venue or on the ground that the Proceedings have been brought in an incovenient forum.

(c) The Issuer agrees that service of process in, or any documents which start, any Proceedings in Singapore may be delivered to KrisEnergy Pte Ltd or to such other person with an address in Singapore or at such other address in Singapore as the Issuer may specify by notice in writing to the Note Trustee and the Noteholders. If for any reason, KrisEnergy Pte Ltd or such other person ceases to be able to accept service of process in Singapore, the Issuer shall promptly appoint a new process agent and notify the Note Trustee and the Noteholders of such appointment. Without prejudice to the foregoing, the service of any legal process in any Proceedings anywhere may be effected on the Issuer by forwarding a copy of the relevant documents issued pursuant to or in connection with such Proceedings by hand or by registered post to such process agent and such service shall be deemed to be good and effectual service on the Issuer, even if any document may be returned by the post office undelivered. Nothing herein shall affect the right of the Note Trustee and/or the Noteholders to serve process in any other manner permitted by any relevant law.

APPENDIX B — TERMS AND CONDITIONS OF THE WARRANTS

The following is the text of the terms and conditions of the Warrants which (subject to completion and amendment and as supplemented or varied and except for the paragraphs in italics) will be applicable to the Warrants. All capitalised terms that are not defined in these terms and conditions will have the meanings given to them in the Deed Poll.

The Warrants (as defined herein) to subscribe for 1,255,183,632 New Shares (as defined below) in the capital of KrisEnergy Ltd. (the "**Company**") are issued in conjunction with the non-renounceable non-underwritten preferential offering of S$139,464,848 in principal amount of senior secured zero coupon notes due 2024 (the "**Notes**") with 1,255,183,632 free detachable warrants (the "**Warrants**"), each Warrant carrying the right to subscribe for one (1) New Share at an exercise price of S$0.110 for each New Share (the "**Exercise Price**"), on the basis of 93 Notes of principal amount of S$1.00 each with 837 Warrants for every 1,000 existing Shares held by the entitled shareholders of the Company as at 3 January 2017, being the record date determined by the Directors (as defined herein) for the purposes of determining the entitlements of holders of Shares of the Company ("**Shareholders**") to the Notes with Warrants, fractional entitlements to be disregarded, and are issued subject to and with the benefit of a deed poll (the "**Deed Poll**") dated 23 January 2017 executed by the Company.

The issue of the Warrants was authorised by resolutions in writing of the Board of Directors of the Company passed on 2 November 2016 and pursuant to an ordinary resolution approved by Shareholders at the Company's extraordinary general meeting held on 27 December 2016.

The statements in these terms and conditions of the Warrants (the "**Conditions**") include extracts of, and are subject to, the detailed provisions of the Deed Poll. Copies of the Deed Poll are available for inspection at the specified office of the warrant agent referred to in Condition 4.7 (the "**Warrant Agent**") and the Warrantholders (as defined herein) are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Deed Poll.

1. DEFINITIONS

In the terms and conditions contained herein (except where such definition shall be inconsistent with the subject matter or context), the words and expressions set out below shall have the meanings set out against them:

"**Approved Bank**" means any reputable bank, merchant bank, financial institution or holder of a capital market services licence in Singapore that is regulated, licensed or approved by the Monetary Authority of Singapore as may be selected by the Directors;

"**Business Day**" means a day (other than a Saturday, Sunday or gazetted public holiday) on which banks in Singapore, the SGX-ST, the Depository and the Warrant Agent are open for business;

"**Company**" means KrisEnergy Ltd.;

"**Conditions**" means the terms and conditions of the Warrants as the same may from time to time be modified, amended or supplemented in accordance with the provisions set out herein and therein and "**Condition**" refers to the relative numbered paragraphs of the Conditions;

"**Depositor**", "**Depository**" and "**Depository Agent**" shall have the respective meanings ascribed to them under Section 81SF of the SFA;

"**Directors**" means the directors of the Company including alternate directors for the time being of the Company;

"**S$**" mean the lawful currency of Singapore;

"**Exercise Date**" means in relation to the exercise of any Warrant, the Market Day (falling within the Exercise Period) on which the applicable conditions described in Condition 4 are fulfilled, or, if such conditions are fulfilled on different days, on which the last of such conditions is fulfilled **provided always that** if any such Market Day falls on a date when the Register of Members and/or the Warrant Register is closed, the Exercise Date will be the following Market Day on which such register is open;

"**Exercise Notice**" means the relevant form (for the time being current and as the same may be modified or amended from time to time) for exercising the Warrants, copies of which may be obtained from the Warrant Agent;

"**Exercise Period**" means the period during which the Warrants may be exercised commencing on and including the date of issue of the Warrants and expiring at 5.00 p.m. on the Expiration Date, unless that date is a date on which the Register of Members and/or the Warrant Register of the Company is closed or is not a Market Day, in which event the Exercise Period shall end on the Market Day prior to the closure of the Register of Members and/or the Warrant Register or the immediately preceding Market Day, as the case may be, but excluding such period(s) during which the Register of Members and/or the Warrant Register may be closed pursuant to the Conditions;

"**Exercise Price**" means S$0.110, being the sum payable in respect of each New Share for which a Warrantholder will be entitled to subscribe upon exercise of a Warrant, such price subject to such adjustments under certain circumstances as may be required in accordance with Condition 5;

"**Expiration Date**" means the date falling 84 months following the Issue Date, being the last day of the relevant Exercise Period, **provided that** if such last day falls on a day other than a Market Day, then the Market Day immediately preceding the last day shall be the "**Expiration Date**";

"**Issue Date**" means the date on which the Warrants are issued;

"**Last Dealt Price**" means, in relation to a Share on a relevant Market Day, the last dealt price-per Share for one or more board lots of Shares on that Market Day on which there is trading of the Shares on the SGX-ST;

"**Market Day**" means a day on which the SGX-ST is open for securities trading;

"**New Shares**" means new Shares to be issued upon exercise of the Warrants, credited as fully paid, including, where the context admits, such new Shares arising from the exercise of any additional Warrants;

"**Record Date**" means, in relation to any dividends, rights, allocations or other distributions, the date on which as at the close of business (or such other time as may have been notified by the Company) Shareholders must be registered in order to participate in such dividends, rights, allocations or other distributions;

"**Notice**" means a notice given or to be given in accordance with Condition 12;

"**Register of Members**" means the register of members containing the names and addresses of the members of the Company kept at the registered office of the Company;

"**Securities Account**" means a securities account maintained by a Depositor with the Depository, but not including a securities sub-account;

"**SFA**" means the Securities and Futures Act, Chapter 289 of Singapore, as amended or modified from time to time;

"**SGX-ST**" means Singapore Exchange Securities Trading Limited;

"**Share(s)**" means share(s) in the capital of the Company of par value US$0.00125 each;

"**Special Account**" means the account maintained by the Company with a bank in Singapore for the purpose of crediting moneys paid by exercising Warrantholders in satisfaction of the Exercise Price in relation to the Warrants exercised by such exercising Warrantholders;

"**Special Resolution**" means a resolution passed at a meeting of the Warrantholder or (as the case may be) the Warrantholders duly convened and held and carried by a majority consisting of not less than three-fourths of the votes cast thereon;

"**unexercised**" means, in relation to the Warrants, all the Warrants which have been issued pursuant to the resolutions referred to in Recital (A) of the Deed Poll and also the additional Warrants (if any), for so long as the Warrants shall not have lapsed in accordance with Conditions 3 or 6 and other than (i) those which have been exercised in accordance with their terms; (ii) those lost, stolen, mutilated, defaced or destroyed Warrants in respect of which replacement Warrants have been duly issued pursuant to Condition 9; and (iii) those for the purpose of ascertaining the number of Warrants unexercised at any time (but not for the purpose of ascertaining whether any Warrants are unexercised) those Warrants alleged to have been lost, stolen or destroyed and in respect of which replacement Warrants have been issued pursuant to Condition 9, **provided always that** for the purposes of (a) the right to attend and vote at any meeting of Warrantholders and (b) the determination of how many and which Warrants for the time being remain unexercised for the purposes of Condition 8 and paragraph 2.1 of the Deed Poll, those Warrants which have not been exercised but have been lodged for exercise (whether or not the conditions precedent to such exercise have been or will be fulfilled) shall, unless and until withdrawn from lodgement, be deemed not unexercised;

"**U.S. person**" has the meaning ascribed to such term in Regulation S under the U.S. Securities Act;

"**U.S. Securities Act**" means the U.S. Securities Act of 1933, as amended;

"**Warrant Agent**" means M & C Services Private Limited, a company incorporated in Singapore whose registered office is at 112 Robinson Road #05-01, Singapore 068902, or such other person as may be appointed from time to time pursuant to the Warrant Agency Agreement;

"**Warrant Agency Agreement**" means the warrant agency agreement between the Company and the Warrant Agent dated 23 January 2017 appointing the Warrant Agent, as the same may be modified from time to time by the parties thereto, and includes any other agreement (whether made pursuant to the terms of the Warrant Agency Agreement or otherwise) appointing further or other Warrant Agents or amending or modifying the terms of any such appointment;

"**Warrant Certificate(s)**" means the certificates (in registered form) to be issued in respect of the Warrants in or substantially in the form set out in Schedule 1 of the Deed Poll as may from time to time modified in accordance with the Conditions;

"**Warrant Register**" means the register of Warrantholders required to be maintained pursuant to Condition 4.6; and

"**Warrantholders**" means, in relation to any Warrant, the person or persons for the time being registered in the Warrant Register as the holder or joint holders of that Warrant, except that where the registered holder is the Depository, the term "**Warrantholders**" shall, in relation to Warrants registered in the name of the Depository, include, where the context requires, the Depositors whose Securities Accounts with the Depository are credited with Warrants and provided that for the purposes of Schedule 5 of the Deed Poll relating to meetings of Warrantholders, such

Warrantholders shall mean those Depositors having Warrants credited to their Securities Accounts as shown in the records of the Depository as at a time not earlier than 48 hours prior to the time of a meeting of Warrantholders supplied by the Depository to the Company. The word "**holder**" or "**holders**" in relation to Warrants shall (where appropriate) be construed accordingly.

2. FORM, TITLE AND REGISTER

2.1 The Warrants are issued in registered form. Title to the Warrants will be transferable in accordance with Condition 10. The Warrant Agent will maintain the Warrant Register on behalf of the Company and except as may be ordered by a court of competent jurisdiction or as may be required or provided by law:

2.1.1 the registered holder of Warrants (other than the Depository); and

2.1.2 (where the registered holder of Warrants is the Depository) each Depositor for the time being appearing in the records maintained by the Depository as having Warrants credited to its Securities Account(s),

will be deemed to be and be treated as the absolute owner of that Warrant (whether or not the Company shall be in default in respect of the Warrants or any of the covenants contained in the Deed Poll and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft or forgery of the relevant Warrant Certificate or any express notice to the Company or any other related matters) for the purpose of giving effect to the exercise of the rights constituted by the Warrants and for all other purposes in connection with the Warrants.

2.2 The executors or administrators of a deceased Warrantholder whose Warrants are registered otherwise than in the name of the Depository (not being one of several joint holders whose Warrants are registered otherwise than in the name of the Depository) and, in the case of the death of one or more of several joint holders, the survivor or survivors of such joint holders, shall be the only person(s) recognised by the Company and the Warrant Agent as having title to Warrants registered in the name of a deceased Warrantholder. Such persons shall, on producing to the Warrant Agent such evidence as may be reasonably required by the Warrant Agent to prove their title and on the payment of such fees and expenses referred to in Condition 10 be entitled to be registered as a holder of the Warrants or to make such transfer as the deceased Warrantholder could have made.

2.3 If two (2) or more persons are entered in the Warrant Register or, as the case may be, the records maintained by the Depository, as joint holders of any Warrant, they shall be deemed to hold the same as joint tenants with the benefit of survivorship subject to the following provisions:

(a) the Company shall not be bound to register more than two (2) persons as the registered joint holders of any Warrant but this provision shall not apply in the case of executors or trustees of a deceased Warrantholder;

(b) joint holders of any Warrant whose names are entered in the Warrant Register or, as the case may be, the relevant records maintained by the Depository, shall be treated as one Warrantholder;

(c) the Company shall not be bound to issue more than one (1) Warrant Certificate for a Warrant registered jointly in the names of several persons and delivery of a Warrant Certificate to the joint holder whose name stands first in the Warrant Register shall be sufficient delivery to all; and

(d) the joint holders of any Warrant whose names are entered in the Warrant Register or, as the case may be, the relevant records maintained by the Depository, shall be liable severally as well as jointly in respect of all payments which ought to be made in respect of such Warrant as well as in connection with the exercise of any such Warrant.

3. EXERCISE RIGHTS

3.1 Each Warrantholder shall have the right, by way of exercise of each Warrant held by the Warrantholder, at any time during normal business hours on any Business Day (before 3.00 p.m. on any Business Day prior to the Expiration Date and before 5.00 p.m. on the Expiration Date) during the Exercise Period, in the manner set out in Condition 4 and otherwise on the terms and subject to these Conditions, to subscribe for one (1) New Share at the Exercise Price (subject to adjustments in accordance with Condition 5) on the Exercise Date applicable to such Warrant. No fraction of a Share shall be allotted. For the avoidance of doubt, the Warrantholders have the right to exercise the Warrants in whole or in part on one or more occasions within the Exercise Period.

3.2 At the expiry of the Exercise Period, any Warrants which have not been exercised in accordance with Condition 4 shall lapse and cease to be valid for any purpose.

3.3 Any Warrant in respect of which the Exercise Notice shall not have been duly completed and delivered in the manner set out below under Condition 4 to the Warrant Agent on or before 5.00 p.m. on the Expiration Date shall become void.

3.4 The New Shares to be allotted and issued upon exercise of the Warrants shall be fully paid and shall rank *pari passu* in all respects with the then existing Shares for any dividends, rights, allocations or other distributions, the Record Date for which is on or after the allotment and issue of the New Shares arising from the exercise of the relevant Warrants.

4. PROCEDURE FOR EXERCISE OF WARRANTS

4.1 Lodgement Conditions

4.1.1 In order to exercise the Warrant(s), a Warrantholder must fulfil all the following conditions:

(a) be a non-U.S. Person (as defined in Regulation S under the U.S. Securities Act) outside of the United States;

(b) before 3.00 p.m. on any Market Day prior to the Expiration Date and before 5.00 p.m. on the Expiration Date, during the Exercise Period, lodge, so as to be received the relevant Warrant Certificate(s) registered in the name of the exercising Warrantholder for exercise at the specified office of the Warrant Agent together with the Exercise Notice (copies of which may be obtained from the Warrant Agent) in respect of the Warrants represented thereby duly completed and signed by or on behalf of the exercising Warrantholder and duly stamped in accordance with any law for the time being in force relating to stamp duty, provided always that the Warrant Agent may dispense with the production of the relevant Warrant Certificate where such Warrant Certificate is registered in the name of the Depository;

(c) furnish such evidence (if any) as the Warrant Agent may require to determine or verify the due execution of the Exercise Notice by or on behalf of the exercising Warrantholder (including every joint Warrantholder, if any) or otherwise to ensure the due exercise of the Warrants;

(d) payment or satisfaction of the Exercise Price in accordance with the provisions of Condition 4.2;

(e) pay any deposit or other fees or expenses for the time being chargeable by and payable to the Depository (if any) and any stamp, issue, registration or other similar taxes or duties arising on the exercise of the relevant Warrant(s) as the Warrant Agent may require; and

(f) if applicable, pay any fees for certificates for the New Shares to be issued, submit any necessary documents required in order to effect, and pay the expenses of the registration of the New Shares in the name of the exercising Warrantholder or the Depository (as the case may be) and the delivery of certificates for the New Shares upon exercise of the relevant Warrants to the place specified by the exercising Warrantholder in the Exercise Notice or to the Depository (as the case may be).

4.1.2 Any exercise by a Warrantholder in respect of Warrants registered in the name of the Depository shall be further conditional on that number of Warrants so exercised being available in the "Free Balance" of the Securities Account(s) of the exercising Warrantholder with the Depository until the relevant Exercise Date and on the exercising Warrantholder electing in the Exercise Notice to have the delivery of the Shares arising from the exercise of the relevant Warrants to be effected by crediting such Shares to the Securities Account(s) of the exercising Warrantholder, as specified in the Exercise Notice, failing which the Exercise Notice shall be void and all rights of the exercising Warrantholder and of any other person thereunder shall cease.

4.1.3 Once all the above mentioned conditions (where applicable) have been fulfilled, the relevant Warrant Certificate(s) (if any), the Exercise Notice and any monies tendered in connection with the exercise of the Warrant(s) in accordance with Condition 4.2 may not be withdrawn without the prior written consent of the Company.

4.1.4 An Exercise Notice which does not comply with the conditions above shall be void for all purposes. Warrantholders whose Warrants are registered in the name of the Depository irrevocably authorise the Company and the Warrant Agent to obtain from the Depository and to rely upon such information and documents as the Company or the Warrant Agent deems necessary to satisfy itself that all the above-mentioned conditions have been fulfilled and such other information as the Company or the Warrant Agent may require in accordance with these Conditions and the Deed Poll and to take such steps as may be required by the Depository (including the steps set out in the Depository's "Guidelines to the Procedures for Exercise of the Warrants/TSRs (Warrants)" as amended from time to time) in connection with the operation of the Securities Account of any Warrantholder provided that the Company and the Warrant Agent shall not be liable in any way whatsoever for any loss or damage incurred or suffered by the Warrantholder as a result of or in connection with reliance by the Company, the Warrant Agent or any other persons upon the records of and information supplied by or statements or certificates of the Depository.

4.2 Payment of Exercise Price

4.2.1 Payment of the Exercise Price shall be made at the specified office of the Warrant Agent by way of remittance in Singapore currency by banker's draft or cashier's order drawn on a bank operating in Singapore as the Warrant Agent may designate, for the credit of the Special Account for the full amount of the monies payable in respect of the Warrant(s) exercised under Condition 4.1., **provided always that** any such remittance shall be accompanied by the delivery to the Warrant Agent of the payment advice referred to below and shall comply with any exchange control or other statutory requirements for the time being applicable.

4.2.2 Any payment under this Condition 4.2 shall be made free of any foreign exchange commissions, remittance charges or other deductions and shall be accompanied by a payment advice containing (a) the name of the exercising Warrantholder, (b) the number of Warrants exercised and (c) the certificate number(s) of the relevant Warrant Certificate(s) in respect of the Warrant(s) being exercised or, if the relevant Warrant Certificate(s) are registered in the name of the Depository, the Securities Account(s) of the exercising Warrantholder which is/are to be debited with the Warrants being exercised.

4.2.3 If the payment of the Exercise Price fails to comply with the foregoing provisions, the Warrant Agent may, at its absolute discretion and without liability on behalf of itself, refuse to recognise the relevant payment as relating to the exercise of any particular Warrant, and the exercise of the relevant Warrants may be delayed accordingly or be treated as invalid and the Company shall not be liable to the Warrantholder in any manner whatsoever. If the relevant payment received by the Warrant Agent in respect of an exercising Warrantholder's purported exercise of all the relevant Warrants lodged with the Warrant Agent is less than the full amount of all the monies payable under Condition 4.1, the Warrant Agent shall not treat the relevant amount so received or any part thereof as payment of such monies or any part thereof, and the whole of such relevant payment shall remain in the Special Account subject to Condition 4.4 below unless and until a further payment is made in accordance with the requirements set out above in this Condition 4.2 in an amount sufficient to cover the deficiency. The Warrant Agent shall not be held responsible for any loss arising from the retention of any such payment by itself.

4.3 Exercise Date

The relevant Warrant shall (**provided that** the provisions of this Condition 4 have been satisfied) be treated as exercised on the Exercise Date relating to that Warrant.

4.4 Special Account

4.4.1 Payment of the Exercise Price received by the Warrant Agent for credit to the Special Account will be available for release to the Company on the Business Day after the Exercise Date relating to the relevant Warrants in payment for the New Shares to be delivered in consequence of the exercise of such Warrants. The relevant Warrant Certificates shall be cancelled on the Exercise Date except that, in relation to Warrant Certificates in the name of the Depository, such Warrant Certificates shall be cancelled as soon as possible after receipt by the Warrant Agent of such Warrant Certificates, accompanied by instructions from the Depository as to the cancellation of such Warrant Certificates, from the Depository.

4.4.2 If payment of the Exercise Price is made to the Warrant Agent and such payment is not recognised by the Warrant Agent as relating to the exercise of the relevant Warrants or the relevant payment is less than the full amount payable under Condition 4.1 or the conditions set out in Condition 4.1 or Condition 4.2 have not then all been fulfilled in relation to the exercise of such Warrants, such payment will remain in the Special Account pending recognition of such payment or full payment or, as the case may be, fulfilment of the conditions set out in Conditions 4.1 and 4.2, but on whichever is the earlier of the day falling fourteen (14) days after receipt of such Exercise Notice by the Warrant Agent and the Expiration Date, such payment will (if the Exercise Date in respect of such Warrants had not by then occurred) be returned, without interest, to the person who remitted such payment on (i) the fourteenth (14^{th}) day after receipt of such Exercise Notice by the Warrant Agent, or (ii) the expiry of the Exercise Period, whichever is the earlier. So long as the relevant Exercise Date has not occurred, any such payment (excluding any interest, if any, accrued thereon) will continue to belong to the person who remitted such payment but may only be withdrawn within the abovementioned fourteen (14) day period with the prior written consent of the Company.

4.4.3 The Warrant Agent will, if it is possible to relate the payment so returned to any Warrant Certificates (if applicable) and the Exercise Notice previously lodged with it, return such Warrant Certificates (if applicable) and the relevant Exercise Notice together with such payment to the exercising Warrantholder by ordinary post at the risk and expense of such Warrantholder. The Warrant Agent will be entitled to deduct or otherwise recover any applicable handling charges and out-of-pocket expenses from the exercising Warrantholder.

4.5 Allotment of New Shares, Issue of Warrant Certificates and Status of New Shares

4.5.1 A Warrantholder exercising Warrants registered in the name of the Depository must elect in the Exercise Notice to have the delivery of the New Shares to be effected by crediting such New Shares to the Securities Account with the Depository of such Warrantholder as specified in the Exercise Notice. A Warrantholder exercising Warrants registered in his own name may elect in the Exercise Notice to either receive physical share certificates in respect of the New Shares arising from the exercise of such Warrants or to have the delivery of such New Shares effected by crediting such New Shares to his Securities Account(s) with the Depository as specified in the Exercise Notice.

4.5.2 The Company will allot and issue the New Shares arising from the exercise of the relevant Warrants by a Warrantholder in accordance with the instructions of such Warrantholder as set out in the Exercise Notice and:

(a) where such Warrantholder has (or is deemed to have) elected in the Exercise Notice to receive physical share certificates in respect of the New Shares arising from the exercise of the relevant Warrants, the Company shall despatch the physical share certificates, as soon as practicable but in any event not later than five (5) Market Days after the relevant Exercise Date, by ordinary post to the address specified in the Exercise Notice (or the Warrant Register, as the case may be) and at the risk of such Warrantholder; and

(b) where such Warrantholder has elected in the Exercise Notice to have the delivery of New Shares arising from the exercise of the relevant Warrants be effected by the crediting of the Securities Account(s) of such Warrantholder as specified in the Exercise Notice, the Company shall as soon as practicable but not later than five (5) Market Days after the relevant Exercise Date despatch the certificates relating to such New Shares in the name of, and to, the Depository for the credit of the Securities Account(s) of such Warrantholder as specified in the Exercise Notice (in which case, such Warrantholder shall also duly complete and deliver to the Warrant Agent such forms as may be required by the Depository, failing which such exercising Warrantholder shall be deemed to have elected to receive the physical share certificates in respect of such Shares at the address of such Warrantholder as specified in the Register).

4.5.3 Where a Warrantholder exercises part only (but not all) of the subscription rights represented by Warrants registered in his name, the Company shall despatch a balancing Warrant Certificate in the name of the exercising Warrantholder in respect of any Warrants remaining unexercised by ordinary post to the address specified in the relevant Exercise Notice (or, failing which, to his address specified in the Warrant Register) and at the risk of that Warrantholder at the same time as it delivers in accordance with the relevant Exercise Notice, the certificate(s) relating to the New Shares arising upon the exercise of such Warrants. Where such Warrantholder exercises only a part (but not all) of his Warrants registered in the name of the Depository, the number of Warrants represented by the Warrant Certificate registered in the name of the Depository shall be deemed to have been reduced for all purposes by the number of Warrants so exercised.

4.5.4 The allotment and delivery of the New Shares is being made pursuant to an exemption from the registration requirements of the U.S. Securities Act. The New Shares have not been, or will not be, registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and, accordingly, the New Shares may not be offered, sold, resold, allotted, taken up, exercised, renounced, pledged, or otherwise transferred or delivered except in an offshore transaction in accordance with Rule 904 of Regulation S under the U.S. Securities Act, and in accordance with any applicable securities laws of the United States and of any state of the United States.

4.6 Register of Warrantholders

4.6.1 The Warrant Agent will maintain a register containing particulars of the Warrantholders and such other information relating to the Warrants as the Company may require (the "**Warrant Register**"). The Warrant Register may be closed during such periods when the register of transfers and the Register of Members are deemed to be closed and during such periods as may be required to determine the adjustments to the Exercise Price and/or the number of Warrants held by any Warrantholder or during such other periods as the Company and the Warrant Agent may determine. Notice of the closure of the Warrant Register will be given to the Warrantholders in accordance with Condition 12.

4.6.2 Except as required by law or as ordered by a court of competent jurisdiction, the Warrant Agent shall be entitled to rely on the Warrant Register (where the registered holder of a Warrant is a person other than the Depository) or the Depository Register (where the Depository is the registered holder of a Warrant) or any statement or certificate issued by the Depository to the Company or any Warrantholder (as made available to the Company and/or the Warrant Agent) to ascertain the identity of the Warrantholders, the number of Warrants to which any such Warrantholders are entitled, to give effect to the exercise of the subscription rights constituted by the Warrants and for all other purposes in connection with the Warrants (whether or not the Company shall be in default in respect of the Warrants or any of the Conditions and notwithstanding any notice of ownership or writing thereon or notice of any claim on or loss or theft or forgery of any Warrant or Warrant Certificate).

4.7 Warrant Agent

The name of the initial Warrant Agent and its specified office are set out below. The Company reserves the right at any time to vary or terminate the appointment of the Warrant Agent and to appoint an additional or another Warrant Agent, provided that it will at all times maintain a Warrant Agent having a specified office in Singapore so long as the Warrants are outstanding. Notice of any such termination or appointment and of any changes in the specified offices of the Warrant Agent will be given to the Warrantholders in accordance with Condition 12.

Name of initial Warrant Agent : M & C Services Private Limited

Office of initial Warrant Agent : 112 Robinson Road #05-01 Singapore 068902

5. ADJUSTMENTS TO EXERCISE PRICE AND NUMBER OF WARRANTS

5.1 The Exercise Price and the number of Warrants held by each Warrantholder shall from time to time be adjusted by the Directors in consultation with an Approved Bank and certified in accordance with Condition 5.2 by the Approved Bank in such manner as the Approved Bank shall determine. The Exercise Price and the number of Warrants held by each Warrantholder shall subject to Conditions 5.3 and 5.4 from time to time be adjusted as provided in these Conditions and the Deed Poll in all or any of the following cases:

5.1.1 an issue by the Company of Shares to Shareholders credited as fully paid by way of capitalisation of profits or reserves (whether of a capital or income nature or not and including any capital redemption reserve fund, other than an issue of Shares to Shareholders who elect to receive Shares in lieu of cash or other dividend);

5.1.2 a Capital Distribution (as defined below) made by the Company to its Shareholders whether on a reduction of capital or otherwise (but excluding any cancellation of capital which is lost or unrepresented by any available assets);

5.1.3 an offer or invitation made by the Company to its Shareholders under which they may acquire or subscribe for Shares by way of rights;

5.1.4 an issue (otherwise than pursuant to an offer or invitation made by the Company to its Shareholders under which they may acquire or subscribe for Shares by way of rights, requiring an adjustment under Condition 5.1.3 above, and other than an issue of Shares to Shareholders who elect to receive Shares in lieu of cash or other dividend) by the Company of Shares if the Total Effective Consideration (as defined below) for each Share is less than ninety per cent. (90%) of the Last Dealt Price for each Share (calculated as provided below); or

5.1.5 any consolidation, subdivision or conversion of Shares.

5.2 Subject to these Conditions (and in particular Condition 5.3) and the Deed Poll, the Exercise Price and the number of Warrants held by each Warrantholder shall from time to time be adjusted in accordance with the following provisions (but so that if the event giving rise to any such adjustment shall be capable of falling within any two or more of Conditions 5.1.1 to 5.1.5 or if such event is capable of giving rise to more than one adjustment, the adjustment shall be made in such manner as the Approved Bank shall determine):

5.2.1 Issue of Shares by way of capitalisation of profits or reserves

If and whenever the Company shall make any issue of Shares to its Shareholders credited as fully paid, by way of capitalisation of profits or reserves (whether of a capital or income nature and including any capital redemption reserve fund, other than an issue of Shares to Shareholders who elect to receive Shares in lieu of cash or other dividend) the Exercise Price and the number of Warrants held by each Warrantholder shall be adjusted in the following manner:

$$\text{New Exercise Price} = \frac{A}{A + B} \times P$$

$$\text{Adjusted number of Warrants} = \frac{A + B}{A} \times W$$

where:

A = the aggregate number of issued and fully paid-up Shares immediately before such capitalisation issue;

B = the aggregate number of Shares to be issued pursuant to any allotment to Shareholders credited as fully paid by way of capitalisation of profits or reserves (whether of a capital or income nature and including any capital redemption reserve fund other than an issue of Shares to Shareholders who elect to receive Shares in lieu of cash or other dividend);

P = existing Exercise Price; and

W = existing number of Warrants held.

Such adjustments will be effective (if appropriate, retroactively) from the commencement of the Market Day next following the record date for such issue.

For the purpose of this Condition 5, "**record date**" in relation to the relevant transaction means the date as at the close of business (or such other time as may be notified by the Company) on which Shareholders must be registered as such to participate therein.

5.2.2 Capital Distribution or issue for Shares by way of rights

If and whenever:

(a) the Company shall make a Capital Distribution (as defined below) to Shareholders whether on a reduction of capital or otherwise (but excluding any cancellation of capital which is lost or unrepresented by any available assets); or

(b) the Company shall make any offer or invitation to its Shareholders under which they may acquire or subscribe for Shares by way of rights,

then the Exercise Price shall be adjusted in the following manner:

$$\text{New Exercise Price} = \frac{C - D}{C} \times P$$

and in respect of each case referred to in Condition 5.2.2(b) above, the number of Warrants held by each Warrantholder shall be adjusted in the following manner:

$$\text{Adjusted number of Warrants} = \frac{C}{C - D} \times W$$

where:

C = the average of the Last Dealt Prices on the five (5) Market Days immediately before the date on which the Capital Distribution (as defined below), or any offer or invitation referred to in Condition 5.2.2(b) above, as the case may be, is publicly announced to the SGX-ST or (failing any such announcement), immediately preceding the date of the Capital Distribution (as defined below) or, as the case may be, of the offer or invitation;

D = (i) in the case of an offer or invitation to acquire or subscribe for Shares by way of rights under Condition 5.2.2(b) above, the value of the rights attributable to one Share (as defined below); or (ii) in the case of any other transaction falling within Condition 5.2.2(a) above, the fair market value, as determined by an Approved Bank, of that portion of the Capital Distribution (as defined below) attributable to one Share;

P = as in P above; and

W = as in W above.

For the purpose of definition (i) of "**D**" above the "**value of the rights attributable to one Share**" shall be calculated in accordance with the formula:

$$\frac{C - E}{F + 1}$$

where:

C = as in C above;

E = the subscription price for one additional Share under the offer or invitation to acquire or subscribe for Shares by way of rights; and

F = the number of Shares which it is necessary to hold in order to be offered or invited to acquire or subscribe for one additional Share by way of rights;

For the purposes of Conditions 5.1.2 and 5.2.2(a) above, "**Capital Distribution**" shall (without prejudice to the generality of that expression) include distributions in cash or specie (other than dividends) or by way of issue of Shares (not falling under Condition 5.2.1) or other securities credited as fully or partly paid up by way of capitalisation of profits or reserves (including any capital redemption reserve fund) other than an issue of Shares to Shareholders who elect to receive Shares in lieu of cash or other dividend.

Any distribution out of profits or reserves shall not be deemed to be a Capital Distribution unless the profits or reserves are attributable to profits or gains from the sale of assets owned by the Company or any of its subsidiaries on or before the date of such distribution and any cancellation of capital which is lost or unrepresented by any available assets shall not be deemed to be a Capital Distribution.

Such adjustments pursuant to Condition 5.2.2(a) will be effective (if appropriate, retroactively) from the commencement of the Market Day next following the record date for such issue pursuant to Condition 5.2.2(a).

Such adjustments pursuant to Condition 5.2.2(b) will be effective (if appropriate, retroactively) from the commencement of the Market Day next following the closing date for such offer or invitation for such issue pursuant to Condition 5.2.2(b) above.

For the purposes of this Condition 5.2, "**closing date**" shall mean the date by which acceptance of and payment for the Shares is to be made under the terms of such offer or invitation.

5.2.3 Concurrent issue of Shares by way of capitalisation of profits or reserves and by way of rights

If and whenever the Company makes any allotment to its Shareholders as provided in Condition 5.2.1 above and also makes any offer or invitation to its Shareholders as provided in Condition 5.2.2(b) above and the record date for the purpose of the allotment is also the record date for the purpose of the offer or invitation, the Exercise Price and the number of Warrants held by each Warrantholder shall be adjusted in the following manner:

$$\text{New Exercise Price} = \frac{(G \times C) + (H \times E)}{(G + H + B) \times C} \times P$$

$$\text{New Exercise Price} = \frac{(G + H + B) \times C}{(G \times C) + (H \times E)} \times W$$

Where:

B = as in B above;

C = as in C above;

E = as in E above;

G = the aggregate number of issued and fully paid-up Shares on the record date;

H = the aggregate number of new Shares to be issued under an offer or invitation to acquire or subscribe for Shares by way of rights;

P = as in P above; and

W = as in W above.

Such adjustments will be effective (if appropriate, retroactively) from the commencement of the Market Day next following the closing date for the above transactions.

For the purpose of this paragraph, "closing date" shall mean the date by which acceptance of and payment for the Shares are to be made under the terms of such offer or invitation.

5.2.4 Issues at discount other than by way of issue of rights

If and whenever (otherwise than pursuant to a rights issue available to all Shareholders alike and requiring an adjustment under Conditions 5.2.2(b) or 5.2.3 above and other than an issue of Shares to Shareholders who elect to receive Shares in lieu of cash or other dividend) the Company shall issue any Shares and the Total Effective Consideration for each Share (as defined below) is less than ninety per cent. (90%) of the average Last Dealt Price on the SGX-ST on the five (5) Market Days before the date on which the issue price of such Shares is determined, or, if such price is determined either before the close of business on the SGX-ST for that day or on a day which is not a Market Day, on the immediately preceding Market Day, the Exercise Price shall be adjusted in the following manner:

$$\text{New Exercise Price} = \frac{M + N}{M + O} \times P$$

where:

M = the number of Shares in issue at the close of business on SGX-ST on the Market Day immediately preceding the date on which the relevant adjustment becomes effective;

N = the number of Shares which the Total Effective Consideration (as defined below) would have purchased at such average Last Dealt Price for the five (5) Market Days immediately preceding the date on which the issue price of such Shares is determined (exclusive of expenses);

O = the aggregate number of Shares so issued; and

P = as in P above.

Each such adjustment will be effective (if appropriate, retroactively) from the close of business on SGX-ST on the Market Day before the date on which the issue is announced, or (failing any such announcement) before the date on which the Company determines the offering price of such Shares.

For the purpose of Conditions 5.1.4 and 5.2.4, the "**Total Effective Consideration**" shall be determined by the Directors with the concurrence of an Approved Bank and shall be the aggregate consideration receivable by the Company on payment in full for such Shares, without any deduction of any commissions, discounts or expenses paid, allowed or incurred in connection with the issue thereof, and the "**Total Effective Consideration for each Share**" shall be the Total Effective Consideration divided by the number of Shares issued as aforesaid.

5.2.5 Consolidation or subdivision of Shares

If, and whenever, consolidation, subdivision (including a subdivision by way of a bonus issue by the Company of Shares credited as fully paid without capitalisation of profits or reserves) or conversion of the Shares occurs, the Exercise Price shall be adjusted in the following manner:

$$\text{New Exercise Price} = \frac{A}{B_1} \times P$$

and the number of Warrants held by each Warrantholder shall be adjusted in the following manner:

$$\text{Adjusted number of Warrants} = \frac{B_1}{A} \times W$$

where:

A = the aggregate number of issued and fully paid-up Shares immediately before such consolidation, subdivision or conversion;

B_1 = the aggregate number of issued and fully paid up Shares immediately after such consolidation or sub-division or conversion;

P = as in P above; and

W = as in W above,

such adjustments will be effective from the close of the Market Day immediately preceding the date on which the consolidation, subdivision or conversion becomes effective.

5.3 Notwithstanding any of the provisions hereinbefore contained, no adjustment to the Exercise Price and the number of Warrants held by each Warrantholder will be required in respect of:

5.3.1 an issue by the Company of Shares or other securities convertible into rights to acquire or subscribe for Shares to officers, including directors, or employees of the Company or any of its subsidiaries or associated companies pursuant to any purchase or option scheme or performance share plan approved by the Shareholders in general meeting;

5.3.2 an issue by the Company of Shares in consideration or part consideration for or in connection with the acquisition of any other securities, assets or business;

5.3.3 any issue by the Company of Shares pursuant to the exercise of any of the Warrants and any other warrants or the conversion of any convertible securities previously issued by the Company;

5.3.4 any issue by the Company of securities convertible into Shares or rights to acquire or subscribe for Shares and the issue of Shares arising from the conversion or exercise of such securities or rights, issued subsequent to the issue of Warrants, whether by itself or together with any other issues; or

5.3.5 subject to Condition 5.14 below, any purchase by the Company of Shares pursuant to any share purchase scheme approved by Shareholders in general meeting subsequent to the issue of Warrants, whether such Shares purchased pursuant to any such share purchase scheme are deemed cancelled or held in treasury.

5.4 If any offer or invitation for Shares is made otherwise than by the Company to the Shareholders, then the Company shall so far as it is able to, procure that at the same time an offer or invitation is made to the then Warrantholders as if their rights to subscribe for New Shares had been exercised the day immediately preceding the date on which as at the close of business Shareholders must be registered in order to participate in such offer or invitation on the basis then applicable, **provided always that** the failure by the Company to procure that an offer or invitation is so made as aforesaid shall not be a breach by the Company of its obligations under these Conditions or the Deed Poll.

5.5 Any adjustment to the Exercise Price will be rounded upwards to the nearest one (1) cent and in no event shall any adjustment (otherwise than upon the consolidation of shares) involve an increase in the Exercise Price. No adjustments to the Exercise Price shall be made unless it is in accordance with Condition 5.2. No adjustment will be made to the Exercise Price in any case in which the amount by which the same would be reduced would be less than one (1) cent but any adjustment which would otherwise then be required will be carried forward and taken into account appropriately in any subsequent adjustment.

5.6 Any adjustment to the number of Warrants held by each Warrantholder will be rounded downwards to the nearest whole Warrant. No adjustment to the number of Warrants held by each Warrantholder shall be made unless (a) it is in accordance with Condition 5.2 and (b) approval in-principle has been granted by the SGX-ST for the listing of and quotation for such additional Warrants and such additional Shares as may be issued on the exercise of any of the additional Warrants as may be issued as a result of such adjustment. If for any reason an event giving rise to an adjustment (the "**First Adjustment**") made to the Exercise Price or the number of Warrants held by each Warrantholder pursuant to these Conditions is cancelled, revoked or not completed, the Exercise Price or the number of Warrants held by each Warrantholder shall at the discretion of the Company be readjusted to the amount prevailing immediately prior to the First Adjustment with effect from such date and in such manner as an Approved Bank may consider appropriate.

5.7 Notwithstanding the provisions referred to in this Condition 5.7, in any circumstances where the Directors consider that any adjustments to the Exercise Price and/or the number of Warrants held by each Warrantholder provided under the said provisions should not be made or should be calculated on a different basis or date or should take effect on a different date or that an adjustment to the Exercise Price and/or the number of Warrants held by each Warrantholder should be made notwithstanding that no such adjustment is required or contemplated under the said provisions, the Company may at its discretion appoint an Approved Bank to consider whether for any reason whatsoever the adjustment to be made (or the absence of an adjustment) or the adjustment to be made in accordance with the provisions of this Condition 5 is appropriate or inappropriate, as the case may be, and, if such Approved Bank shall consider the adjustment or absence of adjustment to be inappropriate, the adjustment shall be modified or nullified or an adjustment made instead of no adjustment in such manner as shall be considered by such Approved Bank to be in its opinion appropriate, provided always that any adjustments made or any modifications thereto (or the absence of an adjustment) pursuant to this Condition 5.7 shall be subject to Shareholders' approval if such adjustments or modifications (or the absence of an adjustment) are, in the opinion of SGX-ST, prejudicial to Shareholders.

5.8 Whenever there is an adjustment as herein provided, the Company shall give notice to Warrantholders in accordance with Condition 12 that the Exercise Price and/or the number of Warrants held by each Warrantholder has/have been adjusted and setting forth the event giving rise to the adjustment, the Exercise Price and/or the number of Warrants in effect prior to such adjustment, the adjusted Exercise Price and/or the number of Warrants and the effective date of such adjustment and shall at all times thereafter so long as any of the Warrants remains exercisable make available for inspection at the specified office of the Warrant Agent:

5.8.1 a signed copy of the certificate of the Approved Bank; and

5.8.2 a certificate signed by a Director setting forth brief particulars of the event giving rise to the adjustment, the Exercise Price and/or the number of Warrants in effect prior to such adjustment, the adjusted Exercise Price and/or the number of Warrants and the effective date of such adjustment,

and shall, on request and at the expense of the Warrantholder, send a copy thereof to any Warrantholder. Whenever there is an adjustment to the number of Warrants held by each Warrantholder, the Company will, as soon as practicable but not later than seven Market Days after the effective date of such adjustment, despatch by ordinary post Warrant Certificates for the additional number of Warrants issued to each Warrantholder, at the risk and expense of that Warrantholder, to his address appearing in the Warrant Register or, in respect of Warrants registered in the name of the Depository, to the Depository, **provided that** if additional Warrants are issued to each Warrantholder as a result of an adjustment which is cancelled, revoked or not completed and the number of Warrants held by each Warrantholder is readjusted pursuant to Condition 5.5, such additional Warrants shall be deemed to be cancelled with effect from such date and in such manner as an Approved Bank may consider appropriate.

5.9 If the Directors and the Approved Bank are unable to agree upon any adjustment required under these provisions, the Directors shall refer the adjustment to the decision of another Approved Bank acting as expert and not as arbitrator and whose decision as to such adjustment shall be final and conclusive.

5.10 Without prejudice to the generality of Condition 5.7, if the Company shall in any way modify the rights attached to any share or loan capital so as to convert or make convertible such share or loan capital into Shares, or attach thereto any rights to acquire or subscribe for Shares, the Company shall appoint an Approved Bank to consider whether any adjustment is appropriate and if such Approved Bank and the Directors shall determine that an adjustment is appropriate, the Exercise Price and/or the number of Warrants held by each Warrantholder shall be adjusted accordingly.

5.11 Any additional Warrants which may be issued by the Company under this Condition 5 shall be part of the series of Warrants constituted by the Deed Poll, and shall be issued, subject to and with the benefit of the Deed Poll and these Conditions, on such terms and conditions as the Directors may from time to time think fit.

5.12 In giving any certificate or making any adjustment hereunder, the Approved Bank shall be deemed to be acting as experts and not as arbitrators and in the absence of manifest error, their decisions shall be conclusive and binding on the Company, the Warrantholders and all other persons having an interest in the Warrants.

5.13 Notwithstanding anything herein contained, any adjustment to the Exercise Price and/or the number of Warrants held by each Warrantholder other than in accordance with the provisions of this Condition 5 shall be subject to the approval of the SGX-ST and agreed to by the Company and the Approved Bank. Any adjustment made pursuant to Condition 5 shall (unless otherwise provided under the rules of the SGX-ST from time to time) be announced by the Company to the SGX-ST.

5.14 Nothing shall prevent or restrict the buy-back of any classes of shares pursuant to applicable law and the requirements of SGX-ST. For the avoidance of doubt, no approval or consent of the Warrantholders shall be required for such buy-back and if the Company shall purchase or otherwise acquire Shares issued by it pursuant to applicable law and/or the requirements of SGX-ST, the Company shall, if so required by the Warrantholders by way of a Special Resolution, appoint an Approved Bank to consider whether any adjustment is appropriate and if such Approved Bank shall determine that any adjustment is appropriate, the Exercise Price and/or the number of Warrants held by each Warrantholder shall be adjusted accordingly.

5.15 In the event any adjustment to the Exercise Price and/or the number of Warrants held by each Warrantholder is proposed or required to be made pursuant to the Deed Poll, the relevant party or parties, in exercising or making any discretion, consideration or determination (if applicable) shall, subject to any changes to, supplements, modifications and/or amendments of the accounting standards applicable to the Company from time to time, take into account or have reference to the general principle and intent, which is based on accounting standards applicable to the Company as at the date of execution of the Deed Poll, **provided that** such adjustment shall, to the extent possible or permitted, be made in such manner such that the per share value of such adjustment cannot exceed the per share value of the dilution to the Warrantholder's interest in the equity of the Company (based on the Shares comprised in the unexercised Warrants held by such Warrantholder) which would otherwise result from the relevant transaction or event (as contemplated under the relevant Condition) giving rise to such adjustment.

6. WINDING UP OF THE COMPANY

6.1 If an effective resolution is passed during the Exercise Period for a members' voluntary winding up of the Company, for the purpose of reconstruction or amalgamation pursuant to a scheme of arrangement approved by the Warrantholders by way of a Special Resolution, the terms of such scheme of arrangement shall be binding on all the Warrantholders and all persons having an interest in the Warrants.

6.2 In any other case, if notice is given by the Company to its members to convene a general meeting for the purposes of considering a members' voluntary winding-up of the Company, every Warrantholder shall be entitled upon and subject to the Deed Poll and the Conditions, at any time within six (6) weeks after the passing of such resolution for a members' voluntary winding-up of the Company, by irrevocable surrender of his Warrant Certificate(s) to the Company with the Exercise Notice(s) duly completed, together with all payments payable under Conditions 4.1 and 4.2, to elect to be treated as if he had immediately prior to the commencement of such winding-up exercised the Warrants to the extent specified in the Exercise Notice(s) and had on such date been the holder of the Shares to which he would have become entitled pursuant to such exercise and the liquidator of the Company shall give effect to such election accordingly. The Company shall give notice to the Warrantholders in accordance with the Deed Poll and the Conditions of the passing of any such resolution within seven (7) days after the passing thereof.

6.3 Subject to the foregoing, if the Company is wound up for any other reasons, all Warrants which have not been exercised at the date of the passing of such resolution shall lapse and the Warrants shall cease to be valid for any purpose.

7. FURTHER ISSUES

Subject to the Conditions, the Company shall be at liberty to issue Shares to Shareholders or other investors either for cash or as a bonus distribution and further subscription rights upon such terms and conditions as the Company sees fit but the Warrantholders shall not have any participating rights in such issue of Shares unless otherwise resolved by the Company in general meeting or in the event of a takeover offer to acquire the Shares.

8. MEETINGS OF WARRANTHOLDERS AND MODIFICATION OF RIGHTS

8.1 Schedule 5 of the Deed Poll sets out the provisions for convening meetings of the Warrantholders to consider any matter affecting their interests, including the sanctioning by Special Resolution of a modification of the Warrants or the Deed Poll. Such a meeting may be convened by the Company or Warrantholders holding not less than twenty per cent. (20%) of the Warrants for the time being remaining unexercised. As applicable, the quorum at any such meeting for passing a Special Resolution shall be two (2) or more Warrantholders present in person or by proxy duly appointed by Warrantholders holding or representing not less than fifty per cent. (50%) of the Warrants for the time being unexercised.

8.2 At any adjourned meeting, two (2) or more persons present being or representing Warrantholders whatever the number of Warrants so held or represented shall form a quorum, except that at any meeting the business of which includes the modification of certain provisions of the Warrants or of the Deed Poll (including cancelling the subscription rights constituted by the Warrants or changing the exercise period) the necessary quorum for pressing a Special Resolution shall be two (2) or more persons or representing not less than seventy-five per cent. (75%) or at any adjournment of such meeting over fifty per cent. (50%) of the Warrants for the time being remaining unexercised. A Special Resolution duly passed at any meeting of Warrantholders shall be binding on all Warrantholders, whether or

not they were present at the meeting. Warrants which have not been exercised but have been lodged for exercise shall not, unless and until they are withdrawn from lodgement, confer the right to attend or vote at, or join in convening, or be counted in the quorum for any meeting of Warrantholders.

8.3 The Company may, without the consent of the Warrantholders but in accordance with the terms of the Deed Poll, effect any modification to the Warrants, the Deed Poll or the Warrant Agency Agreement which, in the opinion of the Company:

8.3.1 is not materially prejudicial to the interests of the Warrantholders;

8.3.2 is of a formal, technical or minor nature or to correct a manifest error or to comply with mandatory provisions of Singapore law or the rules and regulations of SGX-ST; and/or

8.3.3 is to vary or replace provisions relating to the transfer or exercise of the Warrants including the issue of New Shares arising from the exercise of the Warrants or meetings of the Warrantholders in order to facilitate trading in or the exercise of the Warrants or in connection with the implementation and operation of the book-entry (scripless) settlement system in respect of trades of the Company's securities on the SGX-ST, provided that such variation or replacement is not materially prejudicial to the interests of the Warrantholders.

Any such modification shall be binding on all Warrantholders and all persons having an interest in the Warrants and shall be notified to them in accordance with Condition 12 as soon as practicable thereafter.

8.4 Notwithstanding Condition 8.3 above, no material alteration to the terms of the Warrants after the issue thereof to the advantage of the Warrantholders and prejudicial to Shareholders shall be made unless first approved by the Shareholders in general meeting, and, if necessary, the SGX-ST.

8.5 Except where the alterations are made pursuant to these Conditions (including but not limited to alterations made pursuant to and in accordance with Condition 5 above or Condition 8.3 or Condition 8.4 above), the Company shall not:

8.5.1 extend the Exercise Period;

8.5.2 issue new warrants to replace the Warrants;

8.5.3 change the Exercise Price; or

8.5.4 change the exercise ratio of the Warrants.

9. REPLACEMENT OF WARRANT CERTIFICATES

If a Warrant Certificate is mutilated, defaced, lost, stolen or destroyed, it may, subject to applicable law and at the discretion of the Warrant Agent, be replaced upon request by the Warrantholder at the specified office of the Warrant Agent on payment of such costs as may be incurred in connection therewith, and on such terms as to evidence, indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Warrant Certificate in respect of the Warrants is subsequently exercised, there will be paid to the Company on demand the market value of the Warrants at the time of the replacement thereof), advertisement, undertaking and otherwise as the Company may require. Mutilated or defaced Warrant Certificates must be surrendered to the Company before replacements will be issued. The replacement Warrant Certificate will be issued to the registered holder of the Warrant Certificate replaced.

10. TRANSFER AND TRANSMISSION OF WARRANTS

10.1 Subject to the provisions contained herein, the Warrants shall be transferable in lots entitling the Warrantholder to subscribe for whole numbers of New Shares and so that no person shall be recognised by the Company as having title to Warrants entitling the holder thereof to subscribe for a fractional part of a New Share or otherwise than as the sole or joint holder of the entirety of such New Share.

10.2 Subject to applicable law and the Conditions, and except as otherwise provided in Condition 10.6 below, a Warrant may only be transferred with the prior written consent of the Company (such consent not to be unreasonably withheld or delayed) and in accordance with the following provisions of this Condition 10.2:

10.2.1 a Warrantholder (the "**Transferor**") shall lodge, during normal business hours on any Market Day at the specified office of the Warrant Agent, the Transferor's Warrant Certificate(s) together with a transfer form as prescribed by the Company from time to time (the "**Transfer Form**") duly completed and signed by, or on behalf of, the Transferor and the transferee and duly stamped in accordance with any applicable law for the time being in force relating to stamp duty and accompanied by the fees and expenses set out in the Deed Poll, provided that the Company and the Warrant Agent may dispense with requiring the Depository to sign as transferee any Transfer Form for the transfer of Warrants to it;

10.2.2 the Transferor shall furnish such evidence (if any) as the Warrant Agent may require to determine the due execution of the Transfer Form by or on behalf of the transferring Warrantholder;

10.2.3 the Transferor shall pay the expenses of, and submit any necessary documents required in order to effect the delivery of the new Warrant Certificate(s) to be issued in the name of the transferee;

10.2.4 the Transfer Form shall be accompanied by the registration fee (such fee being for the time being a sum of S$2.00 (excluding any goods and services tax) for each Warrant Certificate to be transferred) which shall be payable by cash or cheque together with any stamp duty and any goods and services tax (if any) specified by the Warrant Agent to the Transferor, such evidence as the Warrant Agent may require to determine and verify the due execution of the Transfer Form and payment of the expenses of, and submit, such documents as the Warrant Agent may require to effect delivery of the new Warrant Certificate(s) to be issued in the name of the transferee;

10.2.5 if the Transfer Form has not been fully or correctly completed by the Transferor or the full amount of the fees and expenses due to the Warrant Agent have not been paid to the Warrant Agent, the Warrant Agent shall return such Transfer Form to the Transferor accompanied by written notice of the omission(s) or error(s) and requesting the Transferor to complete and/or amend the Transfer Form and/or to make the requisite payment; and

10.2.6 if the Transfer Form has been fully and correctly completed, the Warrant Agent shall, as agent for and on behalf of the Company:

(a) register the person named in the Transfer Form as transferee in the Warrant Register as registered holder of the Warrant in place of the Transferor;

(b) cancel the Warrant Certificate(s) in the name of the Transferor; and

(c) issue new Warrant Certificate(s) in respect of the Warrants registered in the name of the transferee.

10.3 The executors and administrators of a deceased Warrantholder whose Warrants are registered otherwise than in the name of the Depository (not being one of several joint holders whose Warrants are registered otherwise than in the name of the Depository) and, in the case of the death of one or more of several joint holders, the survivor or survivors of such joint holders shall be the only persons recognised by the Company and the Warrant Agent as having any title to the Warrants and shall be entitled to be registered as a holder of the Warrants upon the production by such persons to the Warrant Agent of such evidence as may be reasonably required by the Warrant Agent to prove their title and on completion of a Transfer Form and the payment of such fees and expenses referred to in Conditions 10.2.3 and 10.2.4. Condition 10.2 shall apply *mutatis mutandis* to any transfer of the Warrants by such persons.

Should the Warrants be registered in the name of the Depository and the Warrants are to be transferred between Depositors, such Warrants must be transferred in the Depository Register by the Depository by way of book-entry.

10.4 A Transferor shall be deemed to remain a Warrantholder of the Warrant until the name of the transferee is entered in the Warrant Register by the Warrant Agent.

10.5 Where the transfer relates to part only (but not all) of the Warrants represented by a Warrant Certificate, the Warrant Agent shall deliver or cause to be delivered to the Transferor at the cost of the Transferor, a Warrant Certificate in the name of the Transferor in respect of any Warrants not transferred.

10.6 Where the Company or Directors determine, in their absolute discretion, or are of the opinion (but without imposing an obligation on them to so determine or opine) that Warrants of the Company are being held, directly or indirectly, by any U.S. person, the Company may at its option direct such person to transfer the whole or a specified percentage of such Person's Warrants to a person who is not a U.S. person. If the required transfer is not effected within thirty (30) days after service of notice by the Company and such person has not established to the reasonable satisfaction of the Company or its Directors (whose judgment shall be final and binding) that such person is not a U.S. person, the Warrants concerned may be sold by the Company in any manner it determines fit on behalf of such person (and without such sale needing to fulfil the conditions of Condition 10.2 above). The consent of such person for such transfer is not required and, notwithstanding any provisions to the contrary in the Deed Poll, until such transfer is effected, the holder of such Warrants shall not be entitled to any rights, benefits or privileges attaching to such Warrants, and the Company may deal with any such rights, benefits or privileges of such person at its absolute discretion.

11. WARRANT AGENT NOT ACTING FOR THE WARRANTHOLDERS

In acting under the Warrant Agency Agreement, the Warrant Agent is, subject to the terms therein, acting solely as agent for the Company for certain specified purposes, and does not assume any obligation or duty to or any relationship of agency or trust for the Warrantholders.

12. NOTICES

Each Warrantholder is required to nominate an address in Singapore for service of notices and documents by giving a notice in writing to the Company, failing which such Warrantholder shall not be entitled to receive any notices or documents. Notices to Warrantholders may be sent by ordinary post to their respective addresses so nominated (and in the case of joint holdings, to the Warrantholder whose name appears first in the Warrant Register). Such notices shall be deemed to have been given in the case of posting, on the date of posting. If such advertisement is not practicable, notice can be given in such manner as the Company may agree in writing.

So long as the Warrants are listed on the SGX-ST and the rules of the SGX-ST so require, all notices required to be given pursuant to these Conditions shall also be announced in accordance with the Listing Manual of the SGX-ST by the Company on SGXNET on the same day as such notice is first sent.

13. NOTICE OF EXPIRATION DATE

The Company shall, not later than one (1) month before the Expiration Date, give notice to the Warrantholders in accordance with Condition 12, of the Expiration Date and make an announcement of the same on SGXNET. Additionally, the Company shall not later than one (1) month before the Expiration Date, take reasonable steps to notify the Warrantholders in writing of the Expiration Date and such notice shall be delivered by post to the addresses of the Warrantholders as recorded in the Warrant Register or, in the case of Warrantholders whose Warrants are registered in the name of the Depository, their addresses as shown in the records of the Depository. Proof of posting or despatch of any notice shall be deemed to be proof of receipt on the next Market Day after posting.

Without prejudice to the generality of the foregoing, Warrantholders who acquire Warrants after notice of the expiry of the Exercise Period has been given in accordance with the aforementioned shall be deemed to have notice of the expiry of the Exercise Period so long as such notice has been given in accordance with this Condition 13. For the avoidance of doubt, neither the Company nor the Warrant Agent shall in any way be responsible or liable for any claims, proceedings, costs or expenses arising from the failure by the purchaser of the Warrants to be aware of or to receive such notification.

14. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT

Other than the Warrantholders, the Warrant Agent and the Registrar, the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore, as may be modified, re-enacted, amended, supplemented or reconstituted from time to time, shall not under any circumstances apply to any provision of the Deed Poll and/or any term or condition of the Warrants and any person who is not a party to the Deed Poll shall have no right whatsoever to enforce any provision of the Deed Poll and/or any term or condition of the Warrants.

15. GOVERNING LAW

The Warrants and these Conditions shall be governed by and construed in accordance with the laws of the Republic of Singapore. The Company submits and each Warrantholder is deemed to irrevocably and unconditionally submit to the exclusive jurisdiction of the courts of the Republic of Singapore for all purposes in relation to the Warrants and these Conditions but the foregoing shall not prevent or restrict any of them from enforcing any judgment obtained from a Singapore court in any other jurisdiction.

Notes:

1. The attention of Warrantholders is drawn to Rule 14 of the Singapore Code on Take-overs and Mergers and Sections 139 and 140 of the Securities and Futures Act, Chapter 289 of Singapore. In general terms, these provisions regulate the acquisition of effective control of public companies. Warrantholders should consider the implications of these provisions before they exercise their respective Warrants. In particular, a Warrantholder should note that he may be under an obligation to extend a takeover offer for the Company if:

   (a) he acquires, by exercise of the Warrants or otherwise, whether at one time or over a period of time, Shares which (together with Shares owned or acquired by him or persons acting in concert with him (the term "**acting in concert**" as used herein shall have the meaning ascribed to it by the Code)) carry thirty per cent. (30%) or more of the voting rights of the Company; or

   (b) he, together with persons acting in concert with him, holds not less than thirty per cent. (30%) but not more than fifty per cent. (50%) of the voting rights of the Company; and either alone or together with persons acting in concert with him, acquires additional Shares by the exercise of the Warrants or otherwise in any period of six (6) months, increasing such percentage of the voting rights by more than one per cent. (1%).

2. The attention of the Warrantholders is drawn to Condition 3.2 of the Conditions relating to restrictions on the exercise of the Warrants.

3. A Warrantholder who, after exercise of this Warrant, has an interest (as defined in the SFA in not less than five per cent. (5%) of the total votes attached to all the voting shares in the Company, is under an obligation to notify the Company of his interest in the manner set out in sections 135, 136, 137A and 137B of the SFA.

FY2015 compared to FY2014

Revenue

Higher average daily production volumes as a result of new production from the Wassana and Nong Yao oilfields supported the Group's revenues. Audited consolidated revenue for FY2015 decreased by 19.7 per cent. to US$60.2 million compared to US$74.9 million in FY2014, whereas the average realised sales prices for oil and liquids dropped by 60.2 per cent. and average realised gas price achieved at B8/32 and B9A in FY2015 was 23.3 per cent. lower than in FY2014 following the downturn in the global commodity cycle.

The 27.3 per cent. increase in production to an average 9,692 boepd in FY2015 compared to 7,612 boepd in FY2014 helped cushion the impact of lower oil prices. Average Brent prices were 46.2 per cent. lower in 2015 at US$53.52/bbl compared to US$99.45/bbl in 2014.

Full-year production at the B8/32 and B9A oil and gas complex in the Gulf of Thailand and the Bangora gas field in Block 9, onshore Bangladesh, remained stable compared with 2014.

	FY2015	FY2014
Sales of crude oil (US$ million)	40.7	49.8
Sales of gas (US$ million)	19.5	25.1
Revenue (US$ million)	60.2	74.9
Production volumes		
Oil and liquids (bopd)	3,492	1,396
Gas (mmcfd)	37.2	37.3
Total (boepd)	**9,692**	**7,612**
Average sales price		
Oil and liquids (US$/bbl)	40.18	100.93
Gas[(1)] (US$/mcf)	4.45	5.80

(1) Average realised gas sales price from B8/32 and B9A in Thailand. The average realised gas sales price from Block 9 remained fixed at US$2.32/mcf.

Cost of Sales

Cost of sales increased by 72.9 per cent. to US$95.5 million in FY2015 compared to US$55.2 million in FY2014, primarily due to higher operating costs, which increased to US$30.5 million in FY2015 compared to US$19.2 million in FY2014 because of additional expenses associated with the start-up of the Wassana and Nong Yao oilfields in the G10/48 and G11/48 concessions, respectively.

In line with the ramp up in production associated with Wassana and Nong Yao fields in the second half 2015, the Group's lifting costs for FY2015 increased by 30.2 per cent. to US$8.49/boe compared to US$6.52/boe in FY2014.

Depreciation, depletion and amortisation ("**DD&A**") expense in FY2015 increased 47.6 per cent. to US$42.4 million compared to US$28.7 million in FY2014 due to the contribution to production from Wassana and Nong Yao. Non-cash expenses such as DD&A and a write down of inventory were US$60.0 million in aggregate and contributed to a gross loss of US$35.3 million.

	FY2015	FY2014
Average lifting cost		
Oil, liquids and gas (US$/boe)	8.49	6.52
Operating costs (US$ million)	30.5	19.2
Total production (mmboe)	3.6	2.8

EBITDAX

EBITDAX increased 21.6 per cent. to US$37.2 million in FY2015 compared to US$30.5 million in FY2014. Supporting the increase in EBITDAX was a reduction in corporate general and administrative expenses, which decreased 32.4 per cent. to US$12.1 million in FY2015 compared to US$17.9 million in FY2014, through reductions in headcount and operating and capital expenditure.

	FY2015	FY2014
EBITDAX (US$ million)	37.2	30.5
Loss before tax (US$ million)	(45.3)	(39.3)
Tax expense (US$ million)	(3.3)	(11.1)
Loss after tax (US$ million)	**(48.6)**	**(50.4)**

Finance Costs

Finance costs decreased 16.0 per cent. to US$19.5 million in FY2015 compared to US$23.2 million in FY2014 due to financing fees incurred in 2014 related to the issuance of the Existing Notes.

Loss before Tax

The Group recorded a loss before tax of US$45.3 million in FY2015 compared to a loss before tax of US$39.3 million in FY2014 as a result of lower gross profit due to higher DD&A expenses, asset impairments and an inventory write-down.

Capital Expenditure and Capital Investment

In accordance with IFRS, the Group reclassified in FY2015 its capital expenditure for exploration, appraisal and development. Exploration and appraisal expenditure includes, among others: spending on exploration and appraisal wells; geological and geophysical activities; general and administrative costs; field development costs; platform and facility costs; and pipeline and equipment costs as they relate to non-producing assets. This includes development activities in relation to Nong Yao in G11/48 and Wassana in G10/48. Expenditures in the development classification relate to cost incurred in producing assets, namely B8/32, B9A and Block 9.

In FY2015, the Group's share of capital expenditure for non-producing blocks was mainly comprised of: (i) US$7.2 million for the appraisal well drilling program in the KrisEnergy-operated G6/48 concession; (ii) US$20.9 million for the seismic acquisition in the Udan Emas PSC; (iii) US$10.0 million for the exploration drilling in the Sakti PSC; and (iv) US$14.8 million in aggregate on activities in the Block A Aceh, Bulu PSC and Cambodia Block A development assets.

During the year, the Group saw the average cost of rigs and services fall 20 to 40 per cent. and in order to take advantage of the lower rates, it was decided to drill one exploration well in the Sakti PSC offshore East Java. The Group's share of expenditure for the Mustika-1 well totalled US$10.0 million and it has now satisfied the well commitment for the PSC.

The Group's share of capital expenditure for producing assets was in aggregate US$165.2 million comprising US$2.8 million for B8/32 and B9A (52 development wells and the installation of one platform), US$1.5 million for Block 9 and the Group's share of expenditure at the newly producing G11/48 and G10/48 fields of US$34.4 million and US$126.5 million, respectively.

	FY2015	FY2014
	(US$ million)	
Exploration and appraisal	104.3	82.6
Development	193.3	24.5
Acquisitions	50.5	167.2
Others (includes proceeds from disposals)	(102.9)	70.3
Total	**245.2**	**344.6**

Loans and Borrowings

The Group's loans and borrowings as at 31 December 2015 amounted to US$304.6 million compared to US$257.4 million as at 31 December 2014, comprising the drawn amount of the Revolving Credit Facility of US$75.0 million and the Existing Notes.

In November 2015, we launched a consent solicitation exercise in connection with the Existing Notes issued under the MTN Program. The exercise was to seek approval from the Existing Noteholders to amend the consolidated EBITDAX to consolidated interest expense ratio covenant. On 23 November 2015, the Company received the necessary votes from noteholders. The consent solicitation exercise was completed and the amendments proposed pursuant to such exercise were approved by the noteholders on 4 December 2015.

Cash

Net cash flow from operating activities increased to US$51.3 million in FY2015 compared to US$6.3 million in FY2014, primarily due to an increase in trade payables and lower estimated tax payable in relation to B8/32 and B9A.

Net cash flow used in investing activities decreased 28.8 per cent. to US$245.2 million in FY2015 compared to US$344.6 million in FY2014 as a result of capital expenditure and capital investment activities, which was offset by proceeds received from the farm-out of an effective 11.0 per cent. working interest in G10/48 and from the sale of marine assets.

Net cash flow generated from financing activities increased 26.2 per cent. to US$174.4 million in FY2015 compared to US$138.2 million in FY2014, mainly attributable to the receipt of net proceeds of US$121.1 million from the rights issue and proceeds from the bank borrowings.

	FY2015	FY2014
	(US$ million)	
Net cash flow from operating activities	51.3	6.3
Net cash flow used in investing activities	(245.2)	(344.6)
Net cash flows from financing activities	174.4	138.2
Cash and bank balances	**29.4**	**51.3**

FY2014 compared to FY2013

Revenue

Audited consolidated net revenue increased 8.5 per cent. to US$74.9 million in FY2014, as compared to US$69.1 million in FY2013 as a result of a 161.0 per cent rise in production for the Group, which was driven by a full year's contribution from the Bangora gas field. However, the fall in global oil prices in the second half of 2014 resulted in a 7.7 per cent. decline in the average selling price for oil and liquids to US$100.93/bbl. The average gas price achieved from the Group's gas assets in Thailand decreased 4.2 per cent. to US$5.80/mcf due to penalties arising from production falling below the daily contracted volume in the third and fourth quarters of 2014. Future gas production in B8/32 will be boosted by a new platform, which was put on stream before the end of 2014, and a second additional facility by mid-2015.

	FY2014	FY2013
Sales of crude oil (US$ million)	49.8	54.7
Sales of gas (US$ million)	25.1	14.4
Revenue (US$ million)	**74.9**	**69.1**
Production volumes		
Oil and liquids (bopd)	1,396	1,366
Gas (mmcfd)	37.3	9.3
Total (boepd)	**7,612**	**2,916**
Average sales price		
Oil and liquids (US$/bbl)	100.93	109.40
Gas[(1)] (US$/mcf)	5.80	6.06

(1) Average realised gas sales price from B8/32 and B9A in Thailand. The average realised gas sales price from Block 9 in Bangladesh remained fixed at US$2.32/mcf.

Cost of Sales

Cost of sales increased 26.7 per cent. to US$55.2 million in FY2014 compared to US$43.6 million in FY2013 primarily due to higher DD&A charges as well as an increase in operating costs.

DD&A charges increased to US$28.7 million in FY2014 compared to US$19.4 million in FY2013 as a result of the contribution from the Bangora gas field and a non-recurring adjustment associated with decommissioning costs at the Glagah-Kambuna technical assistance contract ("**TAC**"). Operating costs increased to US$19.2 million in FY2014 compared to US$16.1 million in FY2013 due to the recognition of a full year of production from the Bangora gas field. The increase in cost of sales was partially offset by lower Thai petroleum special remuneratory benefits and royalties paid as a result of a 5.2 per cent. year-on-year decrease in production from B8/32 and B9A during FY2014.

The production contribution in FY2014 from the Bangora field led to a 54.4 per cent. decrease in the Group-wide average lifting cost to US$6.91/boe compared to US$15.14/boe in FY2013. The Bangora gas field's low cost of production made it the Group's highest margin contributor in the Group, even with the relatively low realised sales price of US$2.32/mcf.

	FY2014	FY2013
Average lifting cost		
Oil, liquids and gas (US$/boe)	6.91	15.14
Operating costs (US$ million)	19.2	16.1
Total production (mmboe)	2.8	1.1

EBITDAX

The Group's EBITDAX increased 8.4 per cent. to US$30.5 million in FY2014 compared to US$28.2 million in FY2013 and was in line with the Group's expectations.

	FY2014	FY2013
EBITDAX (US$ million)	30.5	28.2
Finance costs (US$ million)	(23.2)	(13.3)
(Loss)/profit before tax (US$ million)	(39.3)	0.1
Tax expense (US$ million)	(11.1)	(12.7)
Loss after tax (US$ million)	**(50.4)**	**(12.6)**

Finance Costs

In FY2014, the Group implemented and executed a defined debt capital markets strategy to take advantage of the lower interest rate environment and the significant appetite for debt securities issued by oil and gas companies. Although finance costs increased to US$23.2 million in FY2014 compared to US$13.3 million in FY2013, the Group significantly reduced its nominal interest rate on borrowings from approximately 10.5 per cent. to approximately 4.8 per cent. whilst increasing total borrowings to support potentially accretive acquisitions as well as progress the development of the Group's projects. Higher finance costs were attributable to one-time expenses of US$8.2 million relating to the redemption of the 2016 Bonds and upfront fees of US$4.7 million associated with the establishment of the Revolving Credit Facility, the MTN Program and the issuance of the Existing Notes. Interest expense was US$8.5 million as a result of borrowings amounting to US$257.4 million in FY2014.

Loss/Profit before Tax

The Group recorded a loss before tax of US$39.3 million in FY2014 compared to a profit before tax of US$0.1 million in FY2013 as a result of a decrease of US$13.2 million in gross profit contribution from the Glagah-Kambuna TAC, which ceased production in 2013, and a reduction in production and associated realised gas prices from B8/32 and B9A. In addition, the Group incurred non-recurring expenses associated with debt restructuring.

Capital Expenditure and Capital Investment

Exploration and appraisal expenditure increased 27.8 per cent. to US$82.6 million in FY2014 compared to US$64.6 million in FY2013, which was primarily attributed to seismic acquisition amounting to US$24.6 million in the Udan Emas PSC, Sakti PSC and Tanjung Aru PSC in Indonesia; exploration wells drilled and capitalised in the G10/48 and G11/48 concessions; and ongoing development activities for the Wassana and Nong Yao oilfields. In addition, the Group spent US$66.2 million in 2014 to secure and commence refurbishment of the mobile offshore production unit ("**MOPU**") for the Wassana oil development.

Development expenditure increased 77.3 per cent. to US$24.5 million in FY2014 versus US$13.8 million in FY2013. During 2014, the Group's Working Interest share of development expenditure in B8/32 and B9A amounted to US$22.8 million, representing the Company's participation in the drilling of 55 development wells and the installation of two new platforms that were brought on stream during the year.

The acquisition of additional working interests and operatorships in G10/48 and Cambodia Block A amounted to US$167.2 million.

	FY2014	FY2013
	(US$ million)	
Exploration and appraisal	82.6	64.6
Development	24.5	13.8
Acquisitions	167.2	41.4
Others	70.3	2.3
Total	**344.6**	**122.1**

Loans and Borrowings

Following redemption of the 2016 Bonds in January 2014, the Group's loans and borrowings at 31 December 2014 amounted to US$257.4 million, compared to US$119.1 million as at 31 December 2013, comprising the drawn amount under the Revolving Credit Facility and the Existing Notes.

	FY2014	FY2013
	(US$ million)	
Amount repayable in one year or less	25.1	127.3
Amount repayable after one year	286.0	—

Cash

As a result of increased development activities, net cash flow from operations declined 61.1 per cent. to US$6.3 million compared to US$16.2 million in FY2013. This was primarily driven by non-recurring expenses in relation to debt restructuring, increase in inventories, trade and other receivables as well as the decrease in trade and other payables.

Net cash flow used in investing activities increased 182.3 per cent. to US$344.6 million from US$122.1 million in FY2013 following the acquisition of the additional working interests in G10/48 and Cambodia Block A and continued investment in portfolio growth through exploration, appraisal and development activities.

Net cash flow from financing activities decreased 40.4 per cent. to US$138.2 million from US$231.8 million in FY2013. KrisEnergy Holding Company Ltd. fully redeemed the 2016 Bonds and returned US$126.3 million to bondholders, which comprised principal repayment, a redemption premium and accrued interest. The Company issued the Existing Notes and, following a series of U.S. dollar swap transactions, realised gross proceeds of US$263.9 million.

	FY2014	FY2013
	(US$ million)	
Net cash flow from operating activities	6.3	16.2
Net cash flow used in investing activities	(344.6)	(122.1)
Net cash flow from financing activities	138.2	231.8
Cash at banks and on hand	47.6	247.8
Short-term structured deposits	3.7	4.0
Cash and bank balances	**51.3**	**251.8**

Revenue

Working interest production in 3Q2016 averaged 14,895 boepd, a 68.4 per cent. increase compared with the same period last year (3Q2015: 8,847 boepd). The increase was primarily attributable to full quarter of sustained production at peak levels at the Nong Yao field in G11/48, increased levels of production versus a year ago from the Wassana field in G10/48 and improved production efficiencies at the B8/32 and B9A complex.

Revenue for 3Q2016 more than tripled to US$44.4 million, from a year ago (3Q2015: US$12.7 million) due to the increase in crude oil sales from the Wassana and Nong Yao fields, despite the fall in average realised selling prices.

The average realised oil and liquids sales price in 3Q2016 was US$35.61/bbl, 8.2 per cent. higher than the preceding quarter (2Q2016: US$32.90/bbl), but 26.5 per cent. lower than the same period last year (3Q2015: US$48.48/bbl). The reduced average crude oil selling price reflected movements in global benchmark markets, which also affected the average realised gas price achieved for gas sales from B8/32 and B9A at US$3.31/mcf in 3Q2016, 19.3 per cent. lower than a year ago (3Q2015: US$4.10/mcf).

	3Q2016	3Q2015
Production volumes		
Oil and liquids (bopd)	9,007	2,778
Gas (mmcfd)	35.3	36.4
Total (boepd)	**14,895**	**8,847**
Average sales price		
Oil and liquids (US$/bbl)	35.61	48.48
Gas — B8/32 and B9A (US$/mcf)	3.31	4.10
Gas — Block 9 (US$/mcf)	2.32	2.32

Cost of Sales

Operating costs increased to US$33.6 million in 3Q2016 (3Q2015: US$6.6 million), in line with a full quarter contribution from the Wassana and Nong Yao oilfields in 3Q2016. The June 2016 lifting from the Wassana field was delayed to July 2016 resulting in the Group's operating costs for 3Q2016 to be represented as four liftings in three months (as opposed to three). We recognised higher operating costs and hence lifting costs during the quarter (3Q2016: US$24.52/boe compared with 3Q2015: US$8.76/boe). Lifting costs in 3Q2016 were also adversely impacted by lower production output from the Wassana field following mechanical issues and well workover costs associated with analysing and repairing those wells.

In line with higher revenue, Thai royalty payments in 3Q2016 also more than tripled to US$3.7 million (3Q2015: US$1.0 million).

DD&A charges increased to US$22.1 million in 3Q2016 (3Q2015: US$11.8 million) which was solely a function of higher production volumes in 3Q2016 compared to 3Q2015 where three full months of production was recognised in 3Q2016 versus production ramping up in each of the Wassana and Nong Yao fields in 2015.

	3Q2016	3Q2015
Average lifting cost		
Oil, liquids and gas (US$/boe)	24.52	8.76
Operating costs (US$ million)	33.6	6.6
Total production (mmboe)	1.4	0.8

EBITDAX

The Group's EBITDAX, which is a measure of the Group's ability to generate income from the Group's operations, increased to US$4.2 million in 3Q2016 (3Q2015: US$1.6 million) due to higher revenue and lower corporate general and administrative expenses.

	3Q2016	3Q2015
EBITDAX (US$ million)	4.2	1.6
Finance costs (US$ million)	(7.9)	(4.9)
(Loss)/profit before tax (US$ million)	(30.2)	8.4
Tax (expense)/credit (US$ million)	(1.4)	0.9
(Loss)/profit after tax (US$ million)	**(31.6)**	**9.3**

Other income

Other income was US$1.2 million in 3Q2016 compared with US$26.8 million in 3Q2015. The year-on-year decrease was attributable to the gain recognised on the transfer of working interests in Block 105 and Bala-Balakang PSC in 3Q2015.

General and administrative expenses

General and administrative expenses increased 23.2 per cent. to US$8.4 million in 3Q2016 (3Q2015: US$6.8 million) primarily due to the recognition of general and administrative expenses allocated to G10/48 and G11/48.

Other operating expenses

Other operating expenses of US$0.1 million in 3Q2016 was stable compared with 3Q2015.

Finance income

Finance income was higher year-on-year due to higher average bank balances in 3Q2016.

Finance costs

Finance costs amounted to US$7.9 million in 3Q2016 (3Q2015: US$4.9 million). The increase was mainly attributable to financial advisory fees and higher interest expense attributable to the Facility.

Loss/profit before tax

The loss before tax of US$30.2 million in 3Q2016 compared with a profit before tax of US$8.4 million in 3Q2015 is a result of recognition of incremental DD&A expenses on producing assets and higher finance costs.

Tax credit/expense

Tax expense amounted to US$1.4 million in 3Q2016 compared to a tax credit of US$0.9 million in 3Q2015, mainly due to higher provision of tax expenses in line with higher revenue and reversal of previously recognised deferred tax assets.

Loss/profit after tax

The net loss after tax was US$31.6 million in 3Q2016 compared with a profit of US$9.3 million in 3Q2015 as a result of the above-mentioned factors.

APPENDIX E — PROCEDURES FOR ACCEPTANCE, PAYMENT AND APPLICATION FOR EXCESS BY ENTITLED DEPOSITORS

ENTITLED DEPOSITORS SHOULD NOTE THAT THE PROVISIONAL ALLOTMENTS OF NOTES WITH WARRANTS ARE NOT DETACHABLE FROM EACH OTHER (BUT THE WARRANTS WILL BE DETACHED FROM THE NOTES ON ALLOTMENT AND ISSUE).

1. INTRODUCTION

1.1 Entitled Depositors are entitled to receive this Offering Memorandum and the ARE which forms part of this Offering Memorandum. For the purposes of this Offering Memorandum, any reference to an application by way of an Electronic Application without reference to such an Electronic Application being made through an ATM of the Participating Bank shall, where the Entitled Depositor is a Depository Agent, be taken to include an application made via the SGX-SSH Service.

1.2 The provisional allotments of the Notes with Warrants are governed by the terms and conditions contained in this Offering Memorandum, (if applicable) the Articles of Association and the instructions in the ARE. The number of the Notes with Warrants provisionally allotted to each Entitled Depositor is indicated in the ARE (fractional entitlements (if any) having been disregarded). The Securities Accounts of Entitled Depositors will be credited by CDP with the provisional allotments of Notes with Warrants as indicated in the ARE. Entitled Depositors may accept their provisional allotments of Notes with Warrants in full or in part and are eligible to apply for Notes with Warrants in excess of their provisional allotments under the Preferential Offering. Full instructions for the acceptance of and payment for the provisional allotments of Notes with Warrants and the application and payment for excess Notes with Warrants are set out in this Offering Memorandum as well as the ARE.

1.3 If an Entitled Depositor wishes to accept his provisional allotments of the Notes with Warrants specified in the ARE, in full or in part, and (if applicable) apply for excess Notes with Warrants, he may do so by way of an Electronic Application or by completing and signing the relevant sections of the ARE. An Entitled Depositor should ensure that the ARE is accurately completed and signed, failing which the acceptance of the provisional allotments of Notes with Warrants and (if applicable) application for excess Notes with Warrants may be rejected.

For and on behalf of the Company, CDP reserves the right to refuse to accept any acceptance(s) of provisional allotments of Notes with Warrants and (if applicable) application(s) for excess Notes with Warrants if the ARE is not accurately completed and signed or if the "**Free Balance**" of the Entitled Depositor's Securities Account is not credited with, or is credited with less than, the relevant number of Notes with Warrants accepted as at the Closing Date or for any other reason(s) whatsoever the acceptance of provisional allotments of Notes with Warrants and (if applicable) the application for excess Notes with Warrants is in breach of the terms of the ARE or this Offering Memorandum, at CDP's absolute discretion, and to return all monies received to the person(s) entitled thereto **BY CREDITING HIS/THEIR BANK ACCOUNT(S) WITH THE PARTICIPATING BANK** (if he/they accept and (if applicable) apply through an ATM of the Participating Bank) or **BY MEANS OF A CROSSED CHEQUE** in Singapore currency **SENT BY ORDINARY POST** to his/their mailing addresses as maintained in the records of CDP or in such other manner as he/they may have agreed with CDP for the payment of any cash distribution (if he/they accept and (if applicable) apply through CDP), as the case may be, (in each case) **AT HIS/THEIR OWN RISK** without interest or any share of revenue or other benefit arising therefrom.

AN ENTITLED DEPOSITOR MAY ACCEPT HIS PROVISIONAL ALLOTMENTS OF NOTES WITH WARRANTS SPECIFIED IN HIS ARE AND (IF APPLICABLE) APPLY FOR EXCESS NOTES WITH WARRANTS EITHER THROUGH CDP AND/OR BY WAY OF AN ELECTRONIC APPLICATION THROUGH AN ATM OF THE PARTICIPATING BANK.

WHERE AN ENTITLED DEPOSITOR IS A DEPOSITORY AGENT, IT MAY MAKE ITS ACCEPTANCE OF PROVISIONAL ALLOTMENTS OF NOTES WITH WARRANTS AND (IF APPLICABLE) APPLICATION FOR EXCESS NOTES WITH WARRANTS VIA THE SGX-SSH SERVICE.

Where an acceptance, application and/or payment does not conform strictly to the terms set out in this Offering Memorandum, (if applicable) the Articles of Association, the ARE, the PAL and/or any other application form for the Notes with Warrants and/or excess Notes with Warrants in relation to the Preferential Offering, or does not comply with the instructions for Electronic Applications, or where the "Free Balance" of the Entitled Depositor's Securities Account is not credited with or is credited with less than the relevant number of Notes with Warrants accepted as at the Closing Date, or in the case of an acceptance and/or application by the ARE, the PAL and/or any other application form for the Notes with Warrants and/or excess Notes with Warrants in relation to the Preferential Offering which is illegible, incomplete, incorrectly completed, unsigned, signed but not in its originality or is accompanied by an improperly or insufficiently drawn remittance, the Company and/or CDP may, at their/its absolute discretion, reject or treat as invalid any such acceptance, application, payment and/or other process of remittances at any time after receipt in such manner as they/it may deem fit.

The Company and CDP shall be entitled to process each application submitted for the acceptance of the provisional allotments of the Notes with Warrants, and where applicable, application for excess Notes with Warrants in relation to the Preferential Offering and the payment received in relation thereto, pursuant to such application, by an Entitled Depositor, on its own, without regard to any other application and payment that may be submitted by the same Entitled Depositor. For the avoidance of doubt, insufficient payment for an application may render the application invalid; evidence of payment (or overpayment) in other applications shall not constitute, or be construed as, an affirmation of such invalid application submitted for the acceptance of the Notes with Warrants and (if applicable) application for excess Notes with Warrants.

1.4 **For investors who hold Shares through finance companies or Depository Agents, acceptance of the provisional allotments of Notes with Warrants and (if applicable) application for excess Notes with Warrants must be done through the respective finance companies or Depository Agents. Any acceptance and/or application made directly through CDP, Electronic Applications through an ATM of the Participating Bank, the Share Transfer Agent and/or the Company will be rejected.**

1.5 **SRS investors who had purchased Shares using their SRS Accounts and who wish to accept their provisional allotments of Notes with Warrants and (if applicable) apply for excess Notes with Warrants can only do so, subject to applicable SRS rules and regulations, using monies standing to the credit of their respective SRS Accounts. Such investors who wish to accept their provisional allotments of Notes with Warrants and (if applicable) apply for excess Notes with Warrants using SRS monies, must instruct the relevant approved banks in which they hold their SRS Accounts to accept their provisional allotments of Notes with Warrants and (if applicable) apply for excess Notes with Warrants on their behalf in accordance with the terms of this Offering Memorandum. Such investors who have insufficient funds in their SRS Accounts may, subject to the SRS contribution cap, deposit cash into their SRS Accounts with their respective approved banks before instructing their respective approved banks to accept their provisional allotments of Notes with Warrants and (if applicable) apply for excess Notes with Warrants. SRS investors are advised to provide their respective approved banks in which they hold their SRS Accounts with the appropriate instructions no later than the deadlines set by their respective approved banks in order for their respective approved banks to make the relevant acceptance and (if**

applicable) application on their behalf by the Closing Date. Any acceptance and (if applicable) application made directly through CDP, Electronic Applications through ATMs of the Participating Bank, the Share Transfer Agent and/or the Company will be rejected.

1.6 Unless expressly provided to the contrary in this Offering Memorandum and/or the ARE with respect to enforcement against Entitled Depositors, a person who is not a party to any contracts made pursuant to this Offering Memorandum or the ARE has no rights under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore to enforce any term of such contracts. Notwithstanding any term contained herein, the consent of any third party is not required for any subsequent agreement by the parties hereto to amend or vary (including any release or compromise of any liability) or terminate such contracts. Where third parties are conferred rights under such contracts, those rights are not assignable or transferable.

2. MODE OF ACCEPTANCE AND APPLICATION

2.1 Acceptance/Application by way of Electronic Applications through an ATM of the Participating Bank

Instructions for Electronic Applications through ATMs of the Participating Bank to accept the Notes with Warrants provisionally allotted to or (if applicable) to apply for excess Notes with Warrants will appear on the ATM screens of the Participating Bank. Please refer to Appendix F of this Offering Memorandum for the additional terms and conditions for Electronic Applications through an ATM of the Participating Bank.

IF AN ENTITLED DEPOSITOR MAKES AN ELECTRONIC APPLICATION THROUGH AN ATM OF THE PARTICIPATING BANK, HE WOULD HAVE IRREVOCABLY AUTHORISED THE PARTICIPATING BANK TO DEDUCT THE FULL AMOUNT PAYABLE FROM HIS BANK ACCOUNT WITH THE PARTICIPATING BANK IN RESPECT OF SUCH APPLICATION. IN THE CASE OF AN ENTITLED DEPOSITOR WHO HAS ACCEPTED THE NOTES WITH WARRANTS PROVISIONALLY ALLOTTED TO HIM BY WAY OF THE ARE AND/OR HAS APPLIED FOR EXCESS NOTES WITH WARRANTS BY WAY OF THE ARE AND ALSO BY WAY OF AN ELECTRONIC APPLICATION THROUGH AN ATM OF THE PARTICIPATING BANK, THE COMPANY AND/OR CDP SHALL BE AUTHORISED AND ENTITLED TO ACCEPT HIS INSTRUCTIONS IN WHICHEVER MODE OR COMBINATION AS THE COMPANY AND/OR CDP MAY, IN THEIR/ITS ABSOLUTE DISCRETION, DEEM FIT.

2.2 Acceptance/Application through CDP

If an Entitled Depositor wishes to accept his provisional allotments of Notes with Warrants and (if applicable) apply for excess Notes with Warrants through CDP, he must:

(a) complete and sign the ARE. In particular, he must state in Part (C) of the ARE the total number of Notes with Warrants provisionally allotted to him which he wishes to accept and the number of excess Notes with Warrants applied for and in Part (C) of the ARE the 6 digits of the Cashier's Order/Banker's Draft; and

(b) deliver the duly completed and original signed ARE accompanied by **A SINGLE REMITTANCE** for the full amount payable for the relevant number of Notes with Warrants accepted and (if applicable) excess Notes with Warrants applied for:

(i) by hand to **KRISENERGY LTD. C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, 9 NORTH BUONA VISTA DRIVE #01-19/20, THE METROPOLIS, SINGAPORE 138588**; or

(ii) by post, **AT THE SENDER'S OWN RISK**, in the self-addressed envelope provided, to **KRISENERGY LTD. C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD POST OFFICE, P.O. BOX 1597, SINGAPORE 903147**,

in each case so as to arrive not later than **5.00 P.M. ON 16 JANUARY 2017** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

The payment for the relevant number of provisionally allotted Notes with Warrants accepted and (if applicable) excess Notes with Warrants applied for at the Issue Price must be made in Singapore currency in the form of a Cashier's Order or Banker's Draft drawn on a bank in Singapore and made payable to "**CDP — KRISENERGY PREF OFFER ACCOUNT**" and crossed "**NOT NEGOTIABLE, A/C PAYEE ONLY**" with the name and Securities Account number of the Entitled Depositor clearly written in block letters on the reverse side of the Cashier's Order or Banker's Draft.

NO COMBINED CASHIER'S ORDER OR BANKER'S DRAFT FOR DIFFERENT SECURITIES ACCOUNTS OR OTHER FORMS OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.

FOR INVESTORS WHO HOLD SHARES THROUGH FINANCE COMPANIES OR DEPOSITORY AGENTS, ACCEPTANCES OF THE PROVISIONAL ALLOTMENT OF NOTES WITH WARRANTS AND (IF APPLICABLE) APPLICATIONS FOR EXCESS NOTES WITH WARRANTS MUST BE DONE THROUGH THEIR RESPECTIVE FINANCE COMPANIES OR DEPOSITORY AGENTS. SUCH INVESTORS ARE ADVISED TO PROVIDE THEIR FINANCE COMPANIES OR DEPOSITORY AGENTS, AS THE CASE MAY BE, WITH THE APPROPRIATE INSTRUCTIONS NO LATER THAN THE DEADLINES SET BY THEM IN ORDER FOR SUCH INTERMEDIARIES TO MAKE THE RELEVANT ACCEPTANCE AND (IF APPLICABLE) APPLICATION ON THEIR BEHALF BY THE CLOSING DATE. ANY ACCEPTANCE AND/OR APPLICATION MADE DIRECTLY THROUGH CDP, ELECTRONIC APPLICATIONS THROUGH AN ATM OF THE PARTICIPATING BANK, THE SHARE TRANSFER AGENT AND/OR THE COMPANY WILL BE REJECTED.

WHERE AN ENTITLED DEPOSITOR IS A DEPOSITORY AGENT, IT MAY MAKE ITS ACCEPTANCE OF PROVISIONAL ALLOTMENTS OF NOTES WITH WARRANTS AND (IF APPLICABLE) APPLICATION FOR EXCESS NOTES WITH WARRANTS VIA THE SGX-SSH SERVICE.

2.3 **Acceptance through the SGX-SSH Service (for Depository Agents only)**

Depository Agents may accept the provisional allotments of Notes with Warrants and (if applicable) apply for excess Notes with Warrants through the SGX-SSH Service provided by CDP as listed in Schedule 3 of the Terms and Conditions for User Services for Depository Agents. CDP has been authorised by the Company to receive acceptances on its behalf. Such acceptances and (if applicable) applications will be deemed irrevocable and are subject to each of the terms and conditions contained in the ARE and this Offering Memorandum as if the ARE had been completed, signed and submitted to CDP.

2.4 **Insufficient Payment**

If no remittance is attached or the remittance attached is less than the full amount payable for the provisional allotments of Notes with Warrants accepted by the Entitled Depositor and (if applicable) the excess Notes with Warrants applied for by the Entitled Depositor, the attention of the Entitled Depositor is drawn to paragraphs 1.3 and 5.2 of this Appendix E which set out the circumstances and manner in which the Company and CDP shall be authorised and entitled to determine and appropriate all amounts received by CDP on the Company's behalf whether under the ARE or any other application form for the Notes with Warrants in relation to the Preferential Offering.

2.5 **Acceptance of Part of Provisional Allotments of Notes with Warrants**

An Entitled Depositor may choose to accept his provisional allotment of Notes with Warrants specified in the ARE in full or in part.

3. COMBINATION APPLICATION

In the event that the Entitled Depositor accepts his provisional allotments of Notes with Warrants by way of the ARE and also by way of Electronic Application(s) and/or has applied for excess Notes with Warrants by way of the ARE and also by way of Electronic Application(s), the Company and/or CDP shall be authorised and entitled to accept his instructions in whichever mode or combination as the Company and/or CDP may, in their/its absolute discretion, deem fit. Without prejudice to the generality of the foregoing, in such a case, the Entitled Depositor shall be regarded as having irrevocably authorised the Company and/or CDP to apply all amounts received whether under the ARE and (if applicable) any other acceptance of provisional allotments of Notes with Warrants and/or application for excess Notes with Warrants (including an Electronic Application(s)) in whichever mode or combination as the Company and/or CDP may, in their/its absolute discretion, deem fit.

4. ILLUSTRATIVE EXAMPLES (ASSUMPTION: ON THE BASIS OF 93 NOTES OF PRINCIPAL AMOUNT OF S$1.00 EACH WITH 837 WARRANTS FOR EVERY 1,000 SHARES AT AN ISSUE PRICE OF 100 PER CENT. OF THE PRINCIPAL AMOUNT OF THE NOTES OR S$1.00 FOR EACH S$1.00 OF PRINCIPAL AMOUNT OF THE NOTES)

As an illustration, if an Entitled Depositor has 1,000 Shares standing to the credit of his Securities Account as at the Record Date, the Entitled Depositor will be provisionally allotted 93 Notes of principal amount of S$1.00 each with 837 Warrants as set out in his ARE. The Entitled Depositor's alternative courses of action, and the necessary procedures to be taken under each course of action, are summarised below:

Alternatives	Procedures to be taken
(a) Accept his entire provisional allotments of 93 Notes of principal amount of S$1.00 each with 837 Warrants and (if applicable) apply for excess Notes with Warrants.	(1) **By way of Electronic Application** Accept his entire provisional allotments of 93 Notes of principal amount of S$1.00 each with 837 Warrants and (if applicable) apply for excess Notes with Warrants by way of an Electronic Application through an ATM of the Participating Bank as described herein not later than **9.30 p.m. on 16 January 2017** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or

Alternatives	Procedures to be taken
	(2) **Through CDP** Complete and sign the ARE in accordance with the instructions contained therein for the acceptance in full of his provisional allotments of 93 Notes of principal amount of S$1.00 each with 837 Warrants and (if applicable) the number of excess Notes with Warrants applied for and forward the original signed ARE together with a single remittance for S$93.00 (or, if applicable, such higher amount in respect of the total number of Notes with Warrants accepted and excess Notes with Warrants applied for) by way of a Cashier's Order or Banker's Draft drawn in Singapore currency on a bank in Singapore, and made payable to "**CDP — KRISENERGY PREF OFFER ACCOUNT**" and crossed "**NOT NEGOTIABLE, A/C PAYEE ONLY**" for the full amount due on acceptance and (if applicable) application, by hand to **KRISENERGY LTD. C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, 9 NORTH BUONA VISTA DRIVE #01-19/20, THE METROPOLIS, SINGAPORE 138588** or by post, at his own risk, in the self-addressed envelope provided to **KRISENERGY LTD. C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD POST OFFICE, P.O. BOX 1597, SINGAPORE 903147** so as to arrive not later than **5.00 p.m. on 16 January 2017** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company) and with the name and Securities Account number of the Entitled Depositor clearly written in block letters on the reverse side of the Cashier's Order or Banker's Draft. **NO COMBINED CASHIER'S ORDER OR BANKER'S DRAFT FOR DIFFERENT SECURITIES ACCOUNTS OR OTHER FORMS OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED**.

Alternatives	Procedures to be taken
(b) Accept a portion of his provisional allotments of Notes with Warrants, for example his entitlement to 50 provisionally allotted Notes of principal amount of S$1.00 each with 450 Warrants out of his entitlement of 93 Notes of principal amount of S$1.00 each with 837 Warrants, and reject the balance.	(1) **By way of Electronic Application** Accept his provisional allotments of 50 Notes of principal amount of S$1.00 each with 450 Warrants by way of an Electronic Application through an ATM of the Participating Bank as described herein not later than **9.30 p.m. on 16 January 2017** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or (2) **Through CDP** Complete and sign the ARE in accordance with the instructions contained therein for the acceptance of his provisional allotments of 50 Notes of principal amount of S$1.00 each with 450 Warrants and forward the original signed ARE, together with a single remittance for S$50.00, in the prescribed manner described in alternative (a)(2) above to CDP so as to arrive not later than **5.00 p.m. on 16 January 2017** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company). The balance of the provisional allotments of 43 Notes of principal amount of S$1.00 each with 387 Warrants which is not accepted by the Entitled Depositor will automatically lapse and cease to be available for acceptance by that Entitled Depositor if an acceptance is not made through an ATM of the Participating Bank by **9.30 p.m. on 16 January 2017** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company) or if an acceptance is not made through CDP by **5.00 p.m. on 16 January 2017** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

5. TIMING AND OTHER IMPORTANT INFORMATION

5.1 Timing

THE LAST TIME AND DATE FOR ACCEPTANCES OF AND PAYMENT FOR THE NOTES WITH WARRANTS AND (IF APPLICABLE) APPLICATIONS AND PAYMENT FOR EXCESS NOTES WITH WARRANTS IN RELATION TO THE PREFERENTIAL OFFERING IS:

(A) **9.30 P.M. ON 16 JANUARY 2017 (OR SUCH OTHER TIME(S) AND/OR DATE(S) AS MAY BE ANNOUNCED FROM TIME TO TIME BY OR ON BEHALF OF THE COMPANY) IF ACCEPTANCE OF PROVISIONAL ALLOTMENTS OF AND PAYMENT FOR THE NOTES WITH WARRANTS AND (IF APPLICABLE) APPLICATIONS AND PAYMENT FOR EXCESS NOTES WITH WARRANTS IS MADE THROUGH AN ATM OF THE PARTICIPATING BANK; OR**

(B) **5.00 P.M. ON 16 JANUARY 2017 (OR SUCH OTHER TIME(S) AND/OR DATE(S) AS MAY BE ANNOUNCED FROM TIME TO TIME BY OR ON BEHALF OF THE COMPANY) IF ACCEPTANCE OF PROVISIONAL ALLOTMENTS OF AND PAYMENT FOR THE NOTES WITH WARRANTS AND (IF APPLICABLE) APPLICATIONS AND PAYMENT FOR EXCESS NOTES WITH WARRANTS IS MADE THROUGH CDP OR SGX-SSH SERVICE.**

If acceptance of and payment for the Notes with Warrants and (if applicable) application and payment for excess Notes with Warrants in the prescribed manner as set out in the ARE or the PAL (as the case may be) and this Offering Memorandum is not received through an ATM of the Participating Bank by **9.30 p.m. on 16 January 2017** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company) or through CDP by **5.00 p.m. on 16 January 2017** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company) from any Entitled Depositor or through the SGX-SSH Service by **5:00 p.m. on 16 January 2017** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company) from Depository Agents, the provisional allotments of Notes with Warrants shall be deemed to have been declined and shall forthwith lapse and become void and cease to be capable of acceptance, and such provisional allotments of Notes with Warrants not so accepted will be used to satisfy applications for excess Notes with Warrants, if any, or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit. All monies received in connection therewith will be returned by CDP for and on behalf of the Company to the Entitled Depositors, without interest or any share of revenue or other benefit arising therefrom, by means of a crossed cheque in Singapore currency drawn on a bank in Singapore and sent **BY ORDINARY POST** to their mailing addresses as maintained in the records of CDP or in such other manner as they may have agreed with CDP for the payment of any cash distribution (where acceptance and/or application has been made through CDP), or by crediting their accounts with the Participating Bank (where acceptance and/or application has been made through Electronic Application at the ATMs) and **AT THE ENTITLED DEPOSITOR'S OWN RISK**.

IF AN ENTITLED DEPOSITOR IS IN ANY DOUBT AS TO THE ACTION HE SHOULD TAKE, HE SHOULD CONSULT HIS STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

5.2 Appropriation

Without **prejudice** to paragraph 1.3 of this Appendix E, an Entitled Depositor should note that:

(a) by accepting his provisional allotments of Notes with Warrants and/or applying for excess Notes with Warrants, he acknowledges that, in the case where the amount of remittance

payable to the Company in respect of his acceptance of his provisional allotments of Notes with Warrants and (if applicable) in respect of his application for excess Notes with Warrants as per the instructions received by CDP whether under the ARE and/or in any other application form for Notes with Warrants in relation to the Preferential Offering differs from the amount actually received by CDP, the Company and CDP shall be authorised and entitled to determine and appropriate all amounts received by CDP on the Company's behalf for each application on its own whether under the ARE and/or any other application form for the Notes with Warrants and/or excess Notes with Warrants in relation to the Preferential Offering as follows: firstly, towards payment of all amounts payable in respect of his acceptance of his provisional allotments of Notes with Warrants; and secondly, (if applicable) towards payment of all amounts payable in respect of his application for excess Notes with Warrants. The determination and appropriation by the Company and/or CDP shall be conclusive and binding;

(b) if the Entitled Depositor has attached a remittance to the ARE and/or any other application form for the Notes with Warrants and/or excess Notes with Warrants in relation to the Preferential Offering made through CDP, he would have irrevocably authorised the Company and/or CDP, in applying the amounts payable for his acceptance of his provisional allotments of the Notes with Warrants and (if applicable) his application for excess Notes with Warrants, to apply the amount of the remittance which is attached to the ARE and/or any other application form for the Notes with Warrants and/or excess Notes with Warrants in relation to the Preferential Offering made through CDP; and

(c) in the event that the Entitled Depositor accepts the provisional allotments of Notes with Warrants by way of the ARE and/or has applied for excess Notes with Warrants by way of the ARE and also by way of Electronic Application(s), the Company and/or CDP shall be authorised and entitled to accept his instructions in whichever mode or combination as the Company and/or CDP may, in their/its absolute discretion, deem fit. Without prejudice to the generality of the foregoing, in such a case, the Entitled Depositor shall be deemed as having irrevocably authorised the Company and/or CDP to apply all amounts received whether under the ARE and/or any other acceptance of provisional allotments of Notes with Warrants and/or application for excess Notes with Warrants (including Electronic Application(s)) in whichever mode or combination as the Company and/or CDP may, in their/its absolute discretion, deem fit.

5.3 **Application for Excess Notes with Warrants**

The excess Notes with Warrants available for application are subject to the terms and conditions contained in the ARE, this Offering Memorandum and (if applicable) the Articles of Association. Applications for excess Notes with Warrants will, at the Directors' absolute discretion, be satisfied from such Notes with Warrants as are not validly taken up by the Entitled Shareholders or the original allottee(s) of the provisional allotments of Notes with Warrants together with the aggregated fractional entitlements to the Notes with Warrants and any Notes with Warrants that are otherwise not allotted for whatever reason in accordance with the terms and conditions contained in the ARE, this Offering Memorandum and (if applicable) the Articles of Association. In the event that applications are received by the Company for more excess Notes with Warrants than are available, the excess Notes with Warrants available will be allotted in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company. **CDP TAKES NO RESPONSIBILITY FOR ANY DECISION THAT THE DIRECTORS MAY MAKE**. In the allotment of excess Notes with Warrants, preference will be given to the rounding of odd lots, and Directors and Substantial Shareholders who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Preferential Offering, or have representation (direct or through a nominee) on the Board will rank last in priority for the rounding of odd lots and allotment of excess Notes with Warrants. The Company reserves the right to refuse any application for excess Notes with Warrants, in whole

or in part, without assigning any reason whatsoever therefor. In the event that the number of excess Notes with Warrants allotted to an Entitled Depositor is less than the number of excess Notes with Warrants applied for, the Entitled Depositor shall be deemed to have accepted the number of excess Notes with Warrants actually allotted to him.

If no excess Notes with Warrants are allotted or if the number of excess Notes with Warrants allotted is less than that applied for, the amount paid on application or the surplus application monies, as the case may be, will be refunded to such Entitled Depositors, without interest or any share of revenue or other benefit arising therefrom, within three business days after the commencement of trading of the Notes and the Warrants, by crediting their bank accounts with the Participating Bank **AT THEIR OWN RISK** (if they had applied for excess Notes with Warrants by way of an Electronic Application through an ATM of the Participating Bank), the receipt by such banks being a good discharge to the Company and CDP of their obligations, if any, thereunder, or by means of a crossed cheque in Singapore currency drawn on a bank in Singapore and sent **BY ORDINARY POST** to their mailing addresses as maintained in the records of CDP or in such other manner as they may have agreed with CDP for the payment of any cash distributions **AT THEIR OWN RISK** (if they had applied for excess Notes with Warrants through CDP).

5.4 **Deadlines**

It should be particularly noted that unless:

(a) acceptance of the provisional allotments of Notes with Warrants is made by the Entitled Depositors by way of an Electronic Application through an ATM of the Participating Bank and payment of the full amount payable for such Notes with Warrants is effected by **9.30 p.m. on 16 January 2017** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or

(b) the duly completed and original signed ARE accompanied by a single remittance for the full amount payable for the relevant number of Notes with Warrants accepted and (if applicable) excess Notes with Warrants applied for at the Issue Price, made in Singapore currency in the form of a Cashier's Order or Banker's Draft drawn on a bank in Singapore and made payable to "**CDP — KRISENERGY PREF OFFER ACCOUNT**" and crossed "**NOT NEGOTIABLE, A/C PAYEE ONLY**" with the names and Securities Account numbers of the Entitled Depositors clearly written in block letters on the reverse side of the Cashier's order or Banker's Draft is submitted by hand to **KRISENERGY LTD. C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, 9 NORTH BUONA VISTA DRIVE #01-19/20, THE METROPOLIS, SINGAPORE 138588** or by post in the self-addressed envelope provided, **AT THE SENDER'S OWN RISK**, to **KRISENERGY LTD. C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD POST OFFICE, P.O. BOX 1597, SINGAPORE 903147** by 5.00 p.m. on 16 January 2017 (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or

(c) acceptance is made by a Depository Agent via the SGX-SSH Service and payment in Singapore currency by way of telegraphic transfer by the Depository Agent(s) for the Notes with Warrants is effected by 5.00 p.m. on 16 January 2017 (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company),

the provisional allotments of Notes with Warrants will be deemed to have been declined and shall forthwith lapse and become void and cease to be capable of acceptance.

All monies received in connection therewith will be returned to the Entitled Depositors without interest or any share of revenue or other benefit arising therefrom by means of a crossed cheque in Singapore currency drawn on a bank in Singapore and sent **BY ORDINARY POST** to their mailing addresses as maintained in the records of CDP or in such other manner as they may have

agreed with CDP for the payment of any cash distribution (where acceptance and/or application has been made through CDP), or by crediting their accounts with the Participating Bank (where acceptance and/or application has been made by way of an Electronic Application through an ATM of the Participating Bank), and **AT THE ENTITLED DEPOSITOR'S OWN RISK**.

ACCEPTANCES AND/OR APPLICATIONS ACCOMPANIED BY ANY OTHER FORMS OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL NOT BE ACCEPTED.

5.5 **Certificates**

The certificates for the Notes and the Warrants and excess Notes and Warrants will be registered in the name of CDP or its nominee. Upon the crediting of the Notes with Warrants and excess Notes with Warrants, CDP will send to you, **BY ORDINARY POST AND AT YOUR OWN RISK**, a notification letter showing the number of Notes with Warrants and excess Notes with Warrants credited to your Securities Account.

5.6 **General**

For reasons of confidentiality, CDP will not entertain telephone enquiries relating to the number of Notes with Warrants provisionally allotted and credited to your Securities Account. You can verify the number of Notes with Warrants provisionally allotted and credited to your Securities Account online if you have registered for CDP Internet Access or through the CDP Automated Phone Services Hotline number (65) 6535-7511 using your telephone pin (the "**T-Pin**"). Alternatively, you may proceed personally to CDP with your identity card or passport to verify the number of Notes with Warrants provisionally allotted and credited to your Securities Account.

It is your responsibility to ensure that the ARE is accurately completed in all respects and signed. The Company and/or CDP will be authorised and entitled to reject any acceptance and/or application which does not comply with the terms and instructions contained herein and in the ARE, or which is otherwise incomplete, incorrect, unsigned, signed but not in its originality or invalid in any respect. Any decision to reject the ARE on the grounds that it has been signed but not in its originality, incompletely, incorrectly or invalidly signed, completed or submitted will be final and binding, and neither CDP, the Lead Manager nor the Company accepts any responsibility or liability for the consequences of such a decision.

EXCEPT AS SPECIFICALLY PROVIDED FOR IN THIS OFFERING MEMORANDUM, YOUR ACCEPTANCE OF THE PROVISIONAL ALLOTMENTS OF NOTES WITH WARRANTS AND (IF APPLICABLE) YOUR APPLICATION FOR EXCESS NOTES WITH WARRANTS IS IRREVOCABLE.

No receipt or acknowledgement will be given for any submissions sent by post, deposited into boxes located at CDP's premises or submitted by hand at CDP's counters. You can check the status of your acceptance of the provisional allotments of Notes with Warrants and (if applicable) your application for excess Notes with Warrants through the CDP Automated Phone Services Hotline number (65) 6535-7511 using your T-Pin.

CDP Phone User Guide

1. Dial (65) 6535-7511

2. Press '1' for English; Press '2' for Mandarin

3 Press '3' for 'Corporate Actions Announcement and Transactions'

4 Press '2' for your rights application status

5 Enter your 12 digit CDP securities account number

6 Enter your 6 digit telephone pin

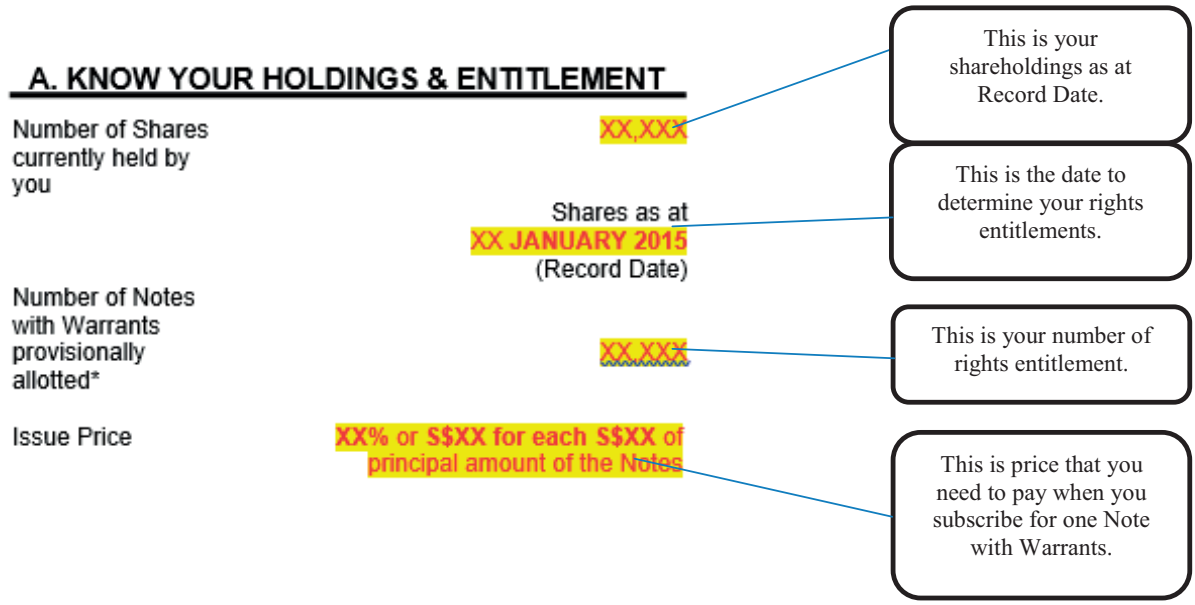
All communications, notices, documents and remittances to be delivered or sent to you will be sent by **ORDINARY POST** to your mailing address in Singapore as maintained in the records of CDP, and **AT YOUR OWN RISK**.

5.7 **Personal Data Privacy**

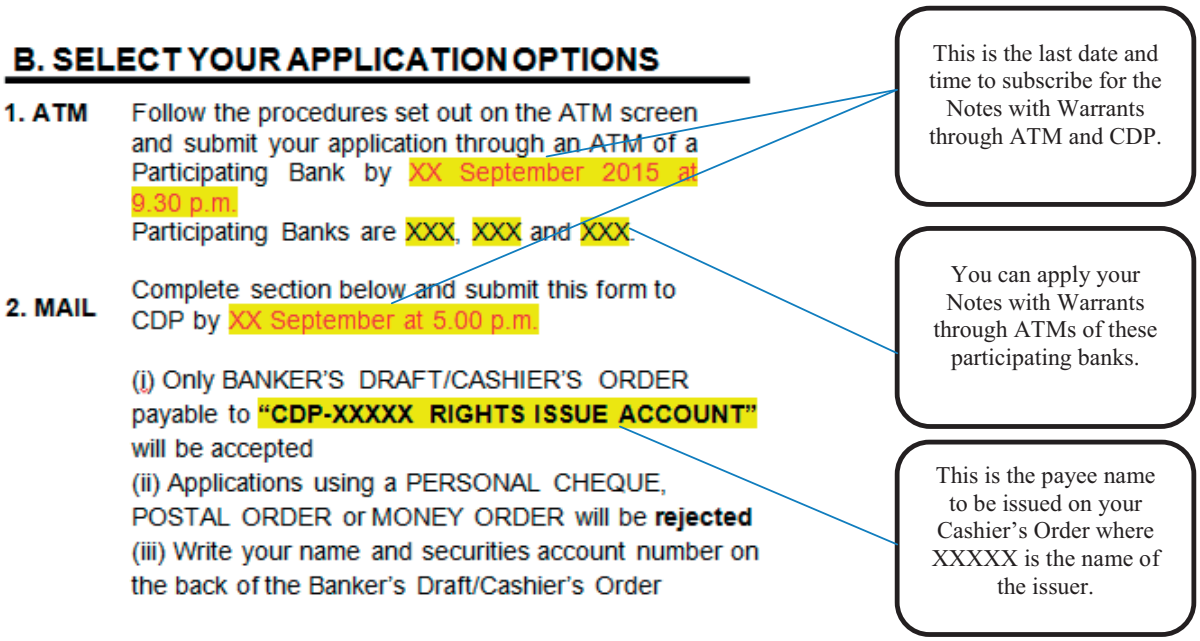
By completing and delivering an ARE and in the case of an Electronic Application through an ATM of the Participating Bank, by pressing the "Enter" or "OK" or "Confirm" or "Yes" key on the ATM, an Entitled Depositor (i) consents to the collection, use and disclosure of his personal data by the Participating Bank, the Share Transfer Agent, Securities Clearing and Computer Services (Pte) Limited, CDP, the SGX-ST, the Company and the Lead Manager (the "**Relevant Persons**") for the purpose of facilitating his application for the Notes with Warrants, and in order for the Relevant Persons to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where he discloses the personal data of another person, such disclosure is in compliance with applicable law, and (iii) agrees that he will indemnify the Relevant Persons in respect of any penalties, liabilities, claims, demands, losses and damages as a result of his breach of warranty.

PROCEDURE TO COMPLETE THE ARE

1. Know your holdings and entitlement

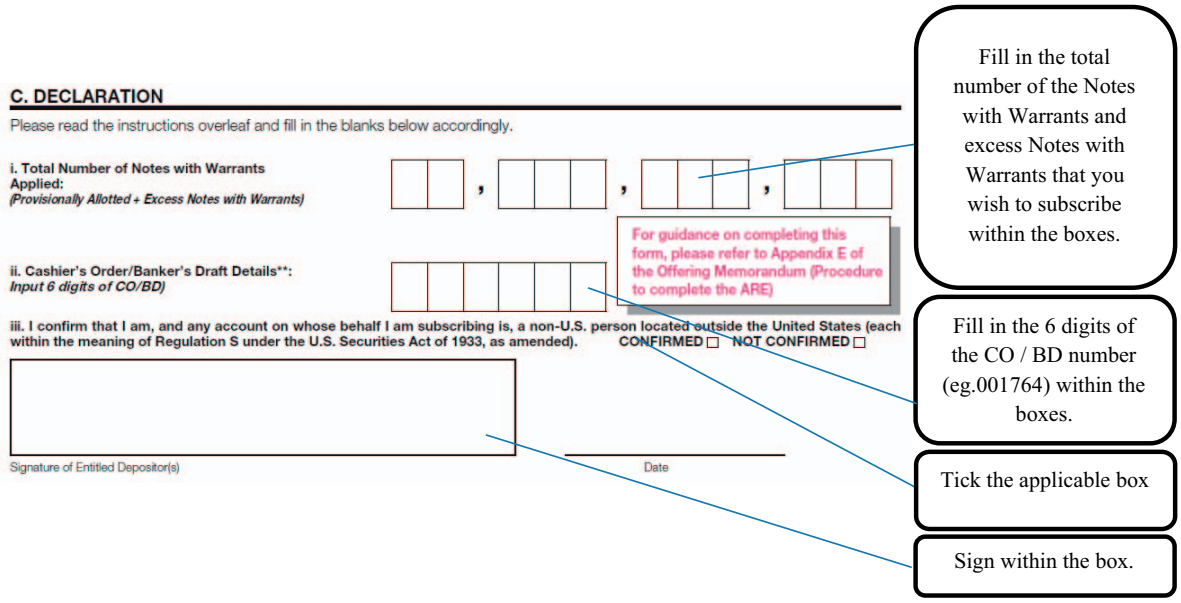


2. Select your application options



Note: Please refer to the ARE for the actual holdings, entitlements, Record Date, Issue Price, Closing Date for subscription, list of participating ATM banks and payee name on the Cashier's Order.

3. Declaration



Note:

(i) If the total number of Notes with Warrants applied exceeds the provisional allotted holdings in your Securities Account as at Closing Date, the remaining application will be put under excess and subjected to the excess allocation basis.

(ii) The total number of Notes with Warrants applied will be based on cash amount stated in your Cashier's Order/Banker's Draft. The total number of Notes with Warrants will be appropriated accordingly if the applied quantity exceeds this amount.

(iii) Please note to submit one Cashier's Order per application form.

4. Sample of a Casher's Order



APPENDIX F — ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATIONS THROUGH AN ATM OF THE PARTICIPATING BANK

The procedures for Electronic Applications are set out on the ATM screens of the Participating Bank ("**Steps in respect of the Preferential Offering**"). Please read carefully the terms and conditions contained in this Offering Memorandum, the Steps in respect of the Preferential Offering and the terms and conditions for Electronic Applications set out below before making an Electronic Application. Any Electronic Application which does not strictly conform to the instructions set out on the screens of the ATM through which the Electronic Application is made will be rejected.

Any reference to the "**Applicant**" in the terms and conditions for Electronic Applications and the Steps in respect of the Preferential Offering shall mean the Entitled Depositor who accepts provisional allotments of the Notes with Warrants and (if applicable) applies for excess Notes with Warrants through an ATM of the Participating Bank. An Applicant must have an existing bank account with, and be an ATM cardholder of, the Participating Bank before he can make an Electronic Application. The actions that the Applicant must take at ATMs of the Participating Bank are set out on the ATM screens of the Participating Bank. Upon the completion of his Electronic Application transaction, the Applicant will receive an ATM transaction slip ("**Preferential Offering Transaction Record**"), confirming the details of his Electronic Application. The Preferential Offering Transaction Record is for retention by the Applicant and should not be submitted with any ARE.

An Applicant, including one who has a joint bank account with the Participating Bank, must ensure that he enters his own Securities Account number when using the ATM card issued to him in his own name. Using his own Securities Account number with an ATM card which is not issued to him in his own name will render his acceptance or (as the case may be) application for excess Notes with Warrants liable to be rejected.

For investors who hold Shares through finance companies or Depository Agents, acceptances of the Notes with Warrants and (if applicable) applications for excess Notes with Warrants must be done through the respective finance companies or Depository Agents. Such investors are advised to provide their respective finance companies or Depository Agents, as the case may be, with the appropriate instructions no later than the deadlines set by them in order for such intermediaries to make the relevant acceptance and (if applicable) application on their behalf by the Closing Date. Any acceptance and/or application made directly through CDP, Electronic Applications through ATMs of the Participating Bank, the Share Transfer Agent and/or the Company will be rejected.

For SRS investors, acceptances of the Notes with Warrants and (if applicable) applications for excess Notes with Warrants must be done through the relevant approved banks in which they hold their SRS Accounts. Such investors are advised to provide their respective approved banks in which they hold their SRS Accounts, with the appropriate instructions no later than the deadlines set by them in order for such intermediaries to make the relevant acceptance and (if applicable) application on their behalf by the Closing Date. Any acceptance and/or application by such investors made directly through CDP, Electronic Applications through ATMs of the Participating Bank, the Share Transfer Agent and/or the Company will be rejected.

The Electronic Application shall be made in accordance with, and subject to, the terms and conditions contained in this Offering Memorandum including, but not limited to, the terms and conditions appearing below:

1. In connection with his Electronic Application, the Applicant is required to confirm statements to the following effect in the course of activating the ATM for his Electronic Application:

   (a) **that he has received a copy of this Offering Memorandum and has read, understood and agreed to all the terms and conditions of acceptance of his provisional allotments of Notes with Warrants and (as the case may be) application for excess Notes with Warrants under the Preferential Offering and this Offering Memorandum prior to effecting the Electronic Application and agrees to be bound by the same; and**

   (b) **that he authorises CDP to give, provide, divulge, disclose or reveal any information pertaining to his Securities Account maintained in CDP's records, including without limitation, his name(s), his NRIC number(s) or passport number(s), Securities Account number, address(es), the number of Shares standing to the credit of his Securities Account(s), the number of Notes with Warrants provisionally allotted to him, his acceptance of his provisional allotments of Notes with Warrants and (if applicable) application for excess Notes with Warrants and any other information to the Company, the Lead Manager and any other relevant parties as CDP may deem fit for the purpose of the Preferential Offering and his acceptance of his provisional allotments of Notes with Warrants and (if applicable) application for excess Notes with Warrants.**

   His application will not be successfully completed and cannot be recorded as a completed transaction in the ATM unless he presses the "**Enter**" or "**OK**" or "**Confirm**" or "**Yes**" key. By doing so, the Applicant shall be treated as signifying his confirmation of each of the two statements above. In addition, his confirmation, by pressing the "**Enter**" or "**OK**" or "**Confirm**" or "**Yes**" key, shall signify and shall be treated as his written permission, given in accordance with the relevant laws of Singapore including Section 47(2) and the Third Schedule of the Banking Act, Chapter 19 of Singapore, to the disclosure of his name, NRIC number or passport number, address, nationality, Securities Account number and application details from his account with the Participating Bank to the Share Transfer Agent, Securities Clearing Computer Services (Pte) Ltd, CDP, the SGX-ST, the Company and the Lead Manager (the "**Relevant Parties**").

2. An Applicant may make an Electronic Application using cash only by authorising the Participating Bank to deduct the full amount payable from his bank account with the Participating Bank.

3. The Applicant irrevocably agrees and undertakes to subscribe for and to accept up to the aggregate of the number of Notes with Warrants provisionally allotted and excess Notes with Warrants applied for as stated on the Preferential Offering Transaction Record or the number of Notes with Warrants standing to the credit of the "Free Balance" of his Securities Account as at the Closing Date. In the event that the Company decides to allot any lesser number of excess Notes with Warrants or not to allot any number of excess Notes with Warrants to the Applicant, the Applicant agrees to accept the decision as conclusive and binding.

4. If the Applicant's Electronic Application is successful, his confirmation (by his action of pressing the "**Enter**" or "**OK**" or "**Confirm**" or "**Yes**" key on the ATM) of the number of Notes with Warrants accepted and (if applicable) excess Notes with Warrants applied for shall signify and shall be treated as his acceptance of the number of Notes with Warrants accepted and/or excess Notes with Warrants applied for that may be allotted to him.

5. In the event that the Applicant accepts his provisional allotments of Notes with Warrants both by way of the ARE and/or by way of Electronic Application(s) for Notes with Warrants, the Company and/or CDP shall be authorised and entitled to accept his instructions in whichever

mode or combination as the Company and/or CDP may, in their/its absolute discretion, deem fit. In determining the number of Notes with Warrants which the Applicant has validly given instructions to accept, the Applicant shall be deemed to have irrevocably given instructions to accept the lesser of the number of Notes with Warrants represented by the provisional allotments of Notes with Warrants standing to the credit of the "Free Balance" of his Securities Account as at the Closing Date and the aggregate number of Notes with Warrants which have been accepted by the Applicant by way of the ARE and by Electronic Application. The Company and/or CDP, in determining the number of Notes with Warrants which the Applicant has given valid instructions to accept, shall be authorised and entitled to have regard to the aggregate amount of payment received for the acceptance of Notes with Warrants, whether by way of Cashier's Order or Banker's Draft in Singapore currency drawn on a bank in Singapore accompanying the ARE (as the case may be), or by way of acceptance through Electronic Application, which the Applicant has authorised or deemed to have authorised to be applied towards the payment in respect of the Applicant's acceptance.

6. If applicable, in the event that the Applicant applies for excess Notes with Warrants both by way of the ARE and/or by way of Electronic Application(s), the Company and/or CDP shall be authorised and entitled to accept his instructions in whichever mode or combination as the Company and/or CDP may, in their/its absolute discretion, deem fit. In determining the number of excess Notes with Warrants which the Applicant has given valid instructions for the application of, the Applicant shall be deemed to have irrevocably given instructions to apply for and agreed to accept such number of excess Notes with Warrants not exceeding the aggregate number of excess Notes with Warrants for which he has applied by way of the ARE and by Electronic Application. The Company and/or CDP, in determining the number of excess Notes with Warrants which the Applicant has given valid instructions for the application of, shall be authorised and entitled to have regard to the aggregate amount of payment received for the application of the excess Notes with Warrants, whether by way of Cashier's Order or Banker's Draft in Singapore currency drawn on a bank in Singapore accompanying the ARE, or by way of application through Electronic Application, which the Applicant has authorised or deemed to have authorised to be applied towards the payment in respect of the Applicant's application.

7. The Applicant irrevocably requests and authorises the Company to:

   (a) register or to procure the registration of the Notes with Warrants and (if applicable) the excess Notes with Warrants allotted to the Applicant in the name of CDP for deposit into his Securities Account;

   (b) return or refund (without interest or any share of revenue or other benefit arising therefrom) the acceptance/application monies, should his Electronic Application in respect of the Notes with Warrants not be accepted and/or excess Notes with Warrants applied for not be accepted by the Company for any reason, by automatically crediting the Applicant's bank account with the Participating Bank with the relevant amount within three business days after the commencement of trading of the Notes and the Warrants; and

   (c) return or refund (without interest or any share of revenue or other benefit arising therefrom) the balance of the application monies, should his Electronic Application for excess Notes with Warrants be accepted in part only, by automatically crediting the Applicant's bank account with the Participating Bank with the relevant amount within three business days after the commencement of trading of the Notes and the Warrants.

8. **BY MAKING AN ELECTRONIC APPLICATION, THE APPLICANT CONFIRMS THAT HE IS NOT ACCEPTING/APPLYING FOR THE NOTES WITH WARRANTS AS A NOMINEE OF ANY OTHER PERSON.**

9. The Applicant irrevocably agrees and acknowledges that his Electronic Application is subject to risks of electrical, electronic, technical and computer-related faults and breakdowns, fires, acts

of God, mistakes, losses and theft (in each case whether or not within the control of the Company, CDP, the Lead Manager, the Share Transfer Agent and/or the Participating Bank) and any other events whatsoever beyond the control of the Company, CDP, the Lead Manager, the Share Transfer Agent and/or the Participating Bank, and if, in any such event, the Company, CDP, the Lead Manager, the Share Transfer Agent and/or the Participating Bank do not record or receive the Applicant's Electronic Application by **9.30 p.m. on 16 January 2017 (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company)**, or such data or tape containing such data is lost, corrupted, destroyed or not otherwise accessible, whether wholly or partially for whatever reason, the Applicant shall be deemed not to have made an Electronic Application and the Applicant shall have no claim whatsoever against the Company, CDP, the Lead Manager, the Share Transfer Agent and/or the Participating Bank in respect of any purported acceptance of any Notes with Warrants and (if applicable) any application for excess Notes with Warrants therefor, or for any compensation, loss or damages in connection therewith or in relation thereto.

10. **Electronic Applications may only be made through ATMs of the Participating Bank from Mondays to Saturdays between 7.00 a.m. to 9.30 p.m., excluding public holidays.**

11. **Electronic Applications shall close at 9.30 p.m. on 16 January 2017 (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).**

12. All particulars of the Applicant in the records of the Participating Bank at the time he makes his Electronic Application shall be deemed to be true and correct and the Participating Bank and the Relevant Parties shall be entitled to rely on the accuracy thereof. If there has been any change in the particulars of the Applicant after the time of the making of his Electronic Application, the Applicant shall promptly notify the Participating Bank.

13. The Applicant must have sufficient funds in his bank account(s) with the Participating Bank at the time he makes his Electronic Application, failing which his Electronic Application will not be completed. Any Electronic Application which does not strictly conform to the instructions set out on the ATM screens of the Participating Bank will be rejected.

14. Where an Electronic Application is not accepted, it is expected that the full amount of the acceptance/application monies will be returned or refunded in Singapore dollars (without interest or any share of revenue or other benefit arising therefrom) to the Applicant by being automatically credited to the Applicant's bank account with the Participating Bank within three business days following the commencement of trading of the Notes and the Warrants. An Electronic Application may also be accepted in part, in which case the balance amount of acceptance/application monies will be returned or refunded on the same terms.

15. In consideration of the Company arranging for the Electronic Application facility through the ATMs of the Participating Bank and agreeing to close the Preferential Offering at **9.30 p.m. on 16 January 2017 (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company)**, and by making and completing an Electronic Application, the Applicant agrees that:

    (a) his Electronic Application is irrevocable;

    (b) his Electronic Application, the acceptance by the Company and the contract resulting therefrom shall be governed by and construed in accordance with the laws of Singapore and he irrevocably submits to the exclusive jurisdiction of the Singapore courts;

    (c) none of the Company, CDP, the Lead Manager, the Share Transfer Agent or the Participating Bank shall be liable for any delays, failures or inaccuracies in the recording, storage or in

the transmission or delivery of data relating to his Electronic Application to the Company or CDP due to a breakdown or failure of transmission, delivery or communication facilities or any risks referred to in paragraph 9 above or to any cause beyond their respective control;

(d) he will not be entitled to exercise any remedy of rescission for misrepresentation at any time after his acceptance of the provisional allotments of Notes with Warrants and (if applicable) his application for excess Notes with Warrants;

(e) in respect of the Notes with Warrants for which his Electronic Application has been successfully completed and not rejected, acceptance of the Applicant's Electronic Application shall be constituted by written notification by or on behalf of the Company and not otherwise, notwithstanding any payment received by or on behalf of the Company; and

(f) unless expressly provided to the contrary in this Offering Memorandum and/or the Electronic Application, a person who is not a party to any contracts made pursuant to this Offering Memorandum and/or the Electronic Application has no rights under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore, to enforce any term of such contracts. Notwithstanding any term contained herein, the consent of any third party is not required for any subsequent agreement by the parties thereto to amend or vary (including any release or compromise of any liability) or terminate such contracts. Where third parties are conferred rights under such contracts, those rights are not assignable or transferable.

16. The Applicant should ensure that his personal particulars as recorded with both CDP and the Participating Bank are correct and identical; otherwise, his Electronic Application may be liable to be rejected. The Applicant should promptly inform CDP of any change in his address, failing which the notification letter on successful allotment and other correspondence will be sent to his address last registered with CDP.

17. The existence of a trust will not be recognised. Any Electronic Application by an Applicant must be made in his own name and without qualification. The Company will reject any application by any person acting as nominee.

18. In the event that the Applicant accepts the provisional allotments of the Notes with Warrants and/or (if applicable) applies for excess Notes with Warrants, as the case may be, by way of the ARE and/or by way of Electronic Application, the provisional allotments of Notes with Warrants and (if applicable) excess Notes with Warrants will be allotted in such manner as the Company and/or CDP may, in their/its absolute discretion, deem fit and the surplus acceptance and (if applicable) application monies, as the case may be, will be returned or refunded, without interest or any share of revenue or other benefit arising therefrom, within three business days following the commencement of trading of the Notes and the Warrants by any one or a combination of the following:

(a) by means of a crossed cheque drawn on a bank in Singapore and sent **by ordinary post AT HIS OWN RISK** to his mailing address as recorded with CDP or in such other manner as he may have agreed with CDP for the payment of any cash distributions if he accepts and (if applicable) applies through CDP; or

(b) by crediting the Applicant's bank account with the Participating Bank **AT HIS OWN RISK** if he accepts and (if applicable) applies through an ATM of the Participating Bank, the receipt by such bank being a good discharge to the Company and CDP for their obligations, if any, thereunder.

19. The Applicant hereby acknowledges that, in determining the total number of Notes with Warrants represented by the provisional allotments of Notes with Warrants which he can validly accept, the Company and/or CDP are entitled, and the Applicant hereby authorises the Company and/or CDP, to take into consideration:

    (a) the total number of Notes with Warrants represented by the provisional allotments of Notes with Warrants which the Applicant has validly accepted, whether under the ARE, and/or any other form of acceptance (including Electronic Application) for Notes with Warrants and/or excess Notes with Warrants;

    (b) the total number of Notes with Warrants represented by the provisional allotments of Notes with Warrants standing to the credit of the "**Free Balance**" of the Applicant's Securities Account which is available for acceptance; and

    (c) the total number of Notes with Warrants represented by the provisional allotments of Notes with Warrants which has been disposed of by the Applicant.

20. The Applicant hereby acknowledges that the Company's and/or CDP's determination shall be conclusive and binding on him. The Applicant irrevocably requests and authorises CDP to accept instructions from the Participating Bank through whom the Electronic Application is made in respect of the provisional allotments of the Notes with Warrants accepted by the Applicant and (if applicable) the excess Notes with Warrants which the Applicant has applied for.

21. Where an acceptance, application and/or payment does not conform strictly to the instructions set out in this Offering Memorandum, the ARE, the PAL and/or any other application form for Notes with Warrants and/or excess Notes with Warrants, or is illegible, incomplete, incorrectly completed, unsigned or signed but not in its originality or is accompanied by an improperly or insufficiently drawn remittance or does not comply with the instructions for Electronic Application, or where the "Free Balance" of the Applicant's Securities Account is not credited with or is credited with less than the relevant number of Notes with Warrants accepted and (if applicable) excess Notes with Warrants applied for as at the last date and time for acceptance of and payment for the Notes with Warrants and applications and payment for excess Notes with Warrants, the Company and/or CDP may, at their/its absolute discretion, reject or treat as invalid any such acceptance, application, payment and/or other process of remittance at any time after receipt in such manner as they/it may deem fit.

22. The Company and/or CDP shall be entitled to process each application submitted for the acceptance of the provisional allotments of Notes with Warrants and (if applicable) application of excess Notes with Warrants and the payment received in relation thereto, pursuant to such application, by an Applicant, on its own, without regard to any other application and payment that may be submitted by the same Applicant. For the avoidance of doubt, insufficient payment for an application may render the application invalid. Evidence of payment (or overpayment) in other applications shall not constitute, or be construed as, an affirmation of such invalid application submitted for the acceptance of the provisional allotments of Notes with Warrants and (if applicable) application for excess Notes with Warrants.

APPENDIX G — PROCEDURES FOR APPLICATION, APPLICATIONS FOR EXCESS NOTES WITH WARRANTS AND PAYMENT BY ENTITLED SCRIPHOLDERS

1. INTRODUCTION

1.1 Entitled Scripholders are entitled to receive this Offering Memorandum with the following documents which are enclosed with, and are deemed to constitute a part of, this Offering Memorandum:

PAL incorporating:

Form of Acceptance	Form A
Excess Notes with Warrants Application Form	Form B

1.2 The provisional allotments of Notes with Warrants and application for excess Notes with Warrants are governed by the terms and conditions contained in this Offering Memorandum, the PAL and (if applicable) the Articles of Association. The number of Notes with Warrants provisionally allotted to each Entitled Scripholder is indicated in the PAL (fractional entitlements, if any, to be disregarded). Entitled Scripholders may accept their provisional allotments of Notes with Warrants, in full or in part, and are eligible to apply for Notes with Warrants in excess of their entitlements under the Preferential Offering.

1.3 Full instructions for the acceptance of and payment for the Notes with Warrants provisionally allotted to Entitled Scripholders are set out in the PAL.

THE FULL AMOUNT PAYABLE FOR THE RELEVANT NUMBER OF NOTES WITH WARRANTS ACCEPTED/ APPLIED FOR WILL BE ROUNDED UP TO THE NEAREST WHOLE CENT, IF APPLICABLE.

1.4 Where an acceptance, application and/or payment does not conform strictly to the instructions set out in this Offering Memorandum, the ARE, the PAL and/or any other application form for Notes with Warrants and/or excess Notes with Warrants, or is illegible, incomplete, incorrectly completed, unsigned or signed but not in its originality or is accompanied by an improperly or insufficiently drawn remittance, the Company and/or the Share Transfer Agent may, at their/its absolute discretion, reject or treat as invalid any such acceptance, application, payment and/or other process of remittance at any time after receipt in such manner as they/it may deem fit.

1.5 The Company and/or the Share Transfer Agent shall be entitled to process each application submitted for the acceptance of the provisional allotments of Notes with Warrants and (if applicable) application for excess Notes with Warrants and the payment received in relation thereto, pursuant to such application by an Entitled Scripholder, on its own, without regard to any other application and payment that may be submitted by the same Entitled Scripholder. For the avoidance of doubt, insufficient payment for an application may render the application invalid. Evidence of payment (or overpayment) in other applications shall not constitute, or be construed as, an affirmation of such invalid application submitted for the acceptance of the provisional allotments of Notes with Warrants and (if applicable) application for excess Notes with Warrants.

1.6 The Company reserves the right to proceed with the Preferential Offering notwithstanding a default by the Lead Manager in the performance of its obligations under the Management Agreement.

1.7 **ENTITLED SCRIPHOLDERS SHOULD NOTE THAT THE PROVISIONAL ALLOTMENTS OF NOTES WITH WARRANTS ARE NOT DETACHABLE FROM EACH OTHER.**

1.8 Unless expressly provided to the contrary in this Offering Memorandum and/or the PAL, a person who is not a party to any contracts made pursuant to this Offering Memorandum and/or the PAL has no rights under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore, to enforce any term of such contracts. Notwithstanding any term contained herein, the consent of any third party is not required for any subsequent agreement by the parties thereto to amend or vary (including any release or compromise of any liability) or terminate such contracts. Where third parties are conferred rights under such contracts, those rights are not assignable or transferable.

2. FORM OF ACCEPTANCE (FORM A)

2.1 An Entitled Scripholder who wishes to accept his entire provisional allotments of Notes with Warrants or to accept any part of it and decline the balance should:

(a) complete and sign the Form of Acceptance (Form A) for the number of Notes with Warrants which he wishes to accept; and

(b) return the PAL in its entirety, duly completed and signed, together with a single remittance for the full amount due and payable on acceptance by post at his own risk in the enclosed self-addressed envelope provided, to **KRISENERGY LTD. C/O THE SHARE TRANSFER AGENT, M & C SERVICES PRIVATE LIMITED, 112 ROBINSON ROAD #05-01, SINGAPORE 068902**, so as to reach the Share Transfer Agent not later than **5.00 p.m. on 16 January 2017 (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company)**.

2.2 **Insufficient Payment**

The attention of the Entitled Scripholder is also drawn to paragraph 2.3 of this Appendix entitled "*Appropriation*" which sets out the circumstances and manner in which the Company and/or the Share Transfer Agent shall be entitled to determine the number of Notes with Warrants which the Entitled Scripholder has given instructions to accept.

2.3 **Appropriation**

An Entitled Scripholder should note that by accepting his provisional allotments of Notes with Warrants, he acknowledges that, the Company and/or the Share Transfer Agent, in determining the number of Notes with Warrants which the Entitled Scripholder has given instructions to accept, shall be authorised and entitled to have regard to the aggregate amount of payment received for the acceptance of Notes with Warrants, whether by way of Cashier's Order or Banker's Draft in Singapore currency drawn on a bank in Singapore.

3. PAYMENT

3.1 Payment in relation to the PALs for the Preferential Offering must be made in Singapore currency in the form of a Cashier's Order or Banker's Draft drawn on a bank in Singapore and made payable to "**KRISENERGY PREF OFFERING ACCOUNT**" and crossed "**NOT NEGOTIABLE, A/C PAYEE ONLY**" with the name and address of the Entitled Scripholder or acceptor clearly written in block letters on the reverse side of the Cashier's Order or Banker's Draft. **NO OTHER FORM OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED**. The completed PAL and remittance should be forwarded, by post **AT THE SENDER'S OWN RISK**, in the enclosed self-addressed envelope provided, to **KRISENERGY LTD. C/O THE SHARE TRANSFER AGENT, M & C SERVICES PRIVATE LIMITED, 112 ROBINSON ROAD #05-01, SINGAPORE 068902**, so as to reach the Share Transfer Agent not later than **5.00 p.m. on 16 January 2017 (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company)**.

3.2 If acceptance and (if applicable) applications for excess Notes with Warrants and payment in the prescribed manner as set out in this Offering Memorandum and the PAL are not received by **5.00 p.m. on 16 January 2017** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company), the provisional allotments of Notes with Warrants will be deemed to have been declined and will forthwith lapse and become void and cease to be capable of acceptance, and such provisional allotments of Notes with Warrants not so accepted will be used to satisfy applications for excess Notes with Warrants, if any, or disposed of or dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company. The Company will return or refund all unsuccessful acceptance and (if applicable) application monies received in connection therewith by ordinary post **AT THE RISK OF THE ENTITLED SCRIPHOLDERS**, without interest or any share of revenue or other benefit arising therefrom, within three business days following the commencement of trading of the Notes and the Warrants.

4. EXCESS NOTES WITH WARRANTS APPLICATION FORM (FORM B)

4.1 Entitled Scripholders who wish to apply for excess Notes with Warrants in addition to those which have been provisionally allotted to them may do so by completing the Excess Notes with Warrants Application Form (Form B) and forwarding it together with the PAL and a **SEPARATE REMITTANCE** for the full amount payable in respect of the excess Notes with Warrants applied for in the form and manner set out in paragraph 3.1 above, by post **AT THEIR OWN RISK**, in the enclosed self-addressed envelope provided, to **KRISENERGY LTD. C/O THE SHARE TRANSFER AGENT, M & C SERVICES PRIVATE LIMITED, 112 ROBINSON ROAD #05-01, SINGAPORE 068902**, so as to reach the Share Transfer Agent not later than **5.00 p.m. on 16 January 2017** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company). **NO OTHER FORM OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, A POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED**.

4.2 The excess Notes with Warrants available for application are subject to the terms and conditions contained in the PAL, Form B, this Offering Memorandum and (if applicable) the Articles of Association. Applications for excess Notes with Warrants will, at the Directors' absolute discretion, be satisfied from such Notes with Warrants as are not validly taken up by the Entitled Shareholders, together with the aggregated fractional entitlements to the Notes with Warrants and any Notes with Warrants that are otherwise not allotted for whatever reason in accordance with the terms and conditions contained in the PAL, Form B, this Offering Memorandum and (if applicable) the Articles of Association. In the event that applications are received by the Company for more excess Notes with Warrants than are available, the excess Notes with Warrants available will be allotted in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company. In the allotment of excess Notes with Warrants, preference will be given to the rounding of odd lots and Directors and Substantial Shareholders who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Preferential Offering, or have representation (direct or through a nominee) on the Board will rank last in priority for the rounding of odd lots and the allotment of excess Notes with Warrants. The Company reserves the right to reject, in whole or in part, any application for excess Notes with Warrants without assigning any reason whatsoever.

4.3 If no excess Notes with Warrants are allotted to an Entitled Scripholder, his remittance submitted on application for excess Notes with Warrants will be returned or refunded to him. If the number of excess Notes with Warrants allotted to an Entitled Scripholder is less than that applied for, the surplus application monies will be refunded to him. These amounts will be returned or refunded, without interest or any share of revenue or other benefit arising therefrom, within three business days following the commencement of trading of the Notes and the Warrants. In determining the amount of surplus application monies to be refunded, the aggregate amount payable for the excess Notes with Warrants allotted to an Entitled Scripholder will be rounded upwards to the nearest whole cent. All monies and documents to be sent to the Entitled Scripholder shall be sent by ordinary post and **AT HIS OWN RISK**.

5. PERSONAL DATA PRIVACY

By completing and delivering the PAL, an Entitled Scripholder (i) consents to the collection, use and disclosure of his personal data by the Relevant Persons for the Purposes, (ii) warrants that where he discloses the personal data of another person, such disclosure is in compliance with applicable law, and (iii) agrees that he will indemnify the Relevant Persons in respect of any penalties, liabilities, claims, demands, losses and damages as a result of his breach of warranty.

6. GENERAL

6.1 No acknowledgement or receipt will be issued for any acceptance, remittance, application or payment received.

6.2 **Entitled Scripholders who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor, accountant or other professional adviser.**

6.3 Upon listing and quotation on the Main Board of the SGX-ST, any trading of the Notes and the Warrants on the SGX-ST will be via the book-entry (scripless) settlement system. All dealings in, and transactions (including transfers) of, the Notes and/or the Warrants effected through the SGX-ST and/or CDP shall be in accordance with CDP's "*Terms and Conditions for Operation of Securities Accounts with The Central Depository (Pte) Limited*" and "*Terms And Conditions for The Central Depository (Pte) Limited to Act as Depository for The Notes with Warrants*" as the same may be amended from time to time, copies of which are available from CDP.

6.4 The Notes will be represented by the Global Certificate registered in the name of, and deposited with, CDP and, except in the limited circumstances described in the provisions of the Global Certificate, owners of interests in Notes represented by the Global Certificate will not be entitled to receive definitive certificates in respect of their individual holdings of Notes. **Accordingly, Entitled Scripholders who wish to accept their provisional allotments of Notes with Warrants and (if applicable) apply for excess Notes with Warrants must open Securities Accounts if they have not already done so, and provide their Securities Account numbers in the forms comprised in their PALs. Entitled Scripholders who fail to provide their Securities Account numbers in the forms comprised in their PALs or who have given incorrect or invalid Securities Account numbers or whose Securities Account numbers provided are not otherwise accepted by CDP for the credit of the Notes with Warrants that may be allotted to them or whose particulars as provided in the forms comprised in the PALs differ from those particulars currently maintained with CDP or those particulars given to CDP for the opening of their Securities Accounts will have their acceptances of their provisional allotments of Notes with Warrants and (if applicable) applications for excess Notes with Warrants rejected.**

6.5 If the Entitled Scripholders' addresses stated in the PALs for the Preferential Offering are different from their addresses maintained in the records of CDP, they must inform CDP of their updated addresses promptly, failing which the notification letters on successful allotments will be sent to their addresses last registered with CDP.

6.6 A holder of physical Share certificate(s), or an Entitled Scripholder who has not deposited his Share certificate(s) with CDP but who wishes to trade on the SGX-ST, must deposit with CDP his Share certificate(s), together with the duly executed instrument(s) of transfer in favour of CDP, and payment of S$10.00 plus goods and services tax at the prevailing rate, and have his Securities Account credited with the number of Notes with Warrants before he can effect the desired trade.

6.7 **THE LAST DATE AND TIME FOR ACCEPTANCES OF AND PAYMENT FOR NOTES WITH WARRANTS AND (IF APPLICABLE) APPLICATIONS AND PAYMENT FOR EXCESS NOTES WITH WARRANTS IS 5.00 P.M. ON 16 JANUARY 2017 (OR SUCH OTHER TIME(S) AND/OR DATE(S) AS MAY BE ANNOUNCED FROM TIME TO TIME BY OR ON BEHALF OF THE COMPANY).**

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