



Loyz Energy stays profitable in 2QFY15, backed by producing Thai assets

- ◆ PATMI of US\$0.2m and revenue of US\$5.7m mainly from its share of Thai crude production which jumped to 88,485 barrels
- ◆ December 2014 production of 6,000 bopd from entire Thai concession exceeds initial target of 5,000 bopd; Group expects to drill 14 wells in 2015
- ◆ Remain focused on adding strategic producing assets in Southeast Asia to concession portfolio to expand recurrent income stream

SINGAPORE ◆ 9 February 2015

For immediate release

Loyz Energy Limited (Loyz Energy or the Group), a fast-growing Singapore-based upstream energy group, has reported another profitable quarter for the three months ended 31 December 2014 (2QFY15). Underpinned by the Group's 20%-owned producing Thai assets, Loyz Energy's net attributable profit (PATMI) came to US\$0.2 million on the back of a revenue of US\$5.7 million.

Although the PATMI in 2QFY15 was lower than 2QFY14's US\$1.2 million, the latter was shored up by the waiver of a US\$4.7 million loan repayment from a non-controlling interest. The Group's EDITDAX (earnings before interest, taxation, depreciation, amortisation and exploratory expenses) of US\$3.4 million in 2QFY15 was a turnaround from a loss of US\$2.1 million in 2QFY14 as the net working production interest from its Thai concessions rose to 88,485 barrels in 2QFY15 from 238 barrels in 2QFY14.

Mr Adrian Lee (黎才庆), the Group's Managing Director, commented: "This is our third consecutive profitable quarter, drawn from our producing Thai concessions where low operating costs have kept them profitable even at current oil prices. Since our investment in March 2014, these concessions have contributed steadily to our cashflow as well as profits, and production level has also exceeded our initial expectations."



Production at these Thai assets increased from 4,300 barrels of crude oil per day (bopd) in August 2014 to 4,700 bopd in October 2014 and then to 6,000 bopd in December 2014, exceeding its initial 5,000-barrel target per day.

With this promising start, Loyz Energy and its Thai consortium partners plan to utilise cashflows from the current production to aggressively step up the drilling programme. The new target to drill 14 more wells over the next 12 months is expected to commence in April 2015.

Commenting on the outlook, Mr Lee said: “While crude oil prices have weakened significantly, we believe the industry will always find a point of equilibrium for oil exploration and production to continue. As of now, there is no alternative as versatile and convenient as crude oil. The Group remain focused on expanding our portfolio of producing assets, and the current environment could provide the opportunities.”

ABOUT THE COMPANY

SGX SESDAQ (Catalist) listing: December 1999

Home-grown Loyz Energy Limited (Loyz Energy or the Group) is fast establishing itself as an independent exploration and production (E&P) energy company in the Asia-Pacific.

Loyz Energy is working to build a balanced portfolio of prime, producing oil and gas concessions, which will generate a steady earnings stream to gird up its balance sheet, as well as exploration assets that will drive long-term growth. In addition, Loyz will seek drilling partnerships to reduce risks at the exploration and development stages.

The Group has begun to acquire producing assets. In March 2014, it purchased a 20% stake in three producing concessions in Thailand. It intends to selectively add more such assets, as the ensuing cashflows will enable Loyz Energy to step up the pace of development at its concessions in the Asia-Pacific.

Within its balanced portfolio, Loyz Energy, through wholly owned Loyz Oil Pte Ltd, also owns two petroleum exploration permits (PEPs) – one for New Zealand’s Taranaki Basin and the other for an area off the coast of Victoria in Australia – and a petroleum service contract for Area 14 in the East Palawan Basin, off the Philippines.



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