

## LOYZ ENERGY LIMITED

(Incorporated in the Republic of Singapore)  
(Company Registration No. 199905693M)

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### PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS CUM WARRANTS ISSUE OF UP TO 1,950,009,035 NEW ORDINARY SHARES IN THE CAPITAL OF LOYZ ENERGY LIMITED WITH UP TO 487,502,258 FREE DETACHABLE AND TRANSFERABLE WARRANTS

#### - IRREVOCABLE UNDERTAKINGS

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*Unless otherwise defined, all capitalized terms used in this announcement shall bear the meaning as ascribed to them in the circular dated 12 October 2017 issued by Loyz Energy Limited (the “**Company**”) to its shareholders in relation to, among others, the Proposed Rights cum Warrants Issue (the “**Circular**”).*

#### 1. BACKGROUND

Reference is made to Section 5.1 of the Circular whereby the Company informed that, as at the date of the Circular, it was engaging in discussions with certain Shareholders to secure irrevocable undertakings from them to subscribe for and pay in full for their respective pro-rata entitlements for the Rights Shares, and to subscribe for Excess Rights Shares pursuant to the Proposed Rights cum Warrants Issue (the “**Potential Undertakings**”). Subject to all applicable laws and regulations, if any of these Shareholders provide such Potential Undertakings to the Company, the Company may pay such persons a commission equivalent to 3.0% of the number of Rights Shares undertaken by each of them, multiplied by the Issue Price of S\$0.009.

#### 2. IRREVOCABLE UNDERTAKINGS

The Board wishes to inform that the Company had, on 17 October 2017, received unconditional and irrevocable undertakings (the “**Irrevocable Undertakings**”) from each of Cheong Weixiong (“**Mr. Cheong**”), Koh Wee Seng, Low Chui Heng, Wong Yat Foo, Lim Chye Huat @ Bobby Lim Chye Huat and Lim Tiong Kheng Steven (collectively, the “**Undertaking Persons**”) to, among others, (a) hold such number of Shares as at the Books Closure Date, details as set out in the table below; (b) subscribe for and pay in full for all his pro rata entitlements for the Rights Shares pursuant to the Proposed Rights cum Warrants Issue (the “**Undertaken Rights Shares**”); (c) apply for and pay in full for such number of Excess Rights Shares (the “**Undertaken Excess Rights Shares**”), details as set out in the table below; and (d) provide to the Company such confirmation that he has sufficient financial resources available to satisfy in full his portion of the Undertaken Rights Shares and Undertaken Excess Rights Shares. For the avoidance of doubt, some of the Undertaking Persons do not hold Shares as at the date of this Announcement, and pursuant to the Irrevocable Undertakings, will become Shareholders at or prior to the Books Closure Date.

Details of the number of Shares to be held as at the Books Closure Date, and the number of Undertaken Rights Shares and Undertaken Excess Rights Shares, of each of the Undertaking Persons pursuant to the Irrevocable Undertakings are as follows:

Undertaking Person	Number of Shares to be held as at the Books Closure Date	As a percentage of the Existing Issued Share Capital (%)	Undertaken Rights Shares	Undertaken Excess Rights Shares	Allotment of Warrants for the Undertaken Rights Shares and Undertaken Excess Rights Shares
Cheong Weixiong	1,000,000	0.06	1,000,000	555,555,555	139,138,888
Koh Wee Seng	21,457,500	1.39	21,457,500	333,333,333	88,697,708
Low Chui Heng	100,000	0.01	100,000	333,333,333	83,358,333
Wong Yat Foo	6,202,900	0.40	6,202,900	111,111,111	29,328,502
Lim Chye Huat @ Bobby Lim Chye Huat	100,000	0.01	100,000	111,111,111	27,802,777
Lim Tiong Kheng Steven	50,000	0.00	50,000	111,111,111	27,790,277
<b>Total</b>	<b>28,910,400</b>	<b>1.87</b>	<b>28,910,400</b>	<b>1,555,555,554</b>	<b>396,116,485</b>

As set out above, the aggregate sum of the Undertaken Rights Shares and the Undertaken Excess Rights Shares amounted to 1,584,465,954 Rights Shares (together with 396,116,485 Warrants), representing approximately 81.25% of the total number of Rights Shares available pursuant to the Proposed Rights cum Warrants Issue.

The Irrevocable Undertakings will not result in any of the Undertaking Persons being obliged to make a mandatory general offer under the Code as a result of other Persons not taking up their Rights Shares entitlements.

None of the Undertaking Persons is related to any other Undertaking Persons. In addition, save for Mr. Cheong who is the Non-Executive Chairman and Independent Director of the Company, none of the Undertaking Persons is related to any of the Directors, Substantial Shareholders and their respective associates.

In the allotment of Excess Rights Shares, preference will be given to Entitled Shareholders (including the Undertaking Persons save for Mr. Cheong) in satisfaction of their application for Excess Rights Shares, if any, provided that where there are insufficient Excess Rights Shares to allot to each application, the Company shall allot the Excess Rights Shares to Entitled Shareholders such that preference will be given to the rounding of odd lots, and Directors (including Mr. Cheong) 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 Proposed Rights cum Warrants Issue, or have representation (direct or through a nominee) on the Board, will either be ineligible for Excess Rights Shares, or if eligible, rank last in priority for the rounding of odd lots and allotment of Excess Rights Shares.

Based on the Existing Issued Share Capital, and assuming that all Entitled Shareholders subscribe for and pay in full for their respective entitlements for the Rights Shares, the Undertaking Persons will not be allocated any Excess Rights Shares pursuant to the Irrevocable Undertakings. For the avoidance of doubt, the Undertaking Persons will, pursuant to the Irrevocable Undertakings, subscribe for and be allocated the Undertaken Rights Shares, and their respective shareholdings in the Company will remain unchanged from that as of the Books Closure Date.

Pursuant to Rule 803 of the Catalist Rules, an issuer must not issue securities to transfer a controlling interest without prior approval of its shareholders in a general meeting. Depending on the level of subscription for the Rights Shares, the Company will, if necessary, and upon the approval of the SGX-ST and/or the Sponsor, scale down the excess applications for the Undertaken Excess Rights Shares by any of the Undertaking Persons to avoid the Company issuing securities to any of them to transfer a controlling interest.

On completion of the Proposed Rights cum Warrants Issue, the Company will re-examine its board constitution as well as its various committees to ensure compliance with the Singapore Code of Corporate Governance 2012.

Pursuant to the Irrevocable Undertakings, subject to all applicable laws and regulations, the Company will pay the Undertaking Persons a commission equivalent to 3.0% of the number of Rights Shares undertaken by each of them, multiplied by the Issue Price of S\$0.009, amounting to an aggregate of approximately S\$0.43 million ("**Commission**"). The proportional sum of Commission to be paid to Mr. Cheong amounts to approximately S\$0.15 million, and accounts for less than 3% of the Group's latest audited consolidated net tangible assets as at 30 June 2017. As at the date of this announcement, there are no other interested persons transactions with Mr. Cheong in the current financial year ending 30 June 2018.

The obligations under the Irrevocable Undertakings shall lapse if the Proposed Rights cum Warrants Issue is not approved by Shareholders at the EGM to be convened (details as set out in the Circular), or if the Proposed Rights cum Warrants Issue does not proceed for any reason.

### **3. NET PROCEEDS FROM THE PROPOSED RIGHTS CUM WARRANTS ISSUE**

In the event that all the Rights Shares are fully subscribed, the Net Proceeds, after deducting estimated proceeds including, but not limited to, the payment of the Commission, shall be reduced to approximately S\$16.99 million. In the event that none of the Entitled Shareholders subscribe for their entitlements for the Rights Shares and apply for the Excess Rights Shares, and only the Undertaking Persons subscribe for the Undertaken Rights Shares and Undertaken Excess Rights Shares pursuant to the Irrevocable Undertakings, the Net Proceeds would be approximately S\$13.70 million. The use of the Net Proceeds by the Company remained unchanged.

### **4. ANNOUNCEMENTS**

All other terms and conditions of the Proposed Rights cum Warrants Issue as set out in the Circular remains unchanged apart from those set out in this announcement. The Company is seeking Shareholders' approval for, among others, the Proposed Rights cum Warrants Issue at the EGM, and the Notice of the EGM is set out in the Circular. Further announcements on the Proposed Rights cum Warrants Issue, including the results of the EGM, the receipt of the listing and quotation notice from the SGX-ST and the despatch of the Offer Information Statement, will be made in due course as and when appropriate.

### **5. CAUTIONARY STATEMENT**

Shareholders and potential investors are advised to exercise caution when dealing or trading in the Shares. The completion of the Proposed Rights cum Warrants Issue is subject to certain conditions. As at the date of this announcement, there is no certainty or assurance that the Proposed Rights cum Warrants Issue will be completed or that no changes will be made to the terms thereof. The Company will make the necessary announcements when there are further developments.

Shareholders and potential investors are advised to read this announcement and any further announcements by the Company carefully. Shareholders and potential investors should consult their stockbrokers, bank managers, solicitors, accountants, tax advisers or other professional advisers if they have any doubt about the actions they should take.

By order of the Board

Jeffrey Pang  
Chief Executive Officer and Executive Director  
18 October 2017

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*This announcement has been prepared by Loyz Energy Limited (the “**Company**”) and its contents have been reviewed by the Company’s sponsor (the “**Sponsor**”), ZICO Capital Pte. Ltd., for compliance with the SGX-ST Listing Manual Section B: Rules of Catalist. The Sponsor has not independently verified the contents of this announcement.*

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

*The contact person for the Sponsor is Ms Alice Ng, Director of Continuing Sponsorship, ZICO Capital Pte. Ltd. at 8 Robinson Road #09-00 ASO Building, Singapore 048544, telephone (65) 6636 4201.*