

# Falcon Energy Group Limited

Presentation to Noteholders

Without Prejudice

24 September 2020

# Important Notes

This presentation is prepared for the sole purpose of providing the holders of Series 001 SGD 50 million Notes issued by Falcon Energy Group Limited ("FEG" or the "Company") pursuant to a Multicurrency Medium Term Note programme (the "Notes") with an update in relation to the proposed Scheme of Arrangement between FEG and the FEG Scheme Creditors pursuant to Section 210 of the Companies Act (Cap. 50) (the "Scheme").

This presentation shall not under any circumstances create any implication that the information contained in this is correct as of any time subsequent to the date hereof or that there has been no change in the information set forth in this presentation or in the affairs of FEG.

No person has been authorised to make any recommendation on behalf of FEG as to whether Noteholders should consent to the Scheme. No person has been authorised to give any information, or to make any representation in connection therewith, other than those contained herein. If made or given, such recommendation or any such information or representation must not be relied upon as having been authorised by the Company.

Each person reading this presentation acknowledges that such person has not relied on FEG in connection with its decision on how to vote in relation to the Scheme. Each such person must make its own analysis and investigation regarding the Scheme and make its own voting decision, with particular reference to its own investment objectives and experience, and any other factors which may be relevant to it in connection with such voting decision. If such person is in any doubt about any aspect of the Scheme and/or the action it should take, it should seek their own independent professional advice immediately from their stockbroker, bank manager, solicitor, accountant or other independent professional adviser.

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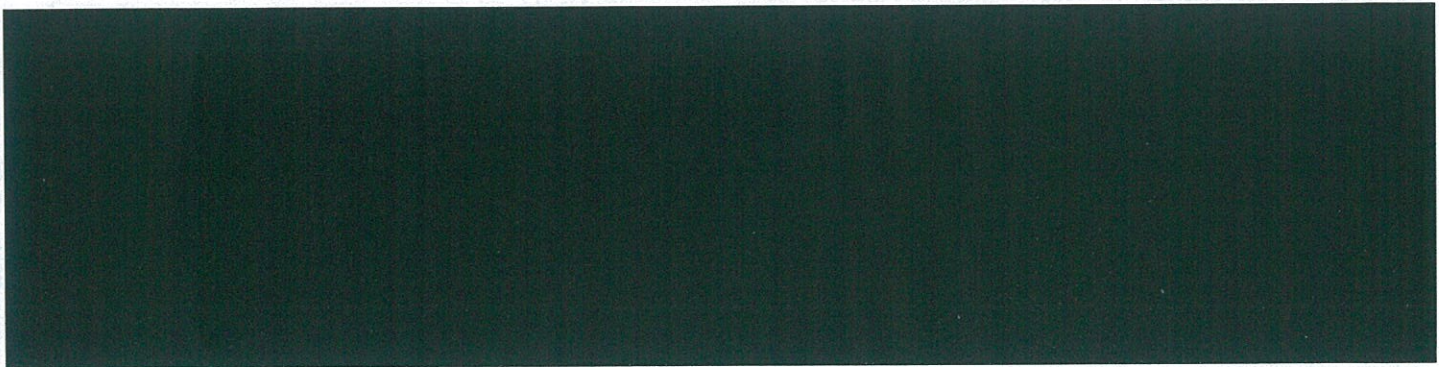
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# Update of significant events



# Update of significant events

Court granted extension of Section 211B moratorium on basis that FEG and Asetanian file application under Section 210(1) by 14 Feb 2020.

The extension of moratorium period was granted till 30 Nov 19 for Company to file further information.

Receipt of winding up application against wholly-owned subsidiary (Asetanian) from PT MKB.

FEG and Asetanian filed an application with the High Court pursuant to Section 211B(1).

Court granted moratorium till 25 Oct 19 for Company to file further information.

Fourth Informal Meeting with Noteholders

Third Informal Meeting with Noteholders

2 May 19

2 Jul 19

25 Jul 19

22 Aug 19

21 Oct 19

20 Nov19

27 Nov 19

16 Oct 20

24 Sep 20

4 Sep 20

30 Jul 20

20 Apr 20

3 Apr 20

14 Feb 20

Chairman to complete adjudication of claims.

Informal Q&A with Noteholders

Deadline to submit Proof of Debt / Voting Instruction Form.

Court granted leave to FEG and Asetanian to convene their respective Scheme Meetings.

West Texas Intermediate crude oil falls to negative US\$37.63

In light of Covid-19 situation and discussion with Lenders, seek an extension of time to filed revised Scheme Documents.

FEG and Asetanian filed an application under Section 210(1).

10 Nov 20

13 Nov 20

Other Creditors to submit Proxy Forms.

Scheme Meeting

# RECAP- Scheme of Arrangement

# Recap - Scheme of Arrangement

**Application to Court**

**Notice of creditors' meeting**

**Adjudication of claims**

**Creditors' meeting**

**Application to court for sanction**

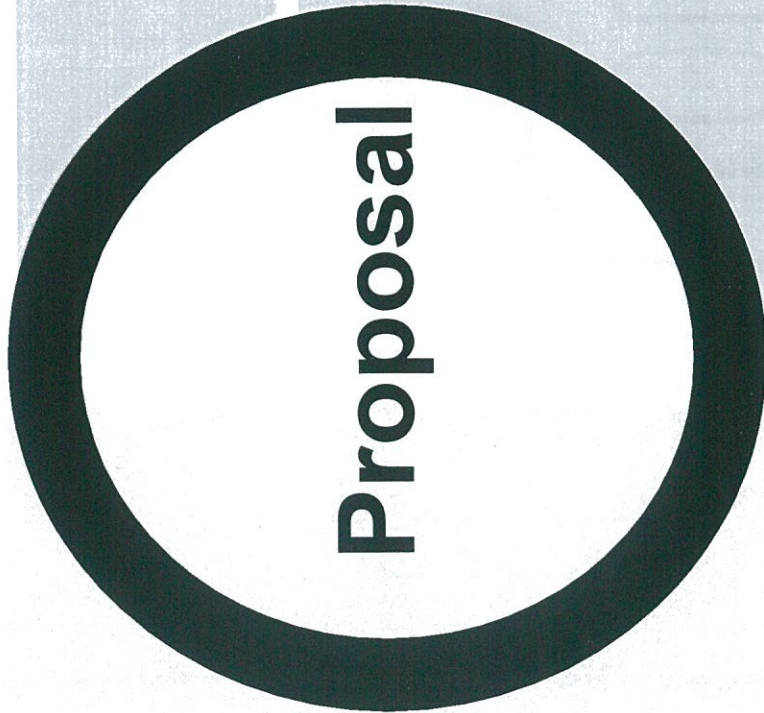
**Administration of Scheme**

- A scheme of arrangement ("SOA") is an agreement between the company and its creditors on the restructuring of a company's debt obligations. Upon court's approval, it is binding on all creditors even if not all creditors approve it.
- Creditors will be separated into different classes of creditors based on their interests for voting purposes.
- Requires at least 50% in number representing 75% in value of the creditors/class of creditors present and voting either in person or by proxy, to vote in favour.
- The SOA will take effect upon the court's sanction and lodgment with ACRA. The SOA managers will then administer the SOA accordingly.

# Proposal



# Proposal



## Previous

- Retain portion as Sustainable Debt.
- Remaining portion to be converted upfront to shares, forming 90% of the enlarged share capital of the Company.

## Revised

- The Total Eligible Debt shall be converted to Scheme Shares, forming 90% of the enlarged share capital of the Company.
- The number of shares to be allotted shall be determined by the following formula:

$$\frac{\text{Approved Claim of Share Recipient}}{\text{Total Eligible Debt}} \times 90\% \text{ of the enlarged share capital of FEG}$$

- The Scheme Shares shall be issued to the Lenders who have elected to take delivery of all Secured Assets. Any Allocated Shares which are not issued to a Lender shall be distributed pari passu to all Share Recipients.

# Protocol for Scheme Meeting

# Protocol for Scheme Meeting

**1** | A weblink will be sent to the e-mail address, as per indicated in the Voting Instruction Form or Proof of Debt. (Only authorised parties will be granted access)

**2** | After the presentation, Scheme Creditors or their proxies may raise questions or comments orally.

**3** | Scheme Creditors to submit votes via the e-mail address, as per indicated in the Voting Instruction Form or Proof of Debt, within a stipulated time, after the Scheme Meeting.

**4** | Results of the voting will be announced via e-mail on the day of the Scheme Meeting or at the latest, the day after the Scheme Meeting.

# Next steps after Creditors approval Scheme

# Next steps after Creditors approve Scheme

**1** Application to court for sanction

**2** Obtain all necessary approvals, including from SGX-ST, SIC and Shareholders

**3** Issue Scheme Shares to Scheme Creditors

**4** Resume trading of Company's shares

Thank You