

Eneco Energy Limited
(Incorporated in the Republic of Singapore)
(Company Registration No.: 200301668R)

APPOINTMENT OF INDEPENDENT REVIEWER

The Board of Directors (the “Board”) of Eneco Energy Limited (the “Company” and together with its subsidiaries, the “Group”) refers to the announcements dated 10 June 2019 and 21 June 2019 (“Previous Announcements”) pertaining to the Company’s intention to appoint an independent investigator to investigate the circumstances surrounding the Queried Payment as defined in the Previous Announcements.

Unless otherwise defined, all capitalised terms used in this announcement shall have the same meanings ascribed to them in the Previous Announcements.

The Board wishes to announce that the Company had on 10 September 2019 appointed Deloitte & Touche Financial Advisory Services Pte. Ltd. (“Deloitte”) as the Independent Reviewer to review, *inter alia*, the circumstances surrounding the Queried Payment and the Group’s corporate governance and internal controls related to the Queried Payment. The scope of work is detailed in the Annexure attached to this announcement.

Deloitte shall provide regular updates of their findings to the Audit Committee of the Company and SGX-ST.

The Company will make further announcement(s) as and when there are material developments on this matter.

By Order of the Board
ENECO ENERGY LIMITED

Colin Peter Moran
Chief Executive Officer and Executive Director
10 September 2019

Phase 1 – Review of Transaction

- a) To liaise with Ernst & Young LLP (“EY”), auditors of the Company, for documents relating to the Transactions provided by Aditya Wisnuwardana Seky Soeryadjaya (“DAS”), the Company’s CEO and other members of the management to EY during the course of the 2018 year-end financial audit of the Company;
- b) Review and validate the requirements to furnish a bank guarantee (“BG”) to the West Jambi concession holder in order to secure the extension of the exploratory permit;
- c) Review and understand the approval process leading to the withdrawal of S\$3,876,000 (“Funds”) from another subsidiary company’s bank account by DAS and its subsequent transfer to the broker identified as MPK (“PT Mandiri Pratama Khatulistiwa”);
- d) Assess any related financial impact of the withdrawal of the Funds on the Company’s financials;
- e) Review and understand the rationale and the circumstances surrounding the identification, selection and approval of MPK as the broker;
- f) Review and understand the circumstances leading to the impairment of the funds advanced to MPK to secure the BG;
- g) Background check of MPK;
- h) Trace the flow of Funds from the subsidiary company’s bank account to the ultimate recipient of the Funds (in connection with the BG) and review the circumstances and rationale for such fund flow;
- i) Review the validity of the arrangement between the Company and MPK in consultation with independent solicitors, if necessary;
- j) Review the circumstances leading to the purported issuance of the Proforma BG or BG;
- k) Ascertain the validity of the Proforma BG or BG;
- l) Ascertain the present status of the BG;
- m) Ascertain the present status of the extension of the exploratory permit;
- n) Review and assess the relationship between MPK and the Company including the Company’s directors, controlling shareholders and key executives (collectively “the Parties”);
- o) Review any follow-up action taken by the Board and/or management in relation to the issuance of the BG; and
- p) Identify in consultation with independent solicitors any potential breach of listing rules, laws or regulations in Singapore governing the Company and the Parties. This will include, but not limited to, the identification of all responsible parties and the lapses on their part.

Phase 2 – Review of Corporate governance and internal controls

Based on the findings from Phase 1, Deloitte will review the corporate governance and internal controls of the Group relating to, amongst others, the transactions described above, and propose in consultation with independent solicitors, remedial actions and recommended areas of improvement in connection thereto.

Phase 3 – Reporting

At the end of Phase 3, Deloitte will provide a written report to the Singapore Exchange Regulation (“SGX-ST”) and the Audit Committee of the Board (“AC”), of Deloitte’s findings from Phase 1 and Phase 2 and Deloitte’s recommendations arising from their findings (the “Report”).

The above scope listed in Phase 1 to 3 represent the “Services”.

Additional Scope

Any changes / variations to the Services shall be with the consent of SGX-ST and the Company is also agreeable to allow SGX-ST to instruct to Deloitte, with reasonable basis, to expand the scope of the Services beyond what has been set out in Phase 1 to 3 above.