

ENECO ENERGY LIMITED

(Incorporated in the Republic of Singapore)

Company Registration No. 200301668R

UPDATES TO SETTLEMENT AGREEMENT WITH PT MANDIRI PRATAMA KHATULISTIWA

The Board of Directors (the “**Board**”) of **Eneco Energy Limited** (the “**Company**”) wishes to inform shareholders of the following:

1. On 15 June 2020, the Company’s subsidiary, PT Hexindo Gemilang Jaya (“**Hexindo**”), entered into a Settlement Agreement (“**Settlement Agreement**”) with PT Mandiri Pratama Khatulistiwa (“**MPK**”), wherein MPK acknowledged that MPK is obliged to refund the sum of USD2,880,000 equivalent to IDR42,520,320,000 (“**MPK Debt**”), to Hexindo. Hexindo and MPK agreed to an amicable settlement, where MPK would pay and settle the MPK Debt to HexSindo, by way of thirty (30) instalments in cash, the first of which shall be in the amount of IDR375,000,000 (or equivalent to approximately S\$35,366) within 30 days of the execution of the Settlement Agreement, followed by instalments of IDR1,500,000,000 (or equivalent to approximately S\$141,746) each, every quarter from the date of the Settlement Agreement until the MPK Debt is fully paid.
2. MPK paid the first instalment of IDR375,000,000, but has subsequently failed to pay the next two instalments of IDR1,500,000,000 each, which were due on 15 October 2020 and 15 January 2021 respectively. Pursuant to the Settlement Agreement, MPK’s failure to pay two consecutive instalments is an Event of Default in which event the remaining unpaid amount of the MPK Debt will immediately become due and payable and Hexindo will have the right to take any legal action to collect and claim all of the remaining unpaid amount of the MPK Debt.

Hexindo’s Indonesian lawyers, Dentons HPRP had today received an email from MPK’s Indonesian lawyers requesting a deferment of payment of the instalments due. MPK’s lawyers said that MPK’s projects have been suspended and delayed due to COVID-19 pandemic and the large-scale social restrictions in Indonesia. The Board is seeking legal advice on the matter.

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
Executive Director cum Chief Executive Officer
19 January 2021