



## HIBISCUS PETROLEUM BERHAD - PRESS RELEASE

### Hibiscus Petroleum Positioning to Acquire Producing Assets in Southeast Asia

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- Potential acquisitions of producing assets to drive the Group towards 2021 Mission of 20,000 barrels per day of oil production
  - FY2020 target to deliver 3.3 – 3.5 million barrels of crude oil (up to +16% y-o-y)
  - Group remains profitable with strong EBITDA margins despite softer oil market
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y-o-y: year on year; in comparison with Financial Year Ended 30 June 2019 ("FY2019")

FY2020: Financial Year Ending 30 June 2020

**Kuala Lumpur, 21 November 2019 – 5.00 p.m.**

Hibiscus Petroleum Berhad (HIBI: MK) ("**Hibiscus Petroleum**", the "**Company**" or the "**Group**") today released a Corporate and Business Update (the "**Update**") outlining the Group's targets and initiatives as well as operational updates in conjunction with the release of its quarterly financial results for the period ended 30 September 2019 ("**1Q FY2020**"). In the Update, Hibiscus Petroleum stated that it is positioning for growth through further acquisitions of producing assets particularly in Southeast Asia. The Group expects high-quality acquisition opportunities will be emanating in Southeast Asia as the fields in the area mature and established players look to review their portfolios.

The Group believes it is in a strong position for growth as it continues to build its technical capability and track record as a capable operator, having received awards and recognition from industry bodies and regulators for operational and safety performances. In addition, its aggressive production enhancement programme in 2019 to drill nine wells in Malaysia and the United Kingdom combined, demonstrates Hibiscus Petroleum's commitment towards growing its business in these areas.

On the back of these newly drilled wells, the Group is targeting to deliver 3.3 to 3.5 million barrels ("**bbls**") of oil in FY2020, which is up to 16% higher than the actual oil delivered in FY2019. With the current and future enhancement projects across both North Sabah and Anasuria assets, together with potential production from new acquisitions, the Group aims to achieve its 2021 Mission of 20,000 bbls of oil production per day.

For its 1Q FY2020 results, the Group announced revenue and profit after tax of RM159.3m and RM16.2m respectively, from the sale of 0.6 million barrels of oil. Earnings before interest, taxes, depreciation and amortisation ("**EBITDA**") for the period was RM77.1m with a strong EBITDA margin of 48.4%. Overall, despite a softer oil market and the effects of higher maintenance activities in the quarter, the Group remained profitable.

The Group is still debt-free, and its unrestricted cash balance was RM179.4 million as at 30 September 2019.

Commenting on the outlook for the Group, Managing Director, Dr Kenneth Pereira, said, *“We have clearly established our 2021 Mission and the Group as a whole is actively working towards achieving it. By 2021, existing assets are expected to deliver 12,000 barrels of net oil per day. We will close the gap with an acquisition. We will be extremely selective and will only invest in assets that we believe will generate strong positive cashflows.”*

**Note:**

As part of the Company’s efforts to keep stakeholders engaged with the activities of the Company and informed of its quarterly performance, Hibiscus Petroleum will be releasing a webcast to present the highlights of the First Quarter Results ended 30 September 2019. The webcast will be released on the Company’s website at: <http://www.hibiscuspetroleum.com/> by 8.00pm on 21 November 2019.

**About Hibiscus Petroleum Berhad**

Hibiscus Petroleum Berhad (Hibiscus Petroleum) is Malaysia’s first listed independent oil and gas exploration and production company. Its key activities are focused on monetising its oil producing fields and growing its portfolio of development and production assets in areas of its geographical focus: Malaysia, United Kingdom, and Australia. Hibiscus Petroleum is headquartered in Kuala Lumpur, and its shares are listed on the Main Market of Bursa Malaysia Securities Berhad (Bursa Securities). For more information, please refer to <http://www.hibiscuspetroleum.com>

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