



## HIBISCUS PETROLEUM BERHAD - PRESS RELEASE

### Hibiscus Petroleum Activates Asset Action Plans; Enters into Framework of Cooperation with Trafigura

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- The Group's key focus is business continuity to mitigate the effects of low oil prices and safeguard all employees amidst the COVID-19 outbreak
  - A Framework of Cooperation has been established and formalised with Trafigura, which in addition to current funding lines, potentially provides access to funding for working capital, CAPEX and potential asset acquisitions whilst ensuring the offtake of crude oil production at North Sabah
  - Business Development activities are continuing as the Group readies itself for potential new opportunities in areas of geographic focus
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**Kuala Lumpur, 4 May 2020 – 12.30 p.m.**

Hibiscus Petroleum Berhad (HIBI: MK) ("**Hibiscus Petroleum**", the "**Company**" or the "**Group**") released a Corporate and Business Update (the "**Update**") outlining the Group's initiatives and action plans to ensure business continuity in an environment of low oil prices and to safeguard its employees against the COVID-19 outbreak.

Importantly in the Update, Hibiscus also highlighted that the Group has signed a deed of supply and collaboration ("the **Deed**") with Trafigura Pte Ltd ("**Trafigura**") which covers several key areas of commercial cooperation.

With the signing of this Deed, Hibiscus and Trafigura have put in place a framework for the following:

- Potential future offtake of crude oil by Trafigura from assets owned/projects undertaken by Hibiscus; and
- Potential funding for projects and asset acquisitions pursued by Hibiscus

Jointly working with Trafigura, Hibiscus has also taken the opportunity to lock-in the sales price for a substantial portion of its North Sabah production over the CY2020 period.

Trafigura is one of the world's leading independent physical commodities trading companies, and is involved in the sourcing, storage, transport and delivery of a range of raw materials including crude oil and refined products.

Commenting on the agreement, Managing Director, Dr Kenneth Pereira, said, *“We are pleased to be able to execute such a commercial agreement with a global institution such as Trafigura. This will allow the Group to leverage its existing and future production capacity with Trafigura’s global purchasing, funding and marketing capability.”*

*“Trafigura’s business in Asia has grown materially in the last few years,”* said Chin Hwee Tan, CEO Asia Pacific for Trafigura. *“One of the key objectives is for us to continue to think locally while leveraging off our global platform. In parallel, we are continuing to expand our support to a selected number of companies in the oil and gas upstream sector, in Asia and across the world. Local players such as Hibiscus Petroleum, together with the local financial system, are most important as our long-term partners as we continue to build our business in the region. We are looking forward to working with Hibiscus Petroleum as it continues to grow its asset base.”*

#### **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 <https://www.hibiscuspetroleum.com>

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