

RH PETROGAS LIMITED

(Registration Number: 198701138Z)

PROFIT GUIDANCE FOR THE THIRD QUARTER PERIOD ENDED 30 SEPTEMBER 2019

The Board of Directors (the “**Board**”) of RH Petrogas Limited (the “**Company**”) wishes to announce that following a review of the unaudited financial results of the Company and its subsidiaries (the “**Group**”) for the third quarter period ended 30 September 2019 (“**3Q2019**”), the Group is expected to record a loss for 3Q2019, as compared to a profit for the third quarter period ended 30 September 2018. The expected loss is mainly due to the following factors:

- (i) Impairment of costs incurred in relation to a new 2D seismic data acquisition and processing program (“**2D Seismic Work Program**”) which commenced during 3Q2019 in Block SK331. The 2D Seismic Work Program is the remaining work commitment under the SK331 Production Sharing Contract.
- (ii) Higher depletion and amortization of oil and gas properties in the Kepala Burung Production Sharing Contract (“**Basin PSC**”); and
- (iii) Higher income tax expense and recognition of deferred tax liabilities for Basin PSC.

Notwithstanding the above, the Group continued to generate positive EBITDAX⁽¹⁾ and net cash flows from operations in 3Q2019.

This profit guidance is based on a preliminary review of the draft management accounts of the Group for 3Q2019. Details of the Group’s financial performance for 3Q2019 will be disclosed when the Company announces its unaudited consolidated financial results on or before 14 November 2019.

In the meantime, the Board wishes to advise shareholders of the Company and investors to exercise caution when dealing in the shares of the Company.

BY ORDER OF THE BOARD

Chang Cheng-Hsing Francis
Group CEO & Executive Director
1 November 2019

(1) EBITDAX - Earnings before interest, tax, depreciation, amortisation, exploration expenses, impairment and other non-recurring items