



## PERISAI CAPITAL (L) INC

(Incorporated with limited liability in the Federal Territory of Labuan, Malaysia)  
(Company Registration No. LL09785)

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**S\$125,000,000 6.875 PER CENT. NOTES DUE 2016 (ISIN SG57J6997255) COMPRISED IN SERIES 001 (THE “NOTES”) ISSUED BY PERISAI CAPITAL (L) INC. (THE “ISSUER”) PURSUANT TO ITS S\$700,000,000 MULTICURRENCY MEDIUM TERM NOTE PROGRAMME UNCONDITIONALLY AND IRREVOCABLY GUARANTEED BY PERISAI PETROLEUM TEKNOLOGI BHD (THE “GUARANTOR”) (THE “PROGRAMME”)**

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The Issuer wishes to announce that it will be commencing a consent solicitation process on 10 September 2016 to seek the approval of the holders (the “**Noteholders**”) of the Notes (the “**Consent Solicitation**”), by way of extraordinary resolution of the Noteholders (the “**Extraordinary Resolution**”) to, *inter alia*:

- (i) waive the non-payment of principal and interest in respect of the Notes originally due on 3 October 2016 (the “**Original Maturity Date**”) (the “**Non-Payment**”);
- (ii) waive any non-compliance, or potential non-compliance, with the minimum interest coverage ratio covenant set out in Condition 3.2(c) of the Notes and Clause 7.2(c) of the Trust Deed in respect of the periods ended 30 June 2016 and ending 30 September 2016 (the “**ICR Breach**”);
- (iii) defer the payment of interest due on the Original Maturity Date, and postpone the maturity date of the Notes from the Original Maturity Date, to 3 February 2017 (the “**Extended Maturity Date**”) such that accrued interest in respect of the Notes from 3 April 2016 up to the Original Maturity Date will be payable on the Extended Maturity Date and the outstanding principal amount in respect of the Notes will be payable on the Extended Maturity Date together with accrued interest thereon;
- (iv) delete the Guarantor’s covenant to maintain a minimum interest coverage ratio commencing from the period ending 30 September 2016; and
- (v) waive any non-compliance with the provisions of the Notes or the Trust Deed and the occurrence of any Event(s) of Default or Potential Event(s) of Default (each as defined in the Trust Deed), in each case, which will or may occur as a result of the Non-Payment, the ICR Breach or the Consent Solicitation,

all as more fully described in the consent solicitation statement to be dated 10 September 2016 (the “**Consent Solicitation Statement**”) prepared by the Issuer and to be delivered to the Direct Participants (as defined below) (collectively, the “**Proposal**”). Capitalised or other terms used but not defined herein shall, unless the context otherwise requires, have the meanings as set out in the Consent Solicitation Statement.

**THE CONSENT SOLICITATION STATEMENT IS IMPORTANT AND REQUIRES NOTEHOLDERS' IMMEDIATE ATTENTION. If Noteholders are in doubt about any aspect of the Proposal and/or the action Noteholders should take, Noteholders should consult immediately their respective stockbroker, bank manager, solicitor, accountant or other independent financial adviser.**

A meeting (the "**Meeting**") of the Noteholders will be convened by the Issuer to be held for the purpose of considering and, if thought fit, passing the following resolution, which will be proposed as an Extraordinary Resolution of the Noteholders in accordance with the provisions of the Trust Deed. The Meeting will be held on 3 October 2016 at The 3rd Space, 18 Cross Street, #B1-05, Meeting Room 1, China Square Central, Singapore 048423 at 3.00 p.m. (Singapore time).

### **EXTRAORDINARY RESOLUTION**

"That in respect of the S\$125,000,000 6.875 per cent. Notes due 2016 comprised in Series 001 (the "**Notes**") issued by Perisai Capital (L) Inc. (the "**Issuer**") and unconditionally and irrevocably guaranteed by Perisai Petroleum Teknologi Bhd (the "**Guarantor**"):

1. approval be and is hereby given to:
  - (a) waive the non-payment of principal and interest respect of the Notes originally due on 3 October 2016 (the "**Original Maturity Date**") (the "**Non-Payment**");
  - (b) waive any non-compliance, or potential non-compliance, with the minimum interest coverage ratio covenant set out in Condition 3.2(c) of the Notes and Clause 7.2(c) of the Trust Deed in respect of the periods ended 30 June 2016 and ending 30 September 2016 (the "**ICR Breach**");
  - (c) approve a deferral of the payment of interest due on the Original Maturity Date, and a postponement of the maturity date of the Notes from the Original Maturity Date, to 3 February 2017 (the "**Extended Maturity Date**") such that accrued interest in respect of the Notes from 3 April 2016 up to the Original Maturity Date will be payable on the Extended Maturity Date and the outstanding principal amount in respect of the Notes will be payable on the Extended Maturity Date together with accrued interest thereon;
  - (d) amend the Notes and the Trust Deed such that the Guarantor is not required to maintain a minimum interest coverage ratio from the period ending 30 September 2016, by deleting Condition 3.2(c) of the Notes and Clause 7.2(c) of the Trust Deed in their entirety; and
  - (e) waive any non-compliance with the provisions of the Notes or the Trust Deed and the occurrence of any Event(s) of Default or Potential Event(s) of Default, in each case, which will or may occur as a result of the Non-Payment, the ICR Breach or the Consent Solicitation;
2. approval be and is hereby given to the Trustee to make such consequential changes to the Conditions of the Notes and the Trust Deed (as the Trustee may, in its absolute discretion, deem necessary, desirable or expedient to give effect to this Extraordinary Resolution);
3. every abrogation, modification, compromise or arrangement in respect of the rights of the Noteholders appertaining to the Notes against the Issuer or the Guarantor involved in or

resulting from the modifications referred to in paragraphs 1 and 2 of this Extraordinary Resolution be sanctioned;

4. the Trustee be authorised, directed, empowered and requested to concur in the modifications referred to in paragraphs 1 to 3 of this Extraordinary Resolution and execute all documents, notices, forms, instruments, consents or agreements (including, without limitation, the Supplemental Trust Deed in the form of the draft produced to this Meeting and for the purposes of identification signed by the chairman of this Meeting with such amendments (if any) as the Trustee may approve and/or require) to give effect to, and to implement, this Extraordinary Resolution on such terms and conditions as the Trustee may in its absolute discretion decide and to concur in and do all acts and things as the Trustee may in its absolute discretion consider necessary, desirable or expedient to give effect to this Extraordinary Resolution and the implementation of the modifications referred to in paragraphs 1 to 3 of this Extraordinary Resolution; and
5. the Trustee be discharged and exonerated from all liability for which it may become responsible under the Trust Deed or the Notes in respect of any act or omission in connection with the Proposal, its implementation or this Extraordinary Resolution.

Capitalised or other terms used but not defined in this Extraordinary Resolution shall, unless the context otherwise requires, have the meanings set out in the consent solicitation statement dated 10 September 2016 issued by the Issuer.”.

#### **A. Background**

The Guarantor and its subsidiaries (the “**Group**”) is currently operating under extremely tight financial conditions. With the current market downturn, the Group’s business has been negatively affected by market conditions in the oil and gas sector, including weak crude oil prices and slow economic growth. Although for the financial year ended 31 December 2015, the Group generated total revenue of RM214.78 million which is RM92.65 million or 75.86% more than the amount of RM122.13 million achieved in financial year ended 31 December 2014, for the financial year ended 31 December 2015, the Group posted a loss before tax amounting to RM688.15 million.

The offshore marine industry conditions have remained uncertain and volatile and as the market remains depressed in 2016, the Group continues to see challenging times as the demand for the Group’s offshore assets and services continue to remain low.

In light of these challenging times, the Issuer and the Guarantor are exploring various options to manage their liabilities in respect of the Notes and the Guarantee and require a period of four months to formulate a long-term proposal to be presented to the Noteholders involving, inter alia, a further extension of the maturity date on terms that the Issuer and the Guarantor hope would be acceptable to the Noteholders.

Further details of a long-term proposal will be set out in a separate consent solicitation statement to be issued by the Issuer and the Guarantor in due course. In the meantime, the Issuer is seeking a deferment of the interest payable on the Original Maturity Date, and a four-month extension of the maturity date of the Notes, to 3 February 2017 so that the Issuer and the Guarantor can assess their options in managing their liabilities in respect of the Notes and the Guarantee.

Condition 3.2(c) of the Notes and Clause 7.2(c) of the Trust Deed require the Guarantor to maintain a minimum ratio of EBITDA to Interest Expense of not less than 3.0:1 at all times. The fall in net pre-taxation profits of the Group has resulted in a breach of this covenant for the period ended 30 June 2016. With continuing depressed oil prices causing uncertainty on the outlook for

the demand for oil and gas assets in the short to medium term, the Guarantor is unlikely to be able to meet the minimum interest coverage ratio of 3.0:1 for the financial periods ending 30 September 2016 and 31 December 2016.

If the Extraordinary Resolution is not passed, the Issuer and the Guarantor may not be able to make payments on the Notes or, as the case may be, the Guarantee when due on the Original Maturity Date and, in such a situation, an Event of Default will occur under the Notes if such default continues for five days.

## **B. Procedure for Inspection and Collection of Documents**

### **B1 Inspection**

Noteholders may, from 13 September 2016, between 9.00 a.m. to 5.00 p.m. (Singapore time) from Mondays to Fridays (excluding public holidays), up to 5.00 p.m. (Singapore time) on 30 September 2016, inspect copies of the following documents at the office of Deutsche Bank AG, Singapore Branch, in its capacity as the issuing and paying agent (in such capacity, the “**Issuing and Paying Agent**”), at One Raffles Quay, #16-00 South Tower, Singapore 048583 (the “**Issuing and Paying Agent Office**”), and, from the time 15 minutes prior to and during the Meeting at The 3rd Space, 18 Cross Street, #B1-05, Meeting Room 1, China Square Central, Singapore 048423:

- (a) the Trust Deed (including the Conditions of the Notes);
- (b) the Pricing Supplements dated 26 September 2013 and 14 July 2014 relating to the Notes; and
- (c) a draft of the Supplemental Trust Deed.

### **B2 Collection**

Copies of the Consent Solicitation Statement will be mailed to each person who is shown in the records of the Central Depository (Pte) Limited as a holder of the Notes (the “**Direct Participants**”) with an address in Singapore. The form of the Voting Instruction Form is appended to the Consent Solicitation Statement. In addition, Noteholders may collect copies of the Consent Solicitation Statement, the Voting Certificate and the Voting Instruction Form from the Issuing and Paying Agent Office from 13 September 2016, between 9.00 a.m. to 5.00 p.m. (Singapore time) from Mondays to Fridays (excluding public holidays), up to 5.00 p.m. (Singapore time) on 30 September 2016.

## **C. Procedure for Inspection and Collection of Documents**

In accordance with market practice, none of the Trustee or the Issuing and Paying Agent expresses any opinion on the merits of the Extraordinary Resolution or the Proposal. None of the Trustee or the Issuing and Paying Agent has been involved in the formulation or negotiation of the Proposal. Noteholders should also note that the Issuer, the Guarantor, the Trustee and/or the Issuing and Paying Agent cannot and do not offer any advice on investment risks, if any, faced by Noteholders. Noteholders who are unsure of the consequences of the Extraordinary Resolution should seek their own independent financial, tax and legal advice.

Prior to making a decision on whether to approve the Proposal, Noteholders should carefully consider all of the information set forth in the Consent Solicitation Statement,

including, without limitation, those set out under the subsection therein titled “*Risk Factors – A. Risks Associated with the Proposal*” (including the risk factors in relation to “*The Extraordinary Resolution, if passed, will be binding upon all Noteholders*”, “*Restrictions on the transfer of the Notes will apply during the Earmarking Period*”, “*The Proposal entails the Noteholders holding on to the Notes for an extended period*”.

The attention of Noteholders is particularly drawn to the quorum required for the Meeting and for an adjourned Meeting which is set out in the sections hereof entitled “*Voting Procedures*” and “*Quorum and Adjournment*” respectively.

The Consent Solicitation Statement does not constitute or form part of, and should not be construed as, an offer for sale or subscription of, or a solicitation of any offer to buy or subscribe for, any securities of the Issuer, the Guarantor or any other entity. The distribution of the Consent Solicitation Statement may nonetheless be restricted by law in certain jurisdictions. Persons into whose possession the Consent Solicitation Statement comes are required by the Issuer, the Guarantor, the Trustee and the Issuing and Paying Agent to inform themselves about, and to observe, any such restrictions. The Consent Solicitation Statement does not constitute a solicitation in any circumstances in which such solicitation is unlawful. None of the Issuer, the Guarantor, the Trustee or the Issuing and Paying Agent will incur any liability for its own failure or the failure of any other person or persons to comply with the provisions of any such restrictions.

In order to avoid any violation of laws applicable in countries other than Singapore, this Consent Solicitation Statement will only be mailed to Direct Participants who presently have an address in Singapore. Direct Participants who do not presently have an address in Singapore who wish to obtain a copy of this Consent Solicitation Statement should provide in writing such address in Singapore to the Issuing and Paying Agent not later than five business days before the Expiration Time (as defined below).

#### **D. Voting Procedures**

The relevant provisions governing the convening and holding of the Meeting are set out in Schedule 4 to the Trust Deed, copies of which are available for inspection as referred to above. To be eligible to attend or vote at the Meeting either in person or by proxy, Noteholders should complete and sign a Voting Instruction Form (in the form set out in Appendix 1 to the Consent Solicitation Statement, and which may be obtained from the Issuing and Paying Agent) to instruct the Issuing and Paying Agent to either issue a Voting Certificate or comply with a Voting Instruction. Such Voting Instruction Form must be submitted to the Issuing and Paying Agent at the Issuing and Paying Agent Office by the Expiration Time. In the case of Noteholders who are individuals, copies of such Noteholder’s passport or identity card will have to be submitted to the Issuing and Paying Agent together with the Voting Instruction Form.

Noteholders should note that the latest time and date for obtaining a Voting Certificate and for issuing, amending or revoking a Voting Instruction (the “**Expiration Time**”) is 5.00 p.m. (Singapore time) on 30 September 2016, or such later time and date as the Issuer may determine in the event of an adjournment of the Meeting.

## **E. Quorum and Adjournment**

The Noteholder Meeting Provisions require the Proposal to be subject to the quorum provisions in paragraphs 17 and 18 of Schedule 4 to the Trust Deed. The quorum required at the Meeting for the passing of the Extraordinary Resolution shall be two or more persons present holding Voting Certificates or being proxies and holding or representing in the aggregate not less than 75 per cent. of the principal amount of the Notes for the time being outstanding and at an adjourned meeting at least 25 per cent. of the principal amount of the Notes for the time being outstanding. No business (except choosing a chairman) shall be transacted unless the requisite quorum is present at the commencement of business.

If within 15 minutes from the time fixed for the Meeting a quorum is not present, the Meeting shall stand adjourned for such period, being not less than 14 days nor more than 42 days, and to such time and place as may be decided by the chairman of the Meeting. If a quorum is not present within 15 minutes from the time fixed for such adjourned Meeting, the Meeting shall be dissolved. At least 10 days' notice of such adjourned Meeting must be given in the same manner as for the original Meeting and such notice shall state the quorum required at such adjourned Meeting.

Voting Instructions given to, Voting Certificates obtained from and Voting Instruction Forms delivered to the Issuing and Paying Agent, in respect of the Meeting (unless validly revoked pursuant to the terms of the Consent Solicitation) shall remain valid for such adjourned Meeting.

## **F. Voting**

Every question submitted to the Meeting shall be decided by a show of hands unless a poll is (before, or on the declaration of the result of, the show of hands) demanded by the chairman of the Meeting, the Issuer, the Guarantor, the Trustee or one or more persons present holding one or more Voting Certificates or being proxies and holding, or representing, in aggregate not less than two per cent. of the principal amount of the Notes then outstanding. Unless a poll is demanded, a declaration by the chairman of the Meeting that a resolution has or has not been passed shall be conclusive evidence of the fact without proof of the number or proportion of the votes cast in favour of or against it.

If at the Meeting a poll is so demanded it shall be taken in such manner and (subject as provided in Schedule 4 to the Trust Deed) either at once or after an adjournment as the chairman of the Meeting directs. The result of such poll shall be deemed to be the resolution of the Meeting at which the poll was demanded as at the date of the taking of the poll. The demand for a poll shall not prevent the continuance of the Meeting for the transaction of any business other than the motion on which the poll has been demanded. A poll demanded on the election of the chairman of the Meeting or on a question of adjournment shall be taken at once.

On a show of hands every person who is present in person and produces a Voting Certificate or is a proxy shall have one vote. On a poll every person who is so present shall have one vote in respect of each S\$1 in principal amount of the Notes so represented by the Voting Certificate so produced or for which he is a proxy. Without prejudice to the obligations of the proxies, a person entitled to more than one vote need not use them all or cast them all in the same way.

In case of equality of votes, the chairman of the Meeting shall both on a show of hands and on a poll have a casting vote in addition to any other votes which he may have.

#### **G. Notice of Results**

Notice of the result of the voting on the Extraordinary Resolution shall be published in accordance with Condition 15 of the Notes by the Issuer within 14 days of such result being known, provided that the non-publication of such notice shall not invalidate such result.

#### **H. Extraordinary Resolution**

The Extraordinary Resolution to be proposed at the Meeting would have to be passed by a majority consisting of at least 75 per cent. of the persons voting thereat upon a show of hands or if a poll is duly demanded by a majority consisting of not less than 75 per cent. of the votes cast on such poll. **The Extraordinary Resolution of the Noteholders shall be binding upon all the Noteholders whether present or not present at such Meeting and upon all Couponholders and each of them shall be bound to give effect to it accordingly.** The passing of such a resolution shall be conclusive evidence that the circumstances justify it being passed.

#### **I. Financial Statements**

Copies of the (1) audited financial statements of the Group for the financial year ended 31 December 2015 and (2) unaudited financial statements of the Guarantor for the second quarter ended 30 June 2016, which are incorporated by reference in the Consent Solicitation Statement are attached to this announcement.

By Order of the Board  
**Perisai Capital (L) Inc.**

Datuk Zainol Izzet bin Mohamed Ishak  
Director  
9 September 2016

NOTE: this announcement does not constitute an invitation to participate in the Consent Solicitation. No offer or invitation to issue or redeem any securities is being made pursuant to this release. This announcement must be read in conjunction with the Consent Solicitation Statement. This announcement does not constitute or form part of, and should not be construed as, an offer for sale or subscription of, or a solicitation of any offer to buy or subscribe for, any securities of the Issuer or any other entity.