



10th ANNUAL GENERAL MEETING

13 JUNE 2023

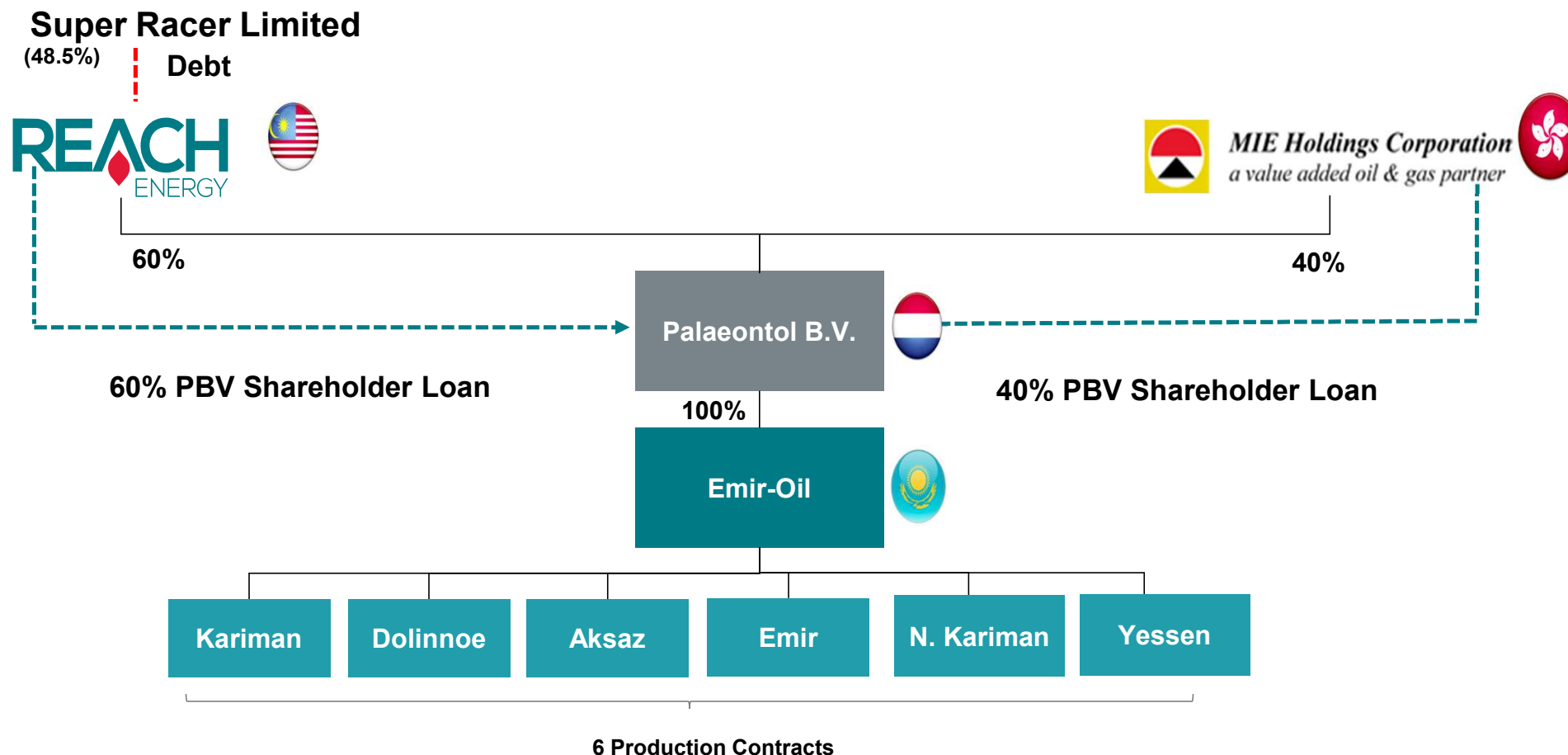
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INTRODUCTION - COMPANY SNAPSHOT

- Listed in August 2014 on the Main Market of Bursa Malaysia
- Our vision is to be a **leading independent Malaysia-based** oil and gas exploration and production (E&P) company with domestic and global operations
- Our tagline “**Energy Within Reach**” reflects Reach Energy’s goal of rejuvenating brownfields and mature assets in these basins to economically access the remaining hydrocarbon reserves with new techniques and technologies
- Reach Energy has only one asset at present, which is **Emir-Oil LLP (Emir-Oil) in Kazakhstan**
- Reach Energy holds **60% equity** in Emir-Oil and assumed **sole operatorship** role in May 2017 and remaining 40% is held by MIE Holdings Corporation (MIEH)



CORPORATE STRUCTURE

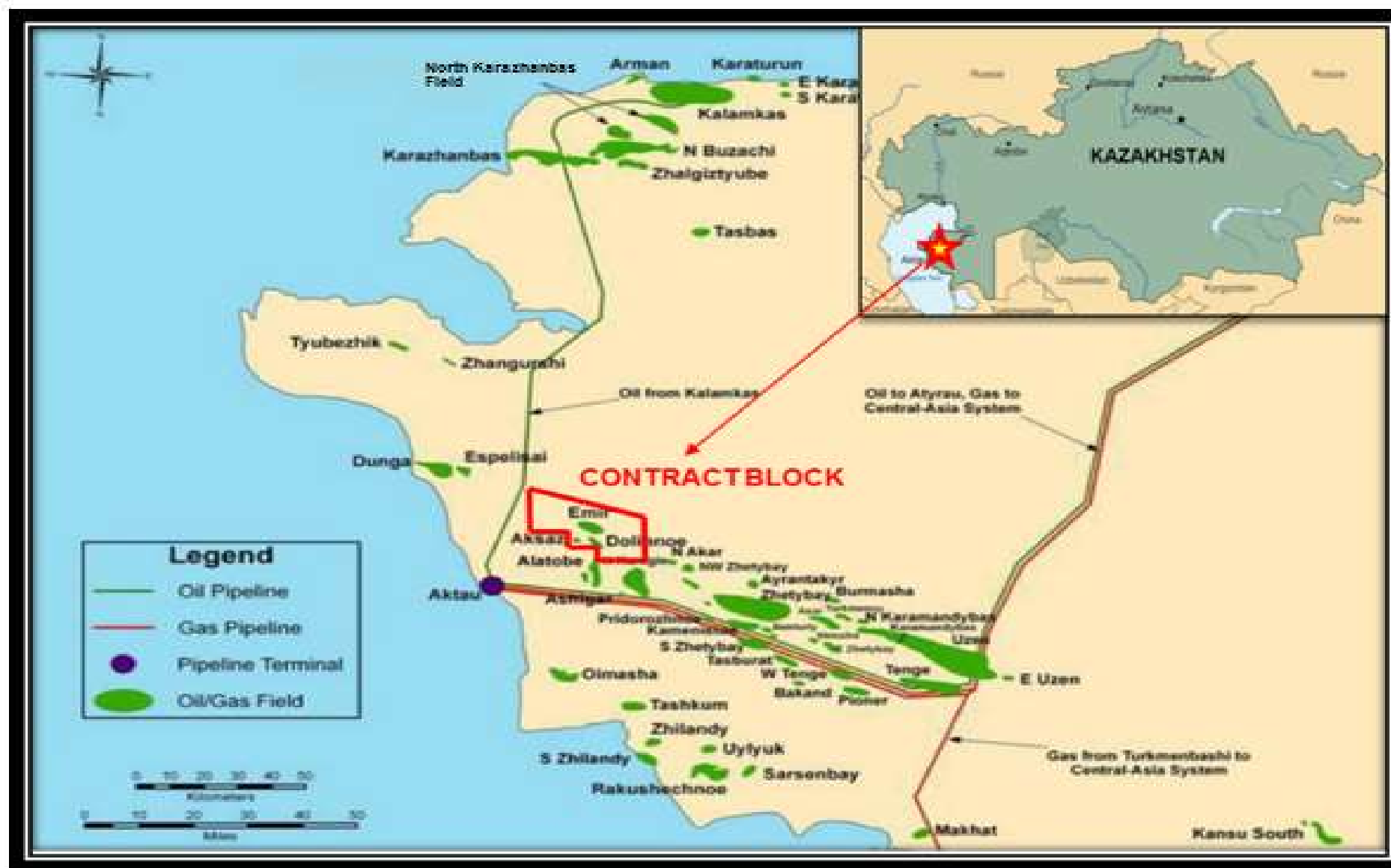


- On 5 March 2016, REB entered into the SPA with Palaeontol COOP and MIEH to purchase 60% interest in Palaeontol B.V. which owns Emir-Oil for the Purchase Consideration of USD175.9 M.
- In accordance with SPA , part of the Purchase Consideration which amounted to USD44,0M ("**Debt**") has been deferred, the deferred Purchase Consideration is subject to interest of 14% p.a.
- Prior to the Acquisition, MIEH had been funding Emir-Oil through shareholder loans to Palaeontol B.V. ("**PBV Shareholder Loans**"). On the Completion Date of the Acquisition USD173.39 million or 60% of the PBV Shareholder Loans with interest accrued thereon is payable to REB Group ("**60% PBV Shareholder Loans**"), instead of MIEH.

- As at 20 June 2022, total Debt owing by the company had accumulated to USD 63,97,929 or RM 278,159,899
- On 30 June 2022, REB entered into the Subscription Agreement with SRL to offset USD49,562,125.54 or RM206,508,856.40 (RM1.00:USD0.2400) against the Debt via the issuance of 1,032,544,282 Settlement Shares at an issue price of RM0.20 for each Settlement Share to SRL.
- After the completion of the Proposed Debt Settlement on 29 March 2023, the Remaining Debt USD17,826,886 or RM78,452,560 continue to be owed by REB to SRL and be subjected to a revised interest rate of 5% per annum from the current interest rate of 14% per annum as per the terms of the Subscription Agreement.
- In addition, a shareholder loan facility agreement between SRL and REB has been signed for a shareholder loan facility of up to USD5.0 million at an interest rate equivalent to the BNM overnight policy rate.
- SRL is holding 1,032,544,282 REB Shares, representing approximately 48.5% of the enlarged issued share capital of REB immediately after the completion of the Proposed Debt Settlement.
- SRL and its PAC were obliged to extend the Mandatory Offer pursuant to subsection 218(2) of the CMSA and subparagraph 4.01(a) of the Rules. As SRL had no intention of undertaking the Mandatory Offer, SRL and its PAC had applied for an exemption from the SC under subparagraph 4.08(1)(b) of the Rules from the obligation to undertake the Mandatory Offer prior to the completion of the Proposed Debt Settlement. The application for the Exemption had been approved by the SC via its letter dated 18 January 2023 under subparagraph 4.08(1)(b) of the Rules.
- On 3 April 2023, the Board of Directors of the Company announced that the Company was an affected listed issuer under Practice Note 17 ("PN17") of the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities"). REB is in the process to explore and formulating a Regularisation Plan to address the financial condition. REB have been given approximately 10 months to submit the Regularisation Plan to relevant regulatory authorities for their approval.

OVERVIEW OF EMIR-OIL LLP

Location of Emir-Oil Concession Block

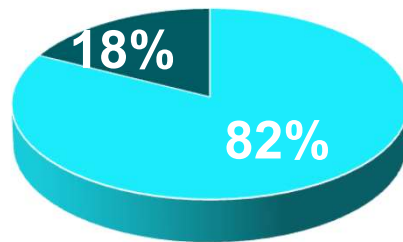


EMIR OIL CONCESSION BLOCKS

Emir-Oil Concession Block							
Type of Field		Commencement Date	Production Commencement Year	Type of Contract	Remaining Contract Period (years)	Expiry Date	Area (km ²)
Producing Fields							
Kariman	Oil	9 Sep 2011	2011	Production Contract	15	31 Dec 2036	12.24
Dolinnoe	Oil	9 Sep 2011	2011	Production Contract	15	31 Dec 2036	18.24
Aksaz	Light Oil	9 Sep 2011	2011	Production Contract	15	31 Dec 2036	11.48
Emir	Oil	1 Mar 2013	2013	Production Contract	8	1 Dec 2029	3.53
North Kariman	Oil	5 Jan 2020	2020	Production Contract	15	31 Dec 2036	4.55
Yessen	Oil	5 Jan 2020	2020	Production Contract	23	31 Dec 2044	6.69
TOTAL ACREAGE (square kilometers)							56.73

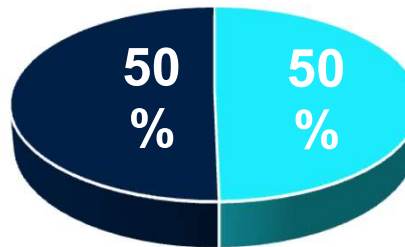
OIL AND GAS SALES RATIO

**Q1'2023
Oil Sales by
Geographical Market**



■ Export ■ Domestic

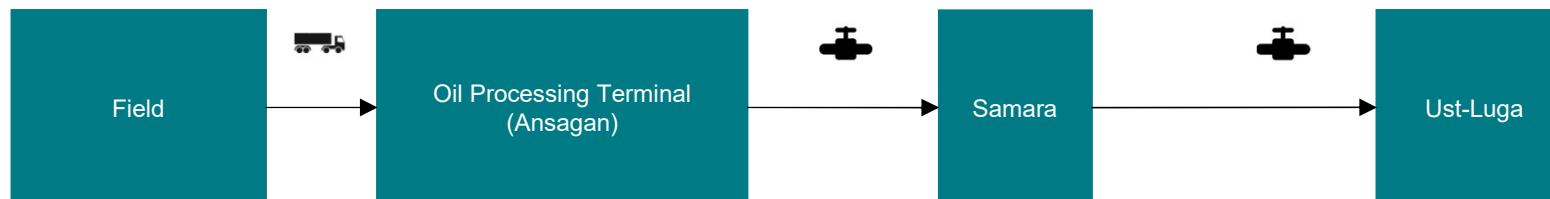
**Q1'2022
Oil Sales by
Geographical Market**



■ Export ■ Domestic



CURRENT EXPORT SALES ROUTE



TRANSPORTATION BY



Trucking



Pipeline

Russia-Ukraine war has impacted EO whereby sharp discount being imposed on EO export crude oil. EO in the process to explore and identify alternative new routes for oil export

KEY HIGHLIGHTS & CHALLENGES OF 2022/23

Production 2022: 2,115 BOPD; 2023 (3m): 2,458 BOPD.
Brent realization price 2022 USD 96; 2023 (3m): USD 79

Continue effort on cost optimization with average unit production maintain at USD 10 per barrel

Well workover program, drilling of new wells and implementing of gas injection as well as managing gas emission to ensure sustainability of reserve

Geo political conflict of Russia and Ukraine has resulted in price inflation and distribution disruption. EO is in the process to explore alternative new route and negotiate a better discount for oil export

STATUS OF KEY ACTIVITIES IN EMIR-OIL LLP

26 wells are producing as of 31 May 2023. 28 wells are closed (17 are shut-in, 8 are awaiting WO, 2 are in WO, 1 temporary conservation).

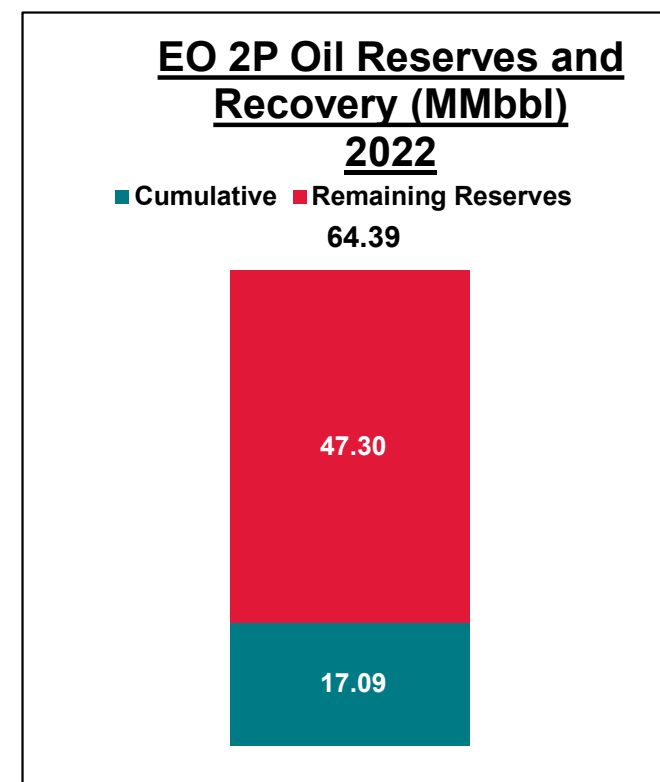
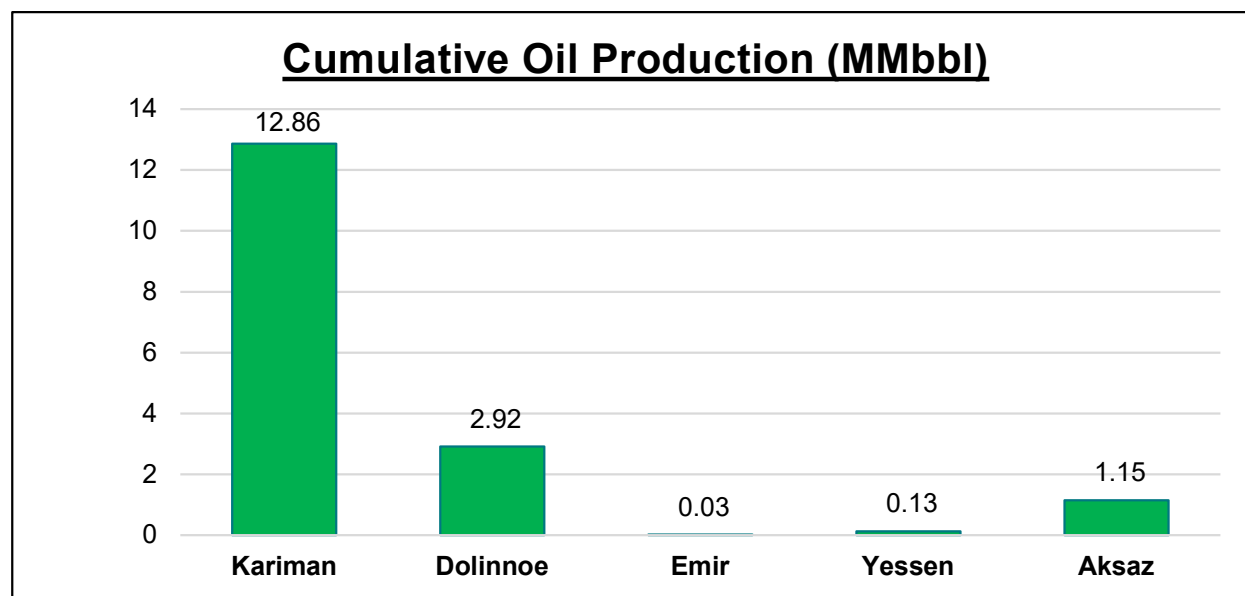
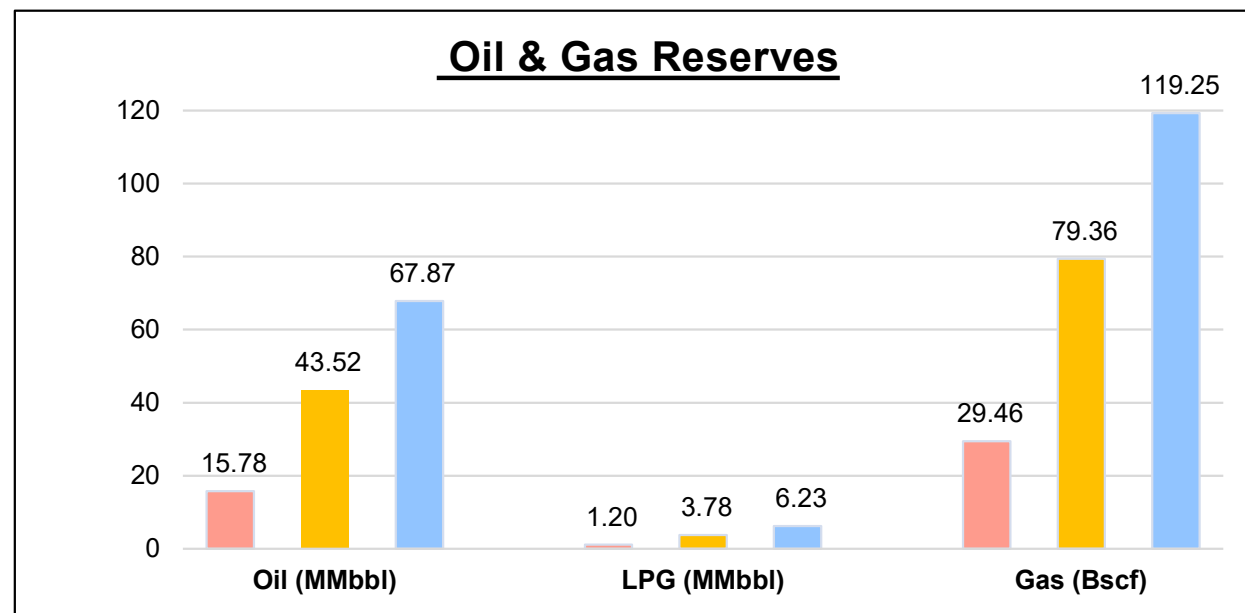
1 well NK104H drilling started in Q4 2022 completed in Q1 2023
2 wells North Kariman will be drilled in year 2023-2024.

Gas injection is schedule to start in end June 2023 at well in Kariman field

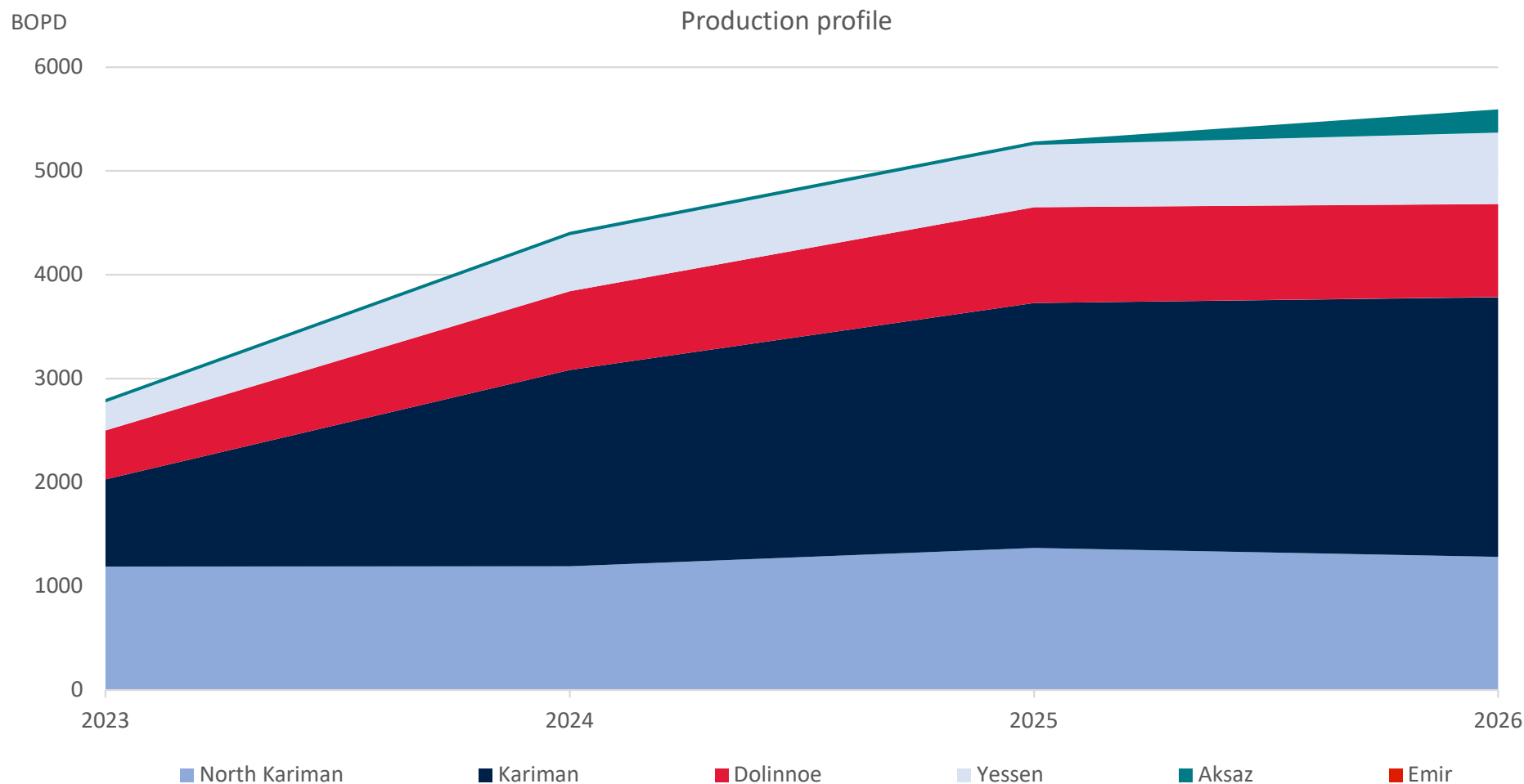
Electrical Submersible Pumps (ESPs) continue to play a major role for Kariman field in order to continuously develop the field.

EO is in the process to review the new design of Central Processing Facilities (CPF) and plan to start construction by year 2024

OIL & GAS RESERVES FY2022



OIL PRODUCTION FORECAST



Drilling 2023-2026

Year	2023	2024	2025	2026
No of wells	2 (2H)	2 (1V, 1H)	2 (2V)	4 (4V)

DEVELOPMENT CAPEX & OPEX

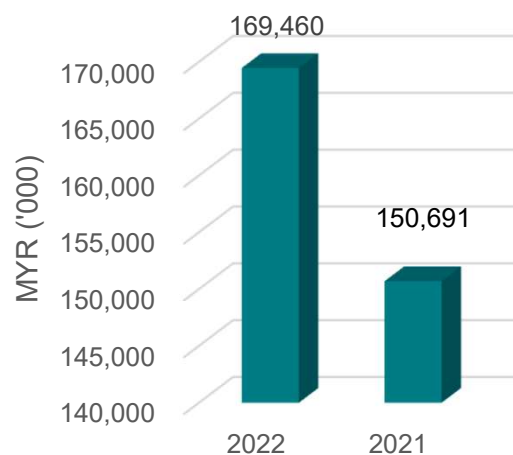
Description	2023
Annual average daily production	2,300 to 3,000 BOPD
CAPEX (for development)	USD 10 million
OPEX (production cost)	USD 12-13 per bbl
Drilling plan	NK104H (completed) NK103H (spud date June'2023) NK105H (spud date Dec'2023)

Year	2023	2024	2025
No. of wells to be drilled	2 (2H)	2 (1V, 1H)	2 (2V)
Drilling (\$ million)	9.3	8.6	7.8
Facilities (\$ million)	0.2	0.6	0.2
Total CAPEX (\$ million)	9.5	9.2	8.0

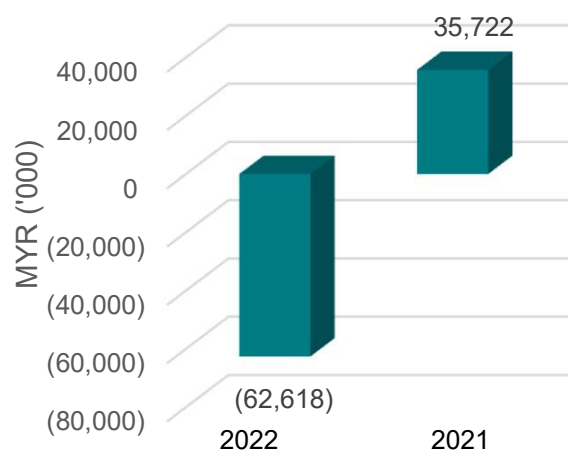
COMPANY PERFORMANCE

	2022	2021	Variance
	RM'000	RM'000	%
Revenue	169,460	150,691	12% ↑
EBITDA	(62,618)	35,722	275% ↑
Loss from Operations	(141,511)	(40,852)	246% ↑
Net Finance Costs	(82,602)	(34,048)	143% ↑
Loss Before Tax	(224,113)	(74,900)	199% ↑
Loss After Tax	(234,929)	(82,259)	186% ↑
Production Volume(bopd)	2,115	1,911	11% ↑
Average Unit Production Cost (Barrel)-USD\$	12.00	10.00	20% ↑
Average Brent Price-USD\$	85	78	

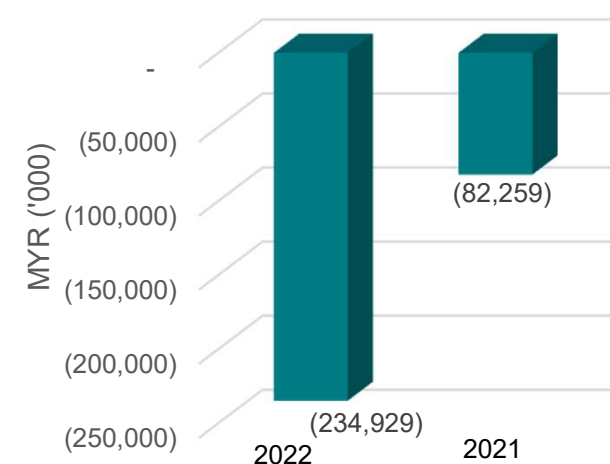
Revenue



EBITDA

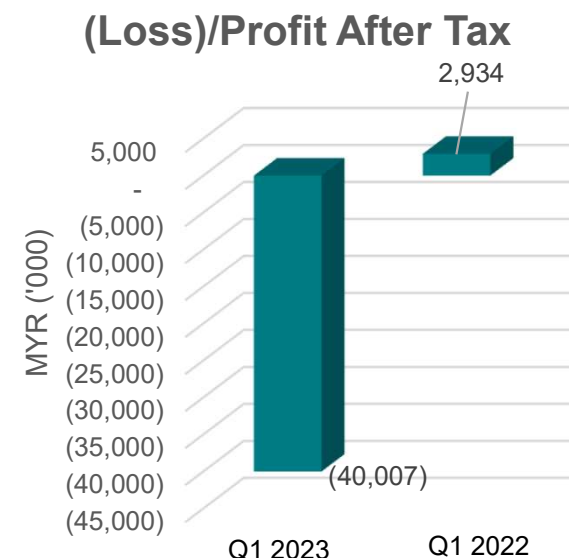
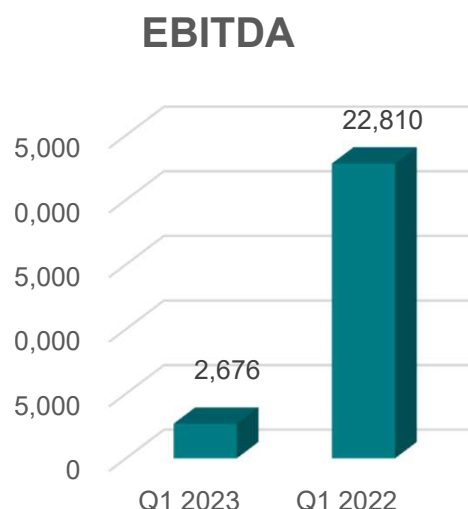
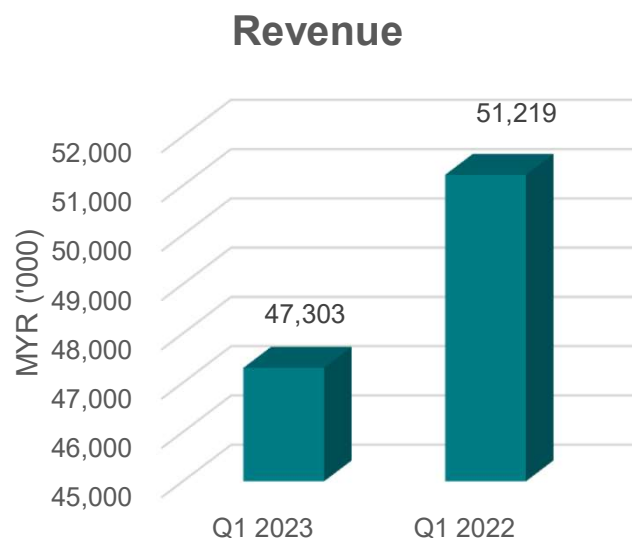


Loss After Tax



COMPANY PERFORMANCE

	Q1 2023	Q1 2022	Variance
	RM'000	RM'000	%
Revenue	47,303	51,219	-8% ↓
EBITDA	2,676	22,810	-88% ↓
(Loss)/Profit from Operations	(19,540)	2,739	-813% ↑
Net Finance Cost	(17,387)	(7,800)	123% ↑
Loss Before Tax	(36,927)	(5,061)	630% ↑
(Loss)/Profit After Tax	(40,007)	2,934	-1464% ↑
Production Volume(bopd)	2,458	1,965	25% ↑
Average Unit Production Cost (Barrel)-USD\$	13.00	10.00	30% ↑
Average Brent Price-USD\$	79	97	



OPERATIONAL PLANS

Sweating
the
Asset



OPTIMISE FIELD ECONOMICS

- Cost / barrel reduction
- Improved export and domestic sales netback
- Increase Oil Export Quota
- Sourcing for new export route and negotiate for better price differential for export sales
- Resolve violation issues



IMPROVE OIL RECOVERY

- Implement Reservoir Pressure Maintenance – Gas injection implementation and water injection study



REMOVING INFRASTRUCTURE BOTTLENECKS

- Upgrade of oil & gas logistics
- Improve oil & gas pipeline network
- Current capacity of processing facilities: 6,000bopd of oil & 5.5MMscfd of gas

Unlocking
Asset
Potential



INCREASE PRODUCTION

- Drill new development wells
- Workover, perforation, acid stimulation, installed new ESPs
- Expansion of Mining Allotment



REFINE MASTER DEVELOPMENT PLAN

- Increased subsurface understanding
- Re-interpretation of 3-D Seismic - to increase prospective resources
- Strategic placement of exploration wells



MAXIMISING GAS VALUE

- Gas injection
- Gas to power project

SUMMARY

In conclusion.....

- **We are in the process to drill more development wells to increase production**
- **We are in the process to institute gas injection for reservoir pressure maintenance**
- **We need to upgrade our processing facilities**
- **We had completed corporate restructuring exercise to reduce and partially settle REB's debt.**
- **We had our new investor, Super Racer Limited who made new beginning to our Group to ensure sustainable operation, pursue opportunity and plans that will accelerate our growth.**
- **We will turnaround the Company and deliver the robust shareholder value**

.....These are the near-term focus and challenges



One Team, One Goal

THANK YOU

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