

12 April 2024

**Coro Energy Plc**  
("Coro" or the "Company")

**Receipt of Eurobond Standstill Letter and Corporate Update**

Coro Energy PLC, the South East Asian energy company with a natural gas and clean energy portfolio, announces receipt of a letter from a group of its Eurobond lenders granting a standstill in respect of the Company's Luxembourg listed Eurobonds due to mature on 12 April 2024. The Company, which confirms it is in constructive discussions with those lenders, also provides an update across the business.

**James Parsons, Executive Chairman of Coro, commented:**

*"I am pleased to announce the stand still arrangement with our Eurobond lenders as we continue to work towards a broader debt restructuring solution that structurally solves Coro's capital structure whilst providing funding for our renewables deployment and the business more generally."*

*In the meantime, the company continues to make excellent progress across its portfolio, with long awaited important milestones approaching at Duyung and continued material developments in our renewables across both the Philippines and Vietnam. I view the award of a second WESC in the Philippines and the completion of the first ten sites with MWG in Vietnam as critical steps towards the delivery of material cashflows from the renewables portfolio."*

**Eurobond Standstill Letter**

The Company announces receipt of a letter from two lenders holding 68% of the Company's Luxembourg listed Eurobonds which are currently due to expire on 12 April 2024 (the "Standstill"). The Standstill, which the Company is advised is binding on the parties, provides a conditional standstill on the repayment of the Company's current debt obligations on expiry whilst the ongoing constructive discussions with the Company in respect of the Eurobonds continue and whilst certain inflexion points in the business materialise, including the outcome of the Duyung Operator's farm out process.

The outstanding balance of the Eurobonds, including rolled up coupon, is US\$29.3 million at 12 April 2024. The Company is working on a broader debt restructuring, which it intends to formally propose to all Eurobond holders and shareholders in due course. The Standstill conditions include a requirement for lender consent on material capex spend during the period of the standstill together with requirements for the provision of certain information and the appointment of a financial advisor nominated by the noteholders to provide advice to the Board and the lenders. During the course of the Standstill, the Company will work with the lenders and the financial advisor reviewing the existing arrangements and working towards a permanent debt restructuring solution for the business. The Company cautions that, notwithstanding constructive discussions to-date and the agreement of this Standstill, noteholders could withdraw the Standstill at any time which would result in the Company triggering a default.

**Duyung PSC**

The Company notes recent progress by Conrad Asia Energy Ltd (the "Operator") at the Duyung PSC, including ministerial approval of the gas price and volume allocation, the completion of front end engineering design ("FEED"), the signature of Heads of Terms for a long-term Gas Sales Agreement ("GSA") with Sembcorp Gas Pte. Ltd and the agreement of binding key terms for the sale of domestic gas volumes.

The Company awaits signature of a binding GSA, finalisation of documentation to access the West Natuna Transportation System for the transportation of gas to Singapore, and the results of the Operator's farm down process, in respect of which Coro has tag and drag along rights. The Company is looking to move to final investment decision once these items are complete, which is potentially later this calendar year. In anticipation of this, the Company is finalising contractual arrangements with a specialist, London-based, E&P financial advisor to assist procuring a debt solution for its element of the required development capital.

Shareholders are reminded that the Company has a 15% non-operated interest in the Duyung Production Sharing Contract ("PSC"), offshore Indonesia. The Operator commissioned an updated reserves and resources report prepared by GaffneyCline Associates in March 2024, which highlights a Best Case scenario of 36.6 Bcf net entitlement 2C resources to Coro during the PSC life.

**Philippines Utility Scale Solar and Wind**

The Company is currently focused on four development stage renewables projects in the Municipality of Oslob in the province of Cebu, Philippines: a 100MW onshore wind project, which already has an approved Wind Energy Service Contract ("WESC"); a 100MW onshore solar project where an application for a service contract is expected shortly; and two further 100MW onshore wind projects, one of which is already in the final stages of the WESC application process. The Philippines portfolio is therefore currently a total of 400MW with all four projects being co-located, sharing a grid connection and benefiting from the 130 metre high meteorological ("met") mast which is collecting bankable data that will cover all three wind projects. The Company believes further utility scale projects are available in the province of Cebu.

The Philippines has an abundance of solar and wind potential, which, when combined with accelerating energy demand and a foreign investor friendly legal framework, makes it an ideal country for the Company's utility scale investments.

The Company has an entitlement to 88% of the future dividends from the Philippine projects and is strategically looking to develop all four projects to Ready to Build status and then selectively monetise and/or farm down the projects to fund construction.

#### **Vietnam C&I Rooftop Solar**

The Company has a producing 3-megawatt pilot project consisting of over 4,500 solar panels and other ancillary components that has been installed across four factory roofs in Vietnam and cover a total area of 16,120 square metres. This project delivers electrical power that is being consumed on site by Phong Phu Corporation, one of Vietnam's premier textile manufacturers under a 25-year power purchase agreement, and is expected, at current pricing levels, to produce net cash flows to the Company of approximately \$0.3m per annum.

The Company also has a Memorandum of Understanding ("MoU") with Mobile World Investment Corporation ("MWG") in Vietnam to install rooftop solar systems across their Vietnamese portfolio. Mobile World Investment Corporation is a white goods and consumer electronics retailer company listed in Vietnam that operates at 3,600 locations across Vietnam with the potential to install 360MW of rooftop solar across all locations. The MoU grants Coro exclusivity on an initial 900 company sites (estimated at 50MW of rooftop solar capacity) in the central and southern regions of Vietnam, where solar irradiation is the highest in the country. Coro will build, own, and operate each rooftop solar system and sell all generated electricity directly to each Mobile World Investment Corporation location under a 14-year Power Purchase Agreement, extendable in certain circumstances, with variable pricing and a floor price of US 11.2 cents/kilowatt hour.

The Company recently signed, as a pilot under the MoU, a binding 14-year power purchase agreement with MWG to deliver power at the first ten sites as a pilot phase with a capacity of 430kw. Construction is currently underway. The PPA term is extendable in certain circumstances and includes a variable price with a floor of circa US\$11.2 cents/kilowatt hour. The capital required for this pilot phase is expected to be funded from existing in-country Company resources and from a debt facility expected to be provided by HDBank, who have now, in addition to their previously announced non-binding commitment letter, provided an indicative offer letter. The offer letter, which remains non binding but is expected to become binding following signature of the EPC contract, provides credit facilities for 8 years at a 12% variable interest rate in respect of the pilot locations. On successful commissioning of the ten pilot sites, the Company will review the learnings from the pilot stage and initiate the full-scale rollout targeting all 900 MWG locations.

The Company's strategy is to proceed with the MWG transaction at pace, utilising local debt where possible, with a view to generating cash flows from the rooftop solar portfolio.

Given the scale and compelling economics of the MWG transaction, the Company has elected not to proceed with the acquisition of a rooftop solar portfolio from the shareholders of KIMY Trading and Service JSC ("KIMY") as previously announced on 25 November 2022, 29 March 2023 and 15 June 2023.

#### **Balance Sheet**

As stated, the Company, is in constructive discussions with the Eurobond lenders and is exploring multiple funding solutions for its Vietnamese and Philippine renewables deployment, including the MWG rooftop solar project under construction in Vietnam and ongoing working capital. To provide additional funding flexibility the Company would encourage shareholders to vote favourably in respect of the resolutions proposed in the forthcoming AGM. In the meantime, the Company continues to manage its cost base and working capital carefully.

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The information contained in this announcement has been reviewed by *Leonardo Salvadori*, Coro's Upstream Oil & Gas Adviser, a qualified geologist and geophysicist and member of the Society of Petroleum Engineers ("SPE").

The volumes included in this announcement are in accordance with 2018 Petroleum Resources Management System ("PRMS") standards sponsored by SPE.

**Abbreviations:**

1C	Low Case Contingent Resources
2C	Best Case Contingent Resources
3C	High Case Contingent Resources
Bcf	Billion cubic feet
MMscfd	Million standard cubic feet per day

*The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the UK version of the EU Market Abuse Regulation 596/2014 which is part of UK law by virtue of the European Union (Withdrawal) Act 2018, as amended and supplemented from time to time. Upon the publication of this announcement, this inside information is now considered to be in the public domain.*

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