

RNS Number:

Barryroe Offshore Energy PLC (in Examination under Part 10 of the Companies Act, 2014)

6 October 2023

Proposals for a Scheme of Arrangement

As referenced in the announcement of 2 October 2023, this is a further announcement in relation to Barryroe Offshore Energy Public Limited Company (in Examination under part 10 of the Companies Act 2014) ("the Company"). By way of background, on 21 July 2023, a petition was presented to the High Court in Dublin to place the Company into Examinership. Kieran Wallace of Interpath Advisory was appointed Examiner of the Company on 31 July 2023 following confirmation by the High Court.

As required by the Act, the Examiner has formulated proposals for a Scheme of Arrangement ("the Scheme") for the Company ("the Proposals"), full details of which are available at www.barryroeooffshoreenergy.com.

Meetings of Shareholders and Creditors have been called for 24 October 2023 to consider the Proposals. The meetings of Shareholders and Creditors will be held at Clayton Hotel Charlemont, Charlemont St, Saint Kevin's, Dublin at 2.00pm on 24 October 2023.¹

If the Proposals are approved by the requisite class of creditors the Examiner will seek a Confirmation Hearing at the High Court at which the Examiner will ask the Court to confirm the Proposals and set an Effective Date will be established for their implementation, expected to be around the end of October 2023.

Summary of the Proposals

Investment Agreement

As previously announced, the Examiner has secured a commitment for an investment by Lorsden (Jersey) Limited ("the Investor"). The Investor is the parent company of Vevan Unlimited Company, which is currently the Company's largest shareholder. Pursuant to an Investment Agreement, the Investor will make available to the Company €1,050,000 ("the Investor Subscription Monies"). In addition, the Investor has committed to make available further funding in the amount of €5,000,000 upon agreement of an appropriate business plan, to be supplemented in due course by substantial additional funds as required to invest in future business plan prospects. The Investor has already advanced a loan of €300,000 (the "Deferred Loan Monies") to the Company which has enabled the Company to fully explore the restructuring options available to it.

On the Effective Date of the Proposals, the Company shall issue to the Investor new shares subscribed for using the Subscription Monies (together the Investor Subscription Monies and the Deferred Loan Monies) and register the Investor as the holder of such new shares in its register of members.

Completion of the investment is conditional upon the cancellation of all of the issued, allotted and to be issued share capital of the Company in existence as at the Effective Date by order of the Court pursuant to section 541 and / or section 542 of the Companies Act 2014 ("the Act") and upon the Proposals being confirmed by order of the Court in a final judicial determination pursuant to section 541 of the Act.

Creditors

Subject to the confirmation of the Proposals, the Investor is making funds available to facilitate the payment of a dividend to certain classes of Creditors of the Company.

- The Preferential Creditor shall receive 100% of its pre-petition debt.
- The Unsecured Creditors shall receive 70% of their pre-petition debts.

¹ A Scheme of Arrangement in an Examinership process requires a majority vote of at least one class of impaired creditors. It does not require approval of shareholders.

- Any claim of the Contingent Decommissioning Creditor (whether quantified by agreement or upon the determination under the Expert Determination Process) shall be paid in the amount of 1% of the amount so agreed or determined.

Existing Shareholders and Cancellation from AIM and Euronext Growth Markets

When the Court confirms the Proposals (with or without modification), the Scheme shall be binding on the shareholders and creditors of the Company.

Where the Court confirms the Proposals, the interest of the shareholders in the total issued share capital of the Company will be eliminated. The shareholders shall receive no distribution on account of their shares under the Scheme or under these Proposals. On the Effective Date, the existing shares and all and any rights attaching or relating thereto will be cancelled.

Any rights and / or entitlements of the shareholders as members of the Company pursuant to the articles of association of the Company or any other document, or otherwise, shall cease as of the Effective Date.

Upon cancellation of all the existing issued share capital the Company will immediately seek cancellation of its listings on AIM and Euronext Growth.

The Proposals provide that the Investor will allocate to the other shareholders (as at 21st July), other than Vevan Unlimited Company, 5% of any after-tax net profits realised by the Company from the Barryroe field, either through its sale or operation at any time in the 10 year period after the Effective Date. Those other shareholders shall not be required to commit additional funds to participate. Documentation giving effect to this element of the Proposals will be prepared and distributed by the Investor to those other shareholders within 30 working days of the Effective Date.

Expected timetable of Events

Publication of the Notice of Shareholders Meeting and Scheme of Arrangement	6 October 2023
Posting of the Notice of Meetings and Scheme to Shareholders and Creditors	6 October 2023
Latest time and Date for receipt of completed Form of Proxy	no later than 4.00pm on 23 October 2023
Shareholders and Creditors Meetings	24 October 2023
Confirmation Hearing at the High Court	on or about 27 October 2023 (date to be decided by the High Court)
Effective Date for implementation of the Proposals	on or about 31 October 2023 (date to be decided by the High Court)
Cancellation of Admission to trading on AIM and Euronext Growth	on or about 1 November 2023 (the day after the Effective Date)

Ends

INVESTOR ENQUIRIES:

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Barryroe Offshore Energy

Energy on our doorstep

Anthony Farrell