

**Statement by Sir Alan Duncan, Chairman of Hascol Petroleum, AGM 7<sup>th</sup> Dec 2021**

Good morning everybody. Thank you for joining this Annual General Meeting.

2021 has been a dramatic year during which your Board has worked tirelessly to turn the company around. I believe we are making good progress in doing so, and I am pleased to be able to explain some of the steps we have taken over the last few months.

First, we have published the 2020 accounts, and in doing so we have cleaned them up and corrected some previous entries which did not meet our high standards. We are now working hard on the 2021 quarterly accounts, and hope to be up-to-date with them within a few weeks.

Second, we have changed the Company's auditors. Baker Tilly are working closely now with our Finance Department on all our accounts and processes.

Over the past year, we have relied heavily on our CEO and CFO who have worked exceptionally long hours under great pressure and, along with all the other employees of Hascol, they deserve our gratitude and appreciation.

It is not just Hascol which has had a difficult year. The entire OMC sector has had a challenging time both with market conditions and with the regulatory environment.

Many of the problems OMCs have faced have not been of their own making, and we are pleased that the Government has taken positive steps on forex protection and retail margins which should help all companies in the sector.

Hascol's main pressure is that it has been seriously constrained by tight liquidity, and the Company would not have survived without the patient and continuing support of its major shareholder.

The Company is carrying a heavy burden of accumulated debt. Servicing that debt has cost as much as the scale of its total losses. In order to address this, the Company has been in detailed negotiations with its bankers.

We believe we are nearing the conclusion of those negotiations and hope soon to be able to announce a restructuring agreement under which short-term expensive debt is replaced by long-term affordable debt and some new equity.

If and when we succeed in this refinancing of the Company, your Board is confident that it will mark the opening of a new and better chapter in Hascol's fortunes, and equip it to be restored as a profitable concern.



**Sir Alan Duncan**  
7 December 2021