

**Rating-Agentur Expert RA has decided to place the ‘B+’ credit rating of Zenith Energy Ltd. on watch.**

Rating-Agentur Expert RA has decided to put the credit rating of Zenith Energy Ltd. on watch which means that the credit rating is under consideration for a change in the short term.

Placing a credit rating “On Watch” is not considered as a rating action.

The next review is expected on 27 May 2020.

Major factors that influenced the decision to put the rating on watch:

- Termination of the REDPSA agreement leading to the disposal of the Azerbaijan asset;
- Current turbulence in the oil market which has driven prices substantially lower than our previously forecast scenario;
- Impact from the coronavirus crisis;
- Outcome of announced potential acquisitions from Zenith.

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### **Limits of the Credit Rating**

During the rating assignment process, Rating-Agentur Expert RA GmbH (the Agency) used publicly available information as well as non-public information (obtained from the rated entity and/or other third parties) which was considered to be reliable, complete and non-biased. The responsible expert performed rating assessment of the company with information considered as the most reliable and up to date in accordance to the overall position of the company and the Agency's internal criteria for selecting data providers. The information and data used for this specific assessment can be considered as of sufficient quality.

### **Conflict of interest**

The responsible expert was neither influenced nor biased by third parties during the rating assessment. The experts involved in the rating assessment and revision of the rated entity showed no conflict of interests before initiation of the rating process.

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