

MAGNUS ENERGY GROUP LTD.

(Incorporated in Singapore)

(Registration No. 198301375M)

GENERAL UPDATE

The Board of Directors ("**Board**") of Magnus Energy Group Ltd (the "**Company**" and, together with its subsidiaries, the "**Group**") refers to the announcements dated 6 August 2018, 12 October 2018, 12 November 2018, 6 March 2019, 4 April 2019, 28 June 2019, 23 August 2019, 30 September 2019, 31 December 2019, 31 March 2020, 30 June 2020, 30 September 2020, 30 December 2020, 31 March 2021, 29 April 2021, 30 June 2021, 30 September 2021, and 30 December 2021 (the "**Previous Announcements**") and wishes to provide a general update on the ongoing affairs of the Group.

Save as otherwise defined, all capitalised terms shall have the same meaning as the Previous Announcements.

GENERAL UPDATE (January 2022 – March 2022)

WITHDRAWAL OF REVISED PROPOSAL FOR RESUMPTION OF TRADING

The Company had on 30 September 2021 withdrawn its Revised Resumption Proposal which was submitted to the SGX-ST on 27 May 2021. At the time, the Company had announced its intention to submit an application for an extension of time (the "**EOT Application**") in relation to the submission of a new resumption proposal (the "**New Resumption Proposal**") to the SGX-ST upon the receipt of JTC's formal approval for the sale of the Loyang Property (the "**JTC Approval**").

The Company has since obtained the JTC Approval and the sale of the Loyang Property was completed on 23 March 2022 ("**Completion**"). In view of the foregoing, the EOT Application is currently being prepared by the Company and is targeted to be submitted by April 2022.

The Company will keep the shareholders of the Company ("**Shareholders**") updated on any further material developments in respect of the above matter.

POTENTIAL BUSINESS VENTURES

The CEO has made a trip to Indonesia in February 2022 and is in discussion for new projects and business ventures. Pursuant to the funds received following the Completion, the Company is now in a better position to progress negotiations for these new projects and business ventures with its business partners as it now has the requisite capital and financial resources to fund and execute such projects and business ventures. The CEO is planning to make further trips in April 2022 to Indonesia to further discuss on some existing and new projects and business ventures.

Save as disclosed above, there are no material updates on the other potential business ventures as set out in the Previous Announcements.

ASSET DISPOSALS

(1) MEG Management Sdn Bhd ("**MMSB**")

As set out in the Company's announcement dated 17 January 2022, a settlement was reached with respect to the Company's writ of summons i.e., HC/S 202/2020 ("**Suit 202**") in the High Court of Singapore (the "**Court**") against the former directors and/or officers of the Company. The Company is considering whether to keep or wind up MMSB and such a decision will be made after the annual general meeting ("**AGM**") to be held on or before 29 April 2022. As of the date of this announcement, there are no material updates on MMSB.

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(2) Property in Loyang (Singapore)

As set out in the announcement dated 23 March 2022, the cashier's orders of approximately S\$6.7 million have been released to Midcon's legal representative following Completion. For more details, please refer to the announcement dated 23 March 2022.

ACCOUNTABILITY AND LEGAL PROCESSES

(1) LEGAL DISPUTES ON INDONESIAN CONTRACTOR, PT HANJUNGIN

There are no material updates to this matter.

(2) THAMES CAPITAL

There are no material updates to this matter.

(3) Suit 202 – Action by the Company against its former directors and former CEO

The Company had on 3 March 2020 commenced Suit 202 against its following former directors and/or officers of the Company:

- (a) Luke Ho Khee Yong ("**Luke Ho**") (former chief executive officer);
- (b) Seet Chor Hoon (former independent director);
- (c) Kushairi bin Zaidel (former chairman and independent director);
- (d) Ong Sing Huat (former non-independent non-executive director);
- (e) Ong Chin Chuan (former independent director);
- (f) Lim Kuan Yew (former managing director); and
- (g) Koh Teng Kiat (former chief operating officer and executive director),

(collectively, the "**Defendants**").

As set out in the announcement dated 17 January 2022, a settlement was reached with respect to the Company's writ of summons in the Court against the Defendants. Please refer to the announcement dated 17 January 2022 for more information on the settlement.

On 15 February 2022, pursuant to the filing of a Notice of Discontinuance, Suit 202 was formally discontinued against the Defendants.

(4) HC/S 1075/2020 ("**Suit 1075**") – Action by Thong Soon Seng against the Company and Third Party Proceedings commenced by Company against Luke Ho (the "**Third Party**")

On 29 February 2020, the Board received a letter of demand from a Mr. Thong Soon Seng regarding certain loan agreements allegedly entered into by the Company's former CEO, Luke Ho, for and on behalf of the Company. The Company has no records of the alleged loan, as announced on 3 March 2020.

On 10 November 2020, the Company was served with the Writ of Summons and Statement of Claim in respect of Mr. Thong's claim against the Company for the alleged loans purportedly provided to the Company. The Company in turn commenced third-party proceedings against Luke Ho in Suit 1075.

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On 16 September 2021, Mr Thong Soon Seng amended his Statement of Claim (“**Amended Statement of Claim**”). Arising from the Amended Statement of Claim, the Company amended its Defence in the main suit as well as its pleadings in the third-party proceedings against Luke Ho. The Company was awarded costs by the Court to be paid by Mr Thong Soon Seng in respect of the Company’s consequential amendments to its pleadings in Suit 1075.

On 17 January 2022, the Company announced that it has reached a full and final settlement on all claims which arise out of or in connection with Suit 1075 (the “**Settlement**”) with Luke Ho. As part of the Settlement, Luke Ho will appear as a witness for the Company at the trial of Suit 1075. The third-party proceeding against Luke Ho was discontinued on 18 January 2022 pursuant to the Company’s filing of the Notice of Discontinuance.

On 26 January 2022, Luke Ho filed an Affidavit of Evidence-in-Chief as the Company’s witness.

The trial which was originally scheduled for 1 to 4 March 2022 was vacated as Company’s lead counsel contracted COVID-19 and was not in a condition to conduct the trial.

The Court has fixed a Pre-Trial Conference (“**PTC**”) on 1 April 2022. In the meantime, parties’ counsels have written in to Court regarding the trial dates and the Court has requested for counsels’ availability for dates in September 2022 and 14 to 17 February 2023, and parties’ counsels expect the trial dates to be confirmed only at the PTC.

CORPORATE GOVERNANCE

1. Resignation of Independent Non-Executive Director

Mr. Winston Milner (“**Mr. Milner**”) has ceased to be an Independent Non-Executive Director of the Company and its subsidiaries with effect from 26 March 2022. With his resignation, Mr. Milner will also cease to be the Chairman of the Nominating Committee and member of the Audit Committee and Remuneration Committee. For more information on Mr. Milner’s cessation as Director and the re-constitution of the board committees, please refer to the Company’s announcements dated 30 March 2022.

2. Appointment of Chief Operating Officer (“**COO**”)

The Company is pleased to welcome Mr. Mustaza Bin Kassim as the COO of the Company. Mr. Mustaza Bin Kassim’s appointment will take effect from 4 April 2022. For more information, please refer to the Company’s announcement dated 29 March 2022.

3. Update on Training Requirement for First Time Directors

Pursuant to the Company’s announcement on 30 December 2021, the Board would like to update that Dato’ Kunalbir Singh Chahl has since completed his requisite training as set out in Practice Note 4D of the Catalist Rules.

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The Company will keep Shareholders updated when there are material developments in respect of all matters above.

BY ORDER OF THE BOARD

Magnus Energy Group Ltd.

Charles Madhavan
Executive Director and
Chief Executive Officer
31 March 2022

This announcement has been prepared by the Company and reviewed by the Company's sponsor, Novus Corporate Finance Pte. Ltd. (the "Sponsor"), in compliance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalist.

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made, or reports contained in this announcement.

The contact person for the Sponsor is Mr Pong Chen Yih, Chief Operating Officer, at 7 Temasek Boulevard, #18-03B Suntec Tower 1, Singapore 038987, telephone (65) 6950 2188.
