

QUARTERLY FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR FIRST QUARTER AND THREE MONTHS ENDED 30 SEPTEMBER 2018 (“1Q2019”)

PART I - INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR ANNOUNCEMENTS

1(a)(i) A consolidated statement of comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

Financial statements on consolidated results for the first quarter ended 30 September 2018.

	Note	Group		
		First Quarter		
		Jul 2018 - Sep 2018 S\$'000	Jul 2017 - Sep 2017 S\$'000	Inc/ (Dec) %
Revenue		5,013	3,814	31.4
Cost of sales		(4,362)	(3,022)	44.3
Gross profit		651	792	(17.8)
Other operating income		838	801	4.6
Other operating expenses		(175)	(1)	>100
Distribution and selling expenses		(23)	(43)	(46.5)
Administrative expenses		(1,193)	(1,279)	(6.7)
Finance income		13	168	(92.3)
Finance costs		(27)	(26)	3.8
Share of results of joint ventures		-	161	(100.0)
Profit before income tax	1	84	573	(85.3)
Income tax		-	32	(100.0)
Profit from continuing operation		84	605	(86.1)
Discontinued operations				
Loss from discontinued operations		-	(245)	(100.0)
Profit for the period		84	360	(76.7)
Other comprehensive income/(loss)		5	(1,009)	N.M
Total comprehensive income/(loss)		89	(649)	N.M
Net income attributable to:				
Equity holders of the Company		(100)	331	N.M
Non-controlling interests		184	29	>100
		84	360	(76.7)
Total comprehensive income/(loss) attributable to:				
Equity holders of the Company		(148)	(523)	(71.7)
Non-controlling interests		237	(126)	N.M
		89	(649)	N.M

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Notes:

1) Profit before tax is arrived at after (charging)/crediting the following:-

	Group		
	First Quarter		
	Jul 2018 - Sep 2018 S\$'000	Jul 2017 - Sep 2017 S\$'000	Inc/ (Dec) %
Stocks written off	-	(1)	(100.0)
Depreciation of property, plant and equipment	(65)	(72)	(9.7)
Realised exchange gain	3	2	50.0
Unrealised exchange (loss)/gain	(149)	703	>100
Interest expense	(14)	(16)	(12.5)
Interest income	13	168	(92.3)
Gain on disposal of plant and equipment	-	15	>100
Loss on disposal of other financial assets	(13)	-	N.M
Gain on disposal of business	834	-	N.M

1(a)(ii) Other comprehensive income/(loss) (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group		
	First Quarter		
	Jul 2018 - Sep 2018 S\$'000	Jul 2017 - Sep 2017 S\$'000	Inc/ (Dec) %
<i>Other comprehensive income/(loss):</i>			
Exchange difference on translation of foreign operations	161	(1,006)	N.M
Fair value loss recognised in equity on revaluation of available-for-sale financial assets during the period	(156)	(4)	3,800.0
Deferred tax on fair value changes to available-for-sale financial assets	-	1	(100.0)
Other comprehensive income/(loss)	5	(1,009)	N.M

QUARTERLY FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR FIRST QUARTER AND THREE MONTHS ENDED 30 SEPTEMBER 2018 (“1Q2019”)

1(b)(i) A consolidated statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Note	Group		Company	
		30-Sep-18 S\$'000	30-Jun-18 S\$'000	30-Sep-18 S\$'000	30-Jun-18 S\$'000
ASSETS					
Non-Current Assets					
Property, plant and equipment	1	18,738	18,709	239	252
Investment in subsidiaries		-	-	13,475	13,475
Other intangible assets	2	-	-	-	-
Other financial assets	3	1,462	673	714	638
Deferred tax assets	10	49	50	-	-
Total Non-Current Assets		20,249	19,432	14,428	14,365
Current Assets					
Inventories	4	1,700	2,019	-	-
Trade and other receivables	5	4,504	6,424	83	575
Related parties balances	6	239	226	13,861	13,714
Cash and bank deposits		4,103	6,064	6	131
Fixed deposits		3,935	2,612	304	304
Total Current Assets		14,481	17,345	14,254	14,724
Assets classified as held for sale	11	609	607	-	-
Total Current Assets		15,090	17,952	14,254	14,724
Total Assets		35,339	37,384	28,682	29,089
LIABILITIES AND EQUITY					
Current Liabilities					
Trade and other payables	7	2,879	5,003	687	828
Related parties balances	6	12	18	-	-
Finance lease obligations	8	2	5	-	-
Borrowings	9	550	550	550	550
Total Current Liabilities		3,443	5,576	1,237	1,378
Liabilities directly associated with assets classified as held for sale	11	-	-	-	-
Total Current Liabilities		3,443	5,576	1,237	1,378
Total Liabilities		3,443	5,576	1,237	1,378
EQUITY					
Share capital		148,782	148,782	148,782	148,782
Reserves		(124,069)	(123,920)	(121,337)	(121,071)
		24,713	24,862	27,445	27,711
Non-controlling interests		7,183	6,946	-	-
Total Equity		31,896	31,808	27,445	27,711
Total Liabilities and Equity		35,339	37,384	28,682	29,089

QUARTERLY FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR FIRST QUARTER AND THREE MONTHS ENDED 30 SEPTEMBER 2018 (“1Q2019”)

Notes to the consolidated statement of financial position

1) Property, plant and equipment

Net book value of property, plant and equipment remained at S\$ S\$18.7 million for 30 June 2018 and 30 September 2018. Net additions during the period were S\$0.1 million. Depreciation and translation loss were both approximately S\$0.05 million respectively. The addition mainly pertain to the construction of microalgae oil cultivation facility.

2) Other intangible assets

	Sep-18	Jun-18
	S\$'000	S\$'000
Other Intangible assets	-	-

PRL173 & 174 have been transferred to Acer Energy Pty Limited on 31 July 2018. Please refer to announcement dated 1 August 2018 for further information.

3) Other financial assets

Other financial assets increased from S\$0.7 million as at 30 June 2018 to S\$1.5 million as at 30 September 2018. The change was mainly due to receipt of quoted investment for outstanding amount due from Revenue Anchor Sdn Bhd in July 2018. Kindly refer to query 14 on the announcement dated 12 October 2018 for further details.

	Sep-18	Jun-18
	S\$'000	S\$'000
Quoted investment	1,462	673

4) Inventories

	Sep-18	Jun-18
	S\$'000	S\$'000
Finished goods	684	1,028
Work-in-progress	51	61
Goods-in-transit	965	930
	<u>1,700</u>	<u>2,019</u>

Refer to Item 8 on Page 12 for more details on sales performance.

5) Trade and other receivables

The amount of trade receivables have decreased from S\$2.7 million as at 30 June 2018 to S\$2.0 million as at 30 September 2018 as a result of prompt payment by customers. Other receivables, deposits and prepayment decreased S\$1.2 million from S\$3.7 million to S\$2.5 million mainly due to recovery of other receivable from Revenue Anchor.

	Sep-18	Jun-18
	S\$'000	S\$'000
Trade receivables	2,010	2,688
Other receivables, deposits and prepayments	2,494	3,736
	<u>4,504</u>	<u>6,424</u>

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Notes to the consolidated statement of financial position (cont’d)

6) Related parties balances (net)

The related party balances mainly relate to trade and non-trade balances between subsidiary and its joint venture entities.

	Sep-18	Jun-18
	S\$’000	S\$’000
Amount due from related parties	239	226
Amount due to related parties	(12)	(18)
	<u>227</u>	<u>208</u>

7) Trade and other payables

Trade and other payables have remained at S\$1.2 million as at 30 June 2018 and 30 September 2018. Other payables and accruals decreased from S\$3.8 million as at 30 June 2018 to S\$1.6 million as at 30 September 2018. S\$2.2 million of other payables has been paid during the period.

	Sep-18	Jun-18
	S\$’000	S\$’000
Trade payables	1,230	1,176
Other payables and accruals (current)	1,649	3,827
	<u>2,879</u>	<u>5,003</u>

8) Finance lease obligations

The decrease in finance lease was due to repayment during the period.

	Sep-18	Jun-18
	S\$’000	S\$’000
Current	2	5
Non-current	-	-
	<u>2</u>	<u>5</u>

9) Borrowings

	Sep-18	Jun-18
	S\$’000	S\$’000
<u>Current liabilities</u>		
Loan from director and CEO	550	550
	<u>550</u>	<u>550</u>

The Company obtained unsecured loan from a director and the chief executive officer (“CEO”) on April 2017 to fund the microalgae oil cultivation facility project. The loan is repayable within 1 year and the effective interest of the loan is 10%. The loan has been extended to April 2019.

QUARTERLY FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR FIRST QUARTER AND THREE MONTHS ENDED 30 SEPTEMBER 2018 (“1Q2019”)

Notes to the consolidated statement of financial position (cont’d)

10) Deferred tax assets

The deferred tax for unutilised benefits mainly comprises the deductible temporary differences arising from the property, plant and equipment.

	Sep-18	Jun-18
	S\$’000	S\$’000
Property, plant and equipment	49	50

11) Assets held for sale

Assets classified as held for sale relate to the Group’s interest in Plant Tech Mid-Continent (India) Pvt. Ltd. (“PTMC”). On 11 September 2018, the Group entered into a share transfer agreement with Plant-Tech Industrial Services Limited for the disposal of its 50% equity interest in PTMC for a sale consideration of approximately S\$0.6 million.

1(b)(ii) Aggregate amount of group’s borrowings and debt securities

Amount repayable in one year or less, or on demand

As at 30-Sep-2018	
Secured	Unsecured
S\$’000	S\$’000
2	550

As at 30-Jun-2018	
Secured	Unsecured
S\$’000	S\$’000
5	550

Amount repayable after one year

As at 30-Sep-2018	
Secured	Unsecured
S\$’000	S\$’000
-	-

As at 30-Jun-2018	
Secured	Unsecured
S\$’000	S\$’000
-	-

Details of group’s borrowings, debt securities and any collateral

The secured borrowings as at 30 September 2018 and 30 June 2018 relates to finance lease.

QUARTERLY FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR FIRST QUARTER AND THREE MONTHS ENDED 30 SEPTEMBER 2018 (“1Q2019”)

1(c) A consolidated statement of cash flow (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group	
	Three Months Ended	
	Sep-18 S\$'000	Sep-17 S\$'000
Cash flows from operating activities		
Profit before income tax	84	328
Adjustments of non-cash items	(592)	(959)
Operating cash flows before working capital changes	(508)	(631)
- Working capital changes	(954)	1,292
Cash flows (used in)/generated from operations	(1,462)	661
Interest income received	1	305
Interest paid	(14)	(16)
Net cash (used in)/generated from operating activities	(1,475)	950
Cash flows from investing activities		
Proceeds from disposal of property, plant and equipment	23	15
Purchase of plant and equipment	(147)	(687)
Proceed from disposal of business	834	-
Payment of petroleum exploration expenditure	-	(51)
Fixed deposits pledged to banks	111	(18)
Net cash flows generated from/(used in) investing activities	821	(741)
Cash flows from financing activities		
Repayment of finance lease obligations	(2)	(2)
Share issue expense	-	(26)
Repayment of borrowings	-	(100)
Proceeds from issuance of convertible notes	-	500
Net cash flows (used in)/generated from financing activities	(2)	372
Net (decrease)/increase in cash and cash equivalents	(656)	581
Cash and cash equivalents at beginning of the period	6,203	7,400
Effects of exchange rate changes on cash and cash equivalents	63	(573)
Cash and cash equivalents at the end of the period	5,610	7,408
Represented by:		
Cash and bank balances	4,103	5,416
Fixed deposits	1,507	1,992
	5,610	7,408
<u>Cash and cash equivalents</u>		
Cash and bank balances	4,103	5,416
Fixed deposits	3,935	4,549
Cash and cash equivalents	8,038	9,965
Less: Fixed deposits (restricted)	(2,428)	(2,557)
Cash and cash equivalents at the end of the period	5,610	7,408

QUARTERLY FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR FIRST QUARTER AND THREE MONTHS ENDED 30 SEPTEMBER 2018 (“1Q2019”)

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

Group	Attributable to shareholders					Non-Controlling Interests	Total Equity
	Share Capital	Fair Value Reserve	Translation Reserve	Accumulated Losses	Total		
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 July 2018	148,782	(44)	(2,297)	(121,580)	24,861	6,946	31,807
Total comprehensive (loss)/profit for the period	-	(156)	108	(100)	(148)	237	89
Balance at 30 September 2018	148,782	(200)	(2,189)	(121,680)	24,713	7,183	31,896

QUARTERLY FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR FIRST QUARTER AND THREE MONTHS ENDED 30 SEPTEMBER 2018 (“1Q2019”)

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year (cont’d)

Group	Attributable to shareholders				Non-Controlling Interests	Total Equity
	Share Capital	Translation Reserve	Accumulated Losses	Total		
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 July 2017	144,769	(7,186)	(106,828)	30,755	8,086	38,841
Total comprehensive (loss)/profit for the period	-	(854)	331	(523)	(126)	(649)
Issue of new shares	800	-	-	800	-	800
Share issue expenses	(26)	-	-	(26)	-	(26)
Balance at 30 September 2017	145,543	(8,040)	(106,497)	31,006	7,960	38,966

QUARTERLY FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR FIRST QUARTER AND THREE MONTHS ENDED 30 SEPTEMBER 2018 ("1Q2019")

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year (cont'd)

Company	Share Capital	Fair Value	Accumulated Losses	Total
	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 July 2018	148,782	(44)	(121,027)	27,711
Total comprehensive income for 1Q2019	-	76	(342)	(266)
Balance at 30 September 2018	148,782	32	(121,369)	27,445
Balance at 1 July 2017	144,769	-	(112,219)	32,550
Issuance of new shares	800	-	-	800
Share issue expense	(26)	-	-	(26)
Total comprehensive income for 1Q2018	-	-	(123)	(123)
Balance at 30 September 2017	145,543	-	(112,342)	33,201

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

Date	Description	No of shares	Paid-up Capital (S\$'000)
30-Sep-18	Issued and paid-up capital	12,632,507,107	148,782
30-Jun-18	Issued and paid-up capital	12,632,507,107	148,782

There is no outstanding convertible and no share option or award granted under the Magnus Energy Employee Share Option Plan.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	30-Sep-18	30-Jun-18
No. of ordinary shares issued and fully paid	12,632,507,107	12,632,507,107

There is no treasury share as at the end of the current financial period and as at the end of the immediately preceding year.

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable.

2 Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice.

The figures have neither been audited nor reviewed by the auditors.

QUARTERLY FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR FIRST QUARTER AND THREE MONTHS ENDED 30 SEPTEMBER 2018 (“1Q2019”)

3 Where the figures have been audited or reviewed, the auditors’ report (including any qualifications or emphasis of a matter).

Not applicable.

4 Whether the same accounting policies and methods of computation as in the issuer’s most recently audited annual financial statements have been applied.

The Group has consistently applied the same accounting policies and methods of computation in the financial statements for the current financial period compared with those of the audited annual financial statements as at 30 June 2018.

5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

Not applicable. Refer to Note 4 above.

6 Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	Group	
	Three Months	
	Jul 2018 - Sep 2018	Jul 2017 - Sep 2017
(Loss)/profit for the period (\$\$'000)	(100)	331
- Based on weighted average number of ordinary shares in issue (cents) - basic and diluted	(0.001)	0.004
- Weighted average number of ordinary shares ('000)	12,632,507	8,993,863
- On a fully diluted basis (detailing any adjustments made to the earnings (cents)	(0.001)	0.003
- Weighted average number of ordinary shares on fully diluted basis ('000)	12,632,507	9,549,418

Diluted loss per share is the same as the basic loss per share because the potential ordinary shares to be converted are anti-dilutive as the effect of the share conversion would be to decrease the loss per share

7 Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the (a) current period reported on; and (b) immediately preceding financial year.

	Group		Company	
	As at 30-Sep-18	As at 30-Jun-18	As at 30-Sep-18	As at 30-Jun-18
Net asset value per ordinary share (cents)	0.20	0.20	0.22	0.22
On a fully diluted basis (cents)	0.20	0.20	0.22	0.22

QUARTERLY FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR FIRST QUARTER AND THREE MONTHS ENDED 30 SEPTEMBER 2018 ("1Q2019")

8 A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-

- (a) any significant factors that affected the revenue, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and

Revenue, costs, and earnings of the Group for the quarter ended 30 September 2018 ("1Q2019") and 30 September 2017 ("1Q2018")

The Group's revenue increased by 31.4% from S\$3.8 million for 1Q2018 to S\$5.0 million for 1Q2019 as a result of stronger demand in the oil and gas equipment segment. Cost of sales increased by 44.3% from S\$3.0 million for 1Q2018 to S\$4.4 million for 1Q2019. Gross profit has decreased by 17.8% from S\$0.8 million for 1Q2018 to S\$0.7 million for 1Q2019. Gross profit margin decreased 7.8% to 13.0% mainly due to disposal of inventories at cost together with the disposal of business. Detail of the disposal has been announced on 10 August 2018. Refer to item 10 on page 13 for more information on the Group's sales performance.

Other operating income

	Jul 2018 - Sep 2018	Jul 2017 - Sep 2017
	S\$'000	S\$'000
Exchange gain	2	703
Gain on disposal of business	834	-
Gain on disposal of property, plant and equipment	-	15
Other income	2	83
	<u>838</u>	<u>801</u>

Expenses

	Jul 2018 - Sep 2018	Jul 2017 - Sep 2017
	S\$'000	S\$'000
Distribution & selling expenses	23	43
Administrative expenses	1,193	1,279
Other operating expenses	175	1
	<u>1,391</u>	<u>1,323</u>

Expenses have increased by S\$0.1 million from S\$1.3 million for 1Q2018 to S\$1.4 million for 1Q2019 due to increase in other operating expenses. Administrative expenses which includes remuneration-related expenses and rental expenses were lower by S\$0.1 million in total. The increase in other operating expenses mainly due to increase of exchange losses of S\$0.2 million. Please refer to Note 1 on Page 2 for further details.

Finance income/costs

Finance income is mainly due from fixed deposit and interest income from loan with PT Hanjungin. Finance expenses are mainly due to hire purchase interests and bank charges.

	Jul 2018 - Sep 2018	Jul 2017 - Sep 2017
	S\$'000	S\$'000
Finance income	13	168
Finance costs	(27)	(26)
	<u>(14)</u>	<u>142</u>

QUARTERLY FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR FIRST QUARTER AND THREE MONTHS ENDED 30 SEPTEMBER 2018 (“1Q2019”)

Net profit after tax

Net profit after tax was S\$0.4 million for 1Q2018 and for 1Q2019 was S\$0.1 million. The decrease in net profit for the period was mainly resulted by decrease in profit margin and increase in other operating expenses.

- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

The Group recorded net cash generated from operating activities of S\$1.0 million for 1Q2018 and net cash used in operating activities of S\$1.5 million for 1Q2019. Cash inflow from working capital was S\$1.3 million as compared to cash outflow for working capital of S\$1.0 million for 1Q2019.

Net cash flow used in investing activities was S\$0.7 million for 1Q2018 as compared to net cash generated from investing activities of S\$0.8 million for 1Q2019.

Net cash flows generated from financing activities was S\$0.4 million for 1Q2018 as compared to net cash used in financing activities of S\$2,000 for 1Q2019, the decrease mainly due to repayment of borrowings.

Comparatively, the Group’s cash and cash equivalent decreased by S\$1.8 million, after adjusting for effects of foreign currencies exchanges, from S\$7.4 million as at 30 September 2017 to S\$5.6 million as at 30 September 2018. The details of the cash flow statement are on Page 7.

- 9 Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

Not Applicable.

- 10 A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

Mid-Continent Equipment Group Pte Ltd. and its subsidiaries (the “Mid-Con Group”) currently forms the Group’s main focus in the energy sector and its oilfield equipment supplies and services in the USA and tubular sales in the Asia Pacific region.

The clean energy demand growth across the world provides a sustainable business environment for the development of alternative sources of energy. The Group has embarked on the pilot commercialisation of microalgae crude oil production with the ultimate objective of providing a renewable source of energy. The current status of the plant remains at growth testing phase and oil extraction test phase. The Group will provide further updates to our shareholders when there are material developments.

The Group is actively pursuing collaborative and funding opportunities globally as part of its diversification efforts to minimise its reliance on its core business in the oil and gas segment. The Group is exposed to movements in US Dollar and Australian Dollar as a result of operations in USA and Australia. The strengthening or weakening of these currencies may have a significant impact on the Group’s future results.

QUARTERLY FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR FIRST QUARTER AND THREE MONTHS ENDED 30 SEPTEMBER 2018 (“1Q2019”)

11 Dividend

- (a) Current Financial Period Reported On - Not applicable
- (b) Corresponding Period of the Immediately Preceding Financial Year - Not applicable
- (c) Tax exempt dividend – Not applicable
- (d) Date payable - Not applicable
- (e) Book closure date - Not applicable

12 If no dividend has been declared/recommended, a statement to that effect.

No dividend has been declared/recommendeded for the period ended 30 September 2018.

13 If the Group has obtained a general mandate from shareholders for Interested Person Transactions (“IPT”), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

No IPT general mandate has been obtained by the Group from the shareholders. As announced on 27 April 2017 and 27 April 2018, the Group has IPT loans from a director and the CEO. However, approval of the shareholders of the Company is not required as the interest payable on the Loans is less than 5% of the Group’s latest audited net tangible assets. Please refer to the announcement on 27 April 2017, 3 May 2017 and 27 April 2018 for further information.

14 Confirmation by the Board pursuant to Rule 705(5)

We, Kushairi Bin Zaidel and Ong Chin Chuan, being two directors of the Company, do hereby confirm on behalf of the directors of the Company that, to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the financial statements for the period ended 30 September 2018 to be false or misleading in any material aspect. A signed confirmation copy is kept in record.

On behalf of the Board of Directors

Kushairi Bin Zaidel
Non-executive Independent Director

Ong Chin Chuan
Non-executive Independent Director

15 Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1) of the Catalyst Listing Manual

The Company hereby confirms that it has procured signed undertakings from all its Directors and the relevant executive officers in the format as set out in Appendix 7H of the Singapore Exchange Securities Trading Limited Listing Manual Section B: Rules of Catalyst (“Catalist Listing Manual”) in accordance with Rule 720(1) of the Catalyst Listing Manual.

BY ORDER OF THE BOARD

Luke Ho Khee Yong
Chief Executive Officer
2 November 2018

QUARTERLY FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR FIRST QUARTER AND THREE MONTHS ENDED 30 SEPTEMBER 2018 (“1Q2019”)

About Magnus Energy Group Ltd. (www.magnusenergy.com.sg)
Listed since 04 August 1999

Incorporated in 1983, SGX Catalist Board-listed Magnus Energy Group Ltd. (“Magnus”) is an investment holding company with a diversified portfolio comprising oil, coal and gas assets, oil and gas equipment distribution, renewable energy and natural resources trading, property and infrastructure development, and industrial waste water treatment.

Magnus aims to maximise shareholder value through strategic investments in profitable projects and acquisitions globally with the goal of broadening the Group’s earnings base and shareholder value.

*This announcement has been prepared by the Company and its contents have been reviewed by the Company’s sponsor, Stamford Corporate Services Pte Ltd (“**Sponsor**”), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) Listing Manual Section B: Rules of Catalist. The **Sponsor** has not independently verified the contents of this announcement.*

This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume 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.

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