

**MAGNUS ENERGY GROUP LTD.**

(Incorporated in Singapore)

(Registration No. 198301375M)

---

**BOARD RECONSTITUTION & APPOINTMENT OF INDEPENDENT DIRECTOR**

---

The Board of Directors (“**Board**”) of Magnus Energy Group Ltd. (“**Company**”) wishes to announce the appointment of Mr Lee Chong Ping (“**Mr Lee**”), as an Independent Director of the Company with effect from 22 November 2019. Mr Lee has also been appointed as the Chairman of the Audit Committee (“**AC**”), member of the Nominating Committee (“**NC**”) and member of Remuneration Committee (“**RC**”).

The information required pursuant to Rule 704(6) of the Singapore Exchange Securities Trading Limited Listing Manual Section B: Rules of Catalist, containing the particulars on Mr Lee’s appointment have been announced separately.

Following the appointment of Mr Lee, the Board shall be reconstituted as follows with effect from 22 November 2019:

1. Ms Seet Chor Hoon (Independent Director)
2. Mr Lee Chong Ping (Independent Director)

Prior to Mr Lee’s appointment, the Board had only one director (being Ms Seet Chor Hoon) and was unable to sign the confirmation for the Company’s financial statement. Pursuant to Catalist Rule 705(5), in the case of an announcement of interim financial statements (quarterly or half-yearly, as applicable, but excluding full year financial statements), an issuer’s directors must provide a confirmation that, to the best of their knowledge, nothing has come to the attention of the board of directors which may render the interim financial statements to be false or misleading in any material aspect. In order to make this confirmation, directors would not be expected to commission an audit of these financial statements. The confirmation may be signed by 2 directors on behalf of the board of directors.

The Company is also required to reconstitute the Board with the minimum number of two directors as prescribed in the Regulation 82 of the Constitution of the Company. An extract of Regulation 82 is as follows:

“NUMBER OF AND FIRST DIRECTORS: All the Directors of the Company shall be natural persons. Until otherwise determined by a general meeting the number of Directors shall be not less than two.”

In addition, the sole director has no powers to act except in emergency and within the provisions under Regulation 93 of the Constitution of the Company. An extract of Regulation 93 is as follows:

“VACANCIES IN BOARD: The continuing Directors may act at any time notwithstanding any vacancy in their body; PROVIDED ALWAYS THAT in case the Directors shall at any time be reduced in number to less than the minimum number prescribed by these Regulations, it shall be lawful for them to act as Directors, except in an emergency, only for the purpose of filling up vacancies in their body, or summoning a general meeting of the Company. If there be no Directors or Director able or willing to act, then any two (2) Members may summon a general meeting for the purpose of appointing Directors.”

The appointment of Mr Lee as Independent Director and Chairman of the Audit Committee will allow the Company to issue the negative confirmation signed off by 2 Directors on behalf of the Board as set out in the abovementioned Catalist Rule, and be in compliance with the Constitution of the Company.

Notwithstanding the Company and Board has committed to appoint sufficient directors to constitute a full functioning board and specifically to form the audit committee with no less than three members within two months, and no later than three months (30 January 2020) to comply with the Catalist Rule 704(7) as extracted below:

“Any appointment or reappointment of a director to the audit committee. The issuer must state in the announcement whether the board considers the director to be independent. The issuer must also provide

**MAGNUS ENERGY GROUP LTD.**

(Incorporated in Singapore)

(Registration No. 198301375M)

---

**BOARD RECONSTITUTION & APPOINTMENT OF INDEPENDENT DIRECTOR**

---

such additional disclosure as may be appropriate in the circumstances to enable its shareholders to assess the independence or otherwise of the appointed director. In the event of any retirement or resignation which renders the audit committee unable to meet the minimum number (not less than three) the issuer should endeavour to fill the vacancy within two months, but in any case, not later than three months."

The Sponsor notes that while Mr Lee has been involved in publicly listed companies such as his past working experiences in various listed companies as the chief financial officer as well as financial controller in various publicly listed companies and having attended board meetings of publicly listed companies, Mr Lee would be required to attend training courses to familiarise himself with the rules and responsibilities as a director of a public listed company in Singapore if he still remains on the Board after the potential requisition of an extraordinary general meeting as stated in the Company's announcements dated 12 November 2019 and 19 November 2019 takes place.

The Company also notes that as the resolution for the re-appointment of its auditor, Moore Stephens LLP, that was proposed during the Annual General Meeting of the Company held on 30 October 2019 had not been passed by the shareholders, it shall convene an extraordinary general meeting as soon as practicable for the appointment of an auditor in compliance with the Companies Act (Cap 50).

Shareholders are advised to exercise caution when dealing with the Company's securities. Shareholders should seek advice from their stockbrokers, bankers, solicitors, accountants, tax advisers or other professional advisers if they have any doubt about the actions that they should take.

**BY ORDER OF THE BOARD**

Magnus Energy Group Ltd.

Luke Ho Khee Yong  
Chief Executive Officer  
22 November 2019

---

**About Magnus Energy Group Ltd. ([www.magnusenergy.com.sg](http://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 and gas equipment distribution, renewable energy and property and infrastructure development.

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 reviewed by the Company's sponsor, Stamford Corporate Services Pte Ltd (the "**Sponsor**"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (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. Bernard Lui.  
Telephone: +65 6389 3000. Email: [bernard.lui@morganlewis.com](mailto:bernard.lui@morganlewis.com)*