
WAIVER GRANTED IN RELATION TO THE APPLICATION FOR EXTENSION OF TIME TO ANNOUNCE THE COMPANY'S FINANCIAL RESULTS FOR THE FULL YEAR ENDED 30 JUNE 2020

The Board of Directors of Magnus Energy Group Ltd (the **"Company"** and, together with its subsidiaries, the **"Group"**) refers to the announcement dated 19 August 2020 (the **"Previous Announcement"**). Unless otherwise specified, all capitalised terms shall have the same meaning ascribed to them in the Previous Announcement.

1. GRANT OF EXTENSION OF TIME

Further to the Previous Announcement, the SGX-ST had on 27 August 2020 informed the Company that it had no objection to the Company's application for a two (2) weeks extension of time till 12 September 2020 to release the FY2020 Financial Results pursuant to Rule 705(1) of the Catalist Rules (the **"Waiver"**), subject to the following:

- a) the Company announcing the Waiver granted, the reasons for seeking the Waiver, the conditions as required under Catalist Listing Rule 106 and if the Waiver's conditions have been satisfied. If the Waiver's conditions have not been met on the date of the announcement, the Company must make an update announcement when the conditions have all been met; and
- b) submission of a written confirmation from the Company that it is not aware of any information that will have a material bearing on investor's decision which has yet to be announced by the Company.

(collectively, the **"Waiver Conditions"**)

The Waiver will not be effective if any of the Waiver Conditions have not been fulfilled.

2. REASONS FOR SEEKING THE WAIVER

As set out in the Previous Announcement, the Company had made the Extension Application, through its sponsor, to the SGX-ST on 19 August 2020 based on the following reasons:

- (i) Preparation and finalisation of FY2020 Financial Results

Due to the recent global outbreak of COVID-19 and the deteriorating situation in the US whereby there has been a resurgence of COVID-19 cases, MEI's management have had to implement certain measures to protect its US Personnel. Among others, MEI's management had informed the US Personnel to work from home whenever possible. Hence, access to physical office premises which house relevant documents / records needed for the preparation and finalisation of the FY2020 Financial Results has been limited

The US Auditors have also encountered difficulties in travelling to the physical office premises and arranging for meetings with the relevant US Personnel in order to perform their audit work / gain access to the aforementioned relevant documents relating to the US operations. As a result, the US Auditors will require more time to complete their audit work.

Given the significance of the US Business to the Group, the Company is of the view that the FY2020 Financial Results can only be finalized once the US Auditors have completed their work and are able

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to provide inputs on the financial figures prepared by MEI, so as to avoid any material adjustments being subsequently made to the FY2020 Financial Results by the US Auditors.

(ii) Change in Directors of the Board

Mr. Michael Pixley and Mr. Winston Milner (the “**New Directors**”) were only appointed as Independent Non-Executive Directors of the Company on 6 August 2020 (the “**New Appointments**”). Prior to these as a result of the cessations of two (2) former Non-Executive Directors, only Mr. Farooq Ahmad Mann remained as the sole member of the AC, NC and RC at the time. Accordingly, the Company had announced then that it was not in compliance with Rule 704(7) of the Catalist Rules and the Companies Act, Chapter 50 of Singapore, where the AC should consist of a minimum number of three (3) members. Pursuant to the New Appointments to the Board, the AC, NC and RC of the Company were reconstituted with the requisite quorum of members under the Company's constitution.

Given that the Board was only fully reconstituted with the requisite quorum of members on 6 August 2020, the Extension Period would provide the New Directors with sufficient time to familiarise themselves with and understand the financial situation of the Company, and thereafter be better able to review and assess the FY2020 Financial Results.

The Company confirms that it is not in contravention of any laws and regulations governing the Company and the constitution of the Company arising from the Waiver and the Company is not aware of any information that will have a material bearing on investor's decision which has yet to be announced by the Company.

In respect of the Waiver Conditions, the Company confirms that condition (a) has been fulfilled and that it has submitted the written confirmation to the SGX-ST as stipulated under condition (b).

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.

Charles Madhavan

Executive Director and Chief Executive Officer

27 August 2020

*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.

MAGNUS ENERGY GROUP LTD.

(Incorporated in Singapore)

(Registration No. 198301375M)

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