
RESPONSE TO QUERIES RAISED BY THE SINGAPORE EXCHANGE REGULATION

The Board of Directors (the “**Board**”) of KS Energy Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce the following responses to queries raised by the Singapore Exchange Regulation on 6 August 2020 in relation to the Company’s SGXNet announcement dated 5 August 2020, entitled “*Information regarding the Executive Chairman and Chief Executive Officer and an Executive Director*” (the “**Announcement**”) and the Straits Times article dated 5 August 2020, entitled “*Indonesian tycoon and KS Energy CEO Kris Wiluan faces 112 charges for alleged false trading, market rigging in Singapore*” (the “**Article**”) as follows:

SGX Query 1:

Please clarify if Mr Richard Wiluan has posted bail or surrendered his passport.

Company’s Response:

Mr. Richard James Wiluan was not charged and therefore has not posted bail or surrendered his passport.

SGX Query 2:

Please disclose Ms Ho Chee Yen’s position in the Group and whether any other employees of the Group are being investigated / facing charges.

Company’s Response:

Ms Ho Chee Yen is not an employee of the Group. To the best of our knowledge, no other employees of the Group are being investigated / facing charges.

SGX Query 3:

Please disclose if CAD has interviewed any other directors and/or management of the Group and if so, whether CAD has required any of them to post bail or surrender their passports.

Company’s Response:

To the best of our knowledge, the CAD has not interviewed any other directors and/or management of the Group.

SGX Query 4:

Listing Rule 720(1) of the Listing Manual provides that an issuer must also comply with Listing Rule 210(5) on a continuing basis, which requires, among others, a consideration of the character and integrity of directors and management.

Please provide the Nominating Committee’s assessment as to Mr Kris Wiluan’s suitability to continue as the Executive Chairman and CEO of the Company and the bases for their assessment. Please also let us have the Nominating Committee’s assessment as to the suitability of Mr Richard Wiluan, Ms Ho Chee Yen and any other persons named in the Company’s response to sub-paragraph (c) above (if applicable) and the bases of their assessment.

Company's Response:

The Company has followed best practices on dealings in securities. The Company has developed a practice governing dealing in the securities of the Company by directors, management and staff. All directors, management and staff of the Company are reminded, on a quarterly basis, that it is an offence under the laws of Singapore to be dealing in the securities of the Company while in possession of material unpublished price-sensitive information. They are also, on the same quarterly basis, notified to refrain from dealing in the securities of the Company during the period commencing two (2) weeks before the announcement of the Company's financial statements for the first and third quarter of its financial year, and one (1) month before the announcement of the Company's half year and full year financial statements, as the case may be, and ending on the date of the announcement of the relevant results.

The directors, management and staff of the Company are discouraged from dealing in the securities of the Company on short term considerations and reminded that they should, at all times, be mindful of the laws of Singapore prohibiting insider trading.

Based on the notifications received from Mr Kris Wiluan and Pacific One Energy Limited, the Company is not aware of any breaches of company policy.

The Nominating Committee ("**NC**") had reviewed and considered the following:

- (a) Mr. Kris Wiluan has not breached company policies in relation to his dealings in securities;
- (b) The charges made in court on 5 August 2020 against Mr. Kris Wiluan by the CAD (the "**Charges**") relate to actions in his personal capacity and do not relate to actions taken in his capacity as a director of the Company;
- (c) Mr. Kris Wiluan is currently not disqualified from acting as a director of any companies;
- (d) His experience as an Executive Director of a company listed on the Singapore Stock Exchange and his exposure and familiarity of the business environment of the companies in the Group with operations in Indonesia; and
- (e) Mr. Kris Wiluan has assured the NC to its satisfaction that he can continue to fulfil his duties as the Executive Chairman and CEO of the Company.

Therefore, the NC is of the view that the Charges will not hinder Mr. Kris Wiluan discharging his duties as the Executive Chairman and CEO of the Company and so he remains suitable to continue as the Executive Chairman and CEO of the Company. To the best of our knowledge, he has always been upfront with the Board and the directors on company matters. The Board has accepted the NC's recommendation.

The NC is of the view that as no charges were made against Mr. Richard Wiluan a detailed assessment is not warranted as he has been fulfilling his duties to its satisfaction based on his recent annual evaluation. The Board has accepted the NC's recommendation.

Further, we refer to the Company's SGXNet announcement dated 8 May 2020, entitled "*Response to SGX-ST Queries Regarding the Company's Annual Report for the Financial Year Ended 31 December 2019*" which stated:

"The Board, with the concurrence of the ARMC and NC, believes that vesting the roles of both Chairman and CEO in the same person, who has vast knowledge in the Group's business provides strong and consistent leadership effective planning and execution of long-term business strategies. As such, there is no need for the role of the Chairman and the CEO to be separated.

In view of the above, the Board believes that the existing practices adopted by the Company are consistent with the intent of Principle 3 of the Code. Nevertheless, the Board aims to comply with the

requirement of Provision 3.1 of the Code for the Chairman and the CEO to be separate persons in financial year ending 31 December 2020.”

The NC reiterates their aim to comply with the requirement of Provision 3.1 of the Code for the Chairman and the CEO to be separate persons in financial year ending 31 December 2020.

By Order of the Board
KS Energy Limited

Samuel Paul Oliver Carew-Jones
Executive Director and Chief Financial Officer

7 August 2020

For more information on KS Energy Limited, please visit our website at www.ksenergy.com.sg