
UPDATES REGARDING NOTICE RECEIVED BY THE COMPANY FROM ELDAN LAW LLP AND REQUISITIONING SHAREHOLDERS

Unless otherwise specified, all capitalised terms shall have the same meaning ascribed to them in the Previous Announcements (as defined below).

The Board of Directors of Magnus Energy Group Ltd (the “Company” and, together with its subsidiaries, the “Group”) refers to the announcement dated 29 October 2019, 12 November 2019, 13 November 2019, 19 November 2019 and 4 December 2019 (“**Previous Announcements**”).

Letters & Notices As Of The Date Of This Announcement

Referring to the Previous Announcements, the Requisitioning Shareholders have sent a requisition notice to the Company on 7 November 2019 (“**Requisition Notice**”), and have via their solicitors sent letters on 22 November 2019, 27 November 2019, 2 December 2019, 4 December 2019 and 5 December 2019 pertaining to the matters of the Requisition Notice and stating their disagreements with the Company’s position on requesting for a fresh requisition notice, the appropriateness of the proposed resolutions and alleging that the Company has failed to convene the proposed EGM within the statutory deadline.

The Company has responded accordingly by way of letters dated 19 November 2019, 4 December 2019 and 5 December 2019, of which announcements have been made pertaining to the Company’s responses on 19 November 2019, 4 December 2019 and today.

Letter Dated 5 December From The Requisitioning Shareholders’ Solicitors

The Board is of the view that the Company should quote the contents of the letter in order not to misrepresent the responses of the Requisitioning Shareholders’ solicitors and their positions, and the Company **quotes**:

We refer to your letter dated 4 December (“your Letter”).

- 2. Our letter dated 27 November 2019 (“our Letter”) was sent to you last Wednesday, 27 November 2019, but you only chose to respond to it yesterday shortly after you received a copy of our draft Notice of EGM and Circular to Shareholders sent to the Sponsor for his approval.*
- 3. We do not see how your client is able to simply conclude that our Letter, which was clearly given on a without prejudice and without admission basis, is deemed to be a fresh “requisition notice”. This is even more perplexing given that we had also expressly stated that our Letter and the revised resolutions are not to be taken or deemed as service of a fresh “requisition notice”.*
- 4. Your Letter only serves to confirm that your client clearly has no intention whatsoever to call for the EGM requisitioned by our clients, despite its statutory obligation to do so under Section 176 of the Companies Act.*
- 5. For the record, your client has no legal basis to challenge the wordings of any proposed resolution in respect of a valid matter for shareholders’ deliberation as set out in a requisition notice that has been issued in accordance with the Companies Act. The proposed resolutions are after all subject to modifications or otherwise as deliberated and decided upon by shareholders at the EGM. Accordingly, your so-called arguments in your Letter are baseless and we see no reason to respond to them. For the avoidance of doubt, the lack of any response from us to any allegation contained in your Letter shall not be deemed to be an admission of the same.*
- 6. We invite your client to study the relevant provisions of the Companies Act, and ensure that its directors are reminded of their duties to act in the best interest of the Company and its shareholders. Our clients*

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will hold your client accountable for any and all losses suffered by the Company resulting from any such breaches.

7. *We are further instructed that our clients have already put SGXT-ST, the Sponsor and your client on notice that they have exercised their rights under Section 176(3) to call for the EGM as soon as possible after your client's failure to call for the EGM within the specified statutory deadline. There is therefore no further purpose to be served in corresponding any further with you or your clients on the wordings of the proposed resolutions.*

-END OF QUOTE-

To allow shareholders to compare the text of the resolutions proposed in the Requisition Notice dated 7 November 2019, 27 November 2019 and the draft Notice of EGM that the Requisitioning Shareholders circulated to, amongst others, the Company's solicitors, on 4 December 2019, the Company wishes to refer to the text of the resolutions proposed in the **Requisition Notice dated 7 November 2019, 27 November 2019 and the text of the proposed resolutions contained in the latest draft Notice of EGM**. Shareholders would note the differences in the proposed resolutions in the two notices, namely 7 November 2019 and 27 November 2019 and that new resolutions that were not included in the Requisition Notice dated 7 November 2019 and 27 November 2019 are now being proposed in the draft Notice of EGM. The Company is seeking legal advice on the same and will update the shareholders accordingly.

Notices	7 November 2019	27 November 2019	4 December 2019
Ordinary Resolution 1	That SEET CHOR HOON be removed as Independent Director of the Company with effect from the date of the EGM, and all necessary steps be taken to remove her from any and all appointments (whether as director, corporate representative or otherwise) with the Company, its related and/or associated companies including all its subsidiaries.	Subject to the passing of at least one of Ordinary Resolutions 2, 3 and 4, that SEET CHOR HOON be removed as Independent Director of the Company with effect from the date of the EGM, and all necessary steps be taken to remove her from any and all appointments (whether as director, corporate representative or otherwise) with the Company, its related and/or associated companies including all its subsidiaries.	Renumbered as Resolution 5 and changed to: That Ms. Seet Chor Hoon be removed as Independent Director of the Company with effect from the date of the EGM, and all necessary steps be taken to remove her from any and all appointments (whether as director, corporate representative or otherwise) with the Company, its related and/or associated companies including all its subsidiaries.
Ordinary Resolution 2	That CHARLES MADHAVAN be appointed as Executive Director of the Company with effect from the date of the EGM, and upon his election thereof, CHARLES MADHAVAN be further appointed as member of the Nominating Committee and the Audit Committee	That CHARLES MADHAVAN be appointed as Director of the Company with effect from the date of the EGM. Mr Charles Madhavan, upon his election as Director of the Company, is to be appointed Executive Director of the Company and be further	Renumbered as Resolution 1 and changed to: That Mr. Charles Madhavan be appointed as a director of the Company with effect from the date of the EGM.

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	respectively.	appointed as member of the Nominating Committee and the Audit Committee respectively.	
Ordinary Resolution 3	That ONG CHIN YEW be appointed as Non-Executive Director of the Company with effect from the date of the EGM and upon his election thereof, ONG CHIN YEW be further appointed as Chairman of the Nominating Committee and member of the Remuneration Committee and the Audit Committee respectively.	That ONG CHIN YEW be appointed as Director of the Company with effect from the date of the EGM. Mr Ong Chin Yew, upon his election as Director of the Company, is to be appointed Non-Executive Director of the Company and be further appointed as Chairman of the Nominating Committee and member of the Remuneration Committee and the Audit Committee respectively.	Renumbered as Resolution 2 and changed to: That Mr. Ong Chin Yew be appointed as a director of the Company with effect from the date of the Meeting.
Ordinary Resolution 4	That KUEK ENG CHYE ANTHONY be appointed as Independent Director and Non- Executive Chairman of the Company with effect from the date of the EGM and upon his election thereof, KUEK ENG CHYE ANTHONY be appointed as Chairman of the Remuneration Committee and member of the Audit Committee and Nominating Committee respectively.	That KUEK ENG CHYE ANTHONY be appointed as Director of the Company with effect from the date of the EGM. Mr Kuek Eng Chye Anthony, upon his election as Director of the Company, is to be designated as Independent Non-Executive Director and appointed as Non-Executive Chairman of the Company and be further appointed as Chairman of the Remuneration Committee and member of the Audit Committee and Nominating Committee respectively.	Renumbered as Resolution 3 and changed to: That Mr. Kuek Eng Chye Anthony be appointed as a director of the Company with effect from the date of the Meeting.
Ordinary Resolution 5	That CHRISTOPHER B. O'CONNOR be appointed as Independent Director of the Company with effect from the date of the EGM and upon his election thereof, CHRISTOPHER B. O'CONNOR be appointed as Chairman of the Audit Committee and member of the Remuneration	That CHRISTOPHER B. O'CONNOR be appointed as Director of the Company with effect from the date of the EGM. Mr Christopher B. O'Connor, upon his election as Director of the Company, is to be designated as Independent	Renumbered as Resolution 4 and changed to: That Mr. Christopher B. O'Connor be appointed as a director of the Company with effect from the date of the Meeting.

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	Committee and Nominating Committee respectively.	Non-Executive Director and appointed as Chairman of the Audit Committee and member of the Remuneration Committee and Nominating Committee respectively.	
Ordinary Resolution 6	That any Directors of the Company who may have been appointed between the date of the Requisition Notice and the date of the EGM be removed.	That any Directors of the Company who may have been appointed between the date of the Requisition Notice and the date of the EGM be removed.	Renumbered as Resolution 7 and changed to: That any Director(s) of the Company who may have been appointed between the date of the Requisition Notice, namely 7 November 2019 and the date of the EGM be removed.
Ordinary Resolution 7		To appoint Baker Tilly as the Auditors of the Company and to authorize the Directors to fix their remuneration	Renumbered as Resolution 9 with no change.
Ordinary Resolution 8			New Resolution 8: That the payment of Directors' fees of S\$120,000 be approved for the financial year ending 30 June 2020.
			New Resolution 6: That Mr. Lee Chong Ping be removed as Independent Director of the Company with effect from the date of the EGM.

The Directors wishes to reiterate that they believed that they have proposed a framework and a procedure that would provide a level playing field for all potential candidates as well as fully according to directors who are subject to the resolutions to remove them as directors their full right and the opportunity to make representations as contemplated by section 152 of the Companies Act (Cap. 50). **The Company has also taken steps to mitigate any risks of challenge notwithstanding the defects to resolutions as proposed by the Requisitioning Shareholders and their solicitors.**

MAGNUS ENERGY GROUP LTD.
(Incorporated in Singapore)
(Registration No. 198301375M)

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The Company has instructed CCCTH to proceed with the preparation of the shareholders' circular on the described framework and timeline as announced on 4 December 2019. It must be noted that a reasonable time frame must be given to the Company's Sponsor to review in compliance to the Catalist Rules and provide their comments on the notice of the extraordinary general meeting and the circular.

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
05 December 2019

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 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.*

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