Securities Investors Association (Singapore)
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Email: admin@sias.org.sg www.sias.org.sg
UEN No: S99SS0111B
GST Reg No: M90367530Y

Issuer: Magnus Energy Group Ltd

Stock code: 41S

Meeting details:
Date: 29 April 2022
Time: 2.00 p.m.

Due to the current COVID-19 pandemic, SIAS encourage shareholders to participate at AGMs via other means and not to attend any AGM physically. Where the AGM is webcast, they can stay on top of their investments by watching the webcast and submitting their question to the company in advance. Senior citizens should avoid attending AGMs altogether and stay home.

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Q1. Following a trading halt on 19 August 2019, the company requested for a suspension of the trading of the company's shares on 22 August 2019. The external review report by Provenance Capital Pte. Ltd. (dated 21 August 2019) was published by the company on 23 August 2019.

The 173-page report can be read here:
https://links.sgx.com/FileOpen/1.%20PCPL%20Magnus%20Review%20Report%20-%20Final.ashx?App=Announcement&FileID=575836

In addition, the company provided shareholders a general update on 31 March 2022[1].

With the completion of the sale of the Loyang property, the company is preparing an extension of time application ("EOT application") to SGX-ST in relation to the submission of a new resumption proposal.

(i) **What are the other milestones, if any, before the company can finalise and submit the EOT application to SGX-ST?**

(ii) **Is the company on track to submit the EOT application by April 2022?**

(iii) **What additional information and/or milestones are required in the new resumption proposal?**

(iv) **What is the level of involvement by the independent directors in the EOT application and in the new resumption proposal?**

(v) **When is the earliest the trading of the company's shares be resumed on SGX-ST?**

Q2. The company filed a lawsuit, Suit HC/S 202/2020 ("Suit 202"), against its former directors and former chief executive officer on 3 March 2020.

The company reached a full and final settlement on all claims which arise out of or in connection with Suit 202 and Suit 1075 with Luke Ho, Seet Chor Hoon, Kushairi bin Zaidel, Ong Sing Huat and Ong Chun Chuan and has entered into a Settlement Agreement dated 17 January 2022.

The salient terms of the settlement agreement can be found on pages 136 and 137 of the annual report.

(i) **Has the company received the $350,000 as part of the settlement?**

[1]https://links.sgx.com/FileOpen/MEG_General%20Quarterly%20Update%2031Mar2022.ashx?App=Announcement&FileID=709235

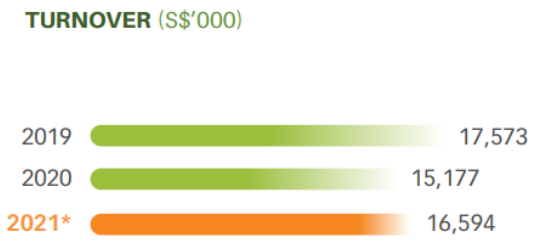
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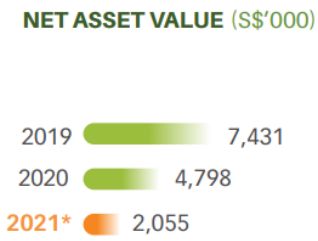
(ii) **Have all the other conditions in the settlement agreement been met?**

(iii) **Can the board help shareholders understand the reasons to file a Notice of Discontinuance of the third-party proceedings in Suit 1075 against Luke Ho when HC/S 1075/2020 ("Suit 1075") is still outstanding?** Suit 1075 is an action by Mr. Thong Soon Seng against the company for repayment of an alleged loan. The alleged loan of principal and contractual interest sums up to $5,118,572.

(iv) **Was the Pre-Trial Conference held on 1 April 2022? If so, please provide shareholders with an update.**

Q3. The company recognised revenue for $16.6 million for the 18-month period from 1 July 2020 to 31 December 2021 as a result of the change in financial year end. Net asset value has decreased to $2.06 million as at 31 December 2021.





(i) **For the benefit of shareholders, please clearly state the business model of the group, including its competitive advantage?**

(ii) **How will the recovery in oil and gas prices benefit the group?**

It was also mentioned that the CEO had traveled to Indonesia to negotiate on new projects for the group's diversification efforts.

(iii) **What guidance has the board given to management in the group's diversification efforts?**

(iv) **What risk management framework and internal controls systems have been put in place to ensure that the interest of the company and its shareholders are safeguarded?**

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^On 1 October 2020, the Accounting and Corporate Regulatory Authority ("ACRA"), the Monetary Authority of Singapore ("MAS") and Singapore Exchange Regulation ("SGX RegCo") published an updated checklist to guide listed entities on the conduct of general meetings arising from the latest updates from the Multi-Ministry Taskforce.

Issuers may continue to conduct their general meetings held on or before 30 June 2021 via electronic means, and are encouraged to do so. On 9 April 2021, it was announced that the alternate arrangements for meetings ("Meetings Order") would be extend beyond 30 June 2021 until it is revoked or amended by the Ministry of Law. Accordingly, until such time, issuers may continue to utilise the Checklist issued by ACRA, MAS and SGX RegCo to guide entities on the conduct of their general meetings.

Issuers who, after due consideration of public health and other risks, wish to provide for physical attendance at their general meetings must ensure that they implement all relevant measures to comply with the safe management measures imposed by the Singapore Government.

Shareholders are welcome to use and/or adapt the questions prepared by SIAS and to forward them to the company.

Can't attend the AGM or view the webcast? Check out the latest questions on the annual reports of listed companies on SIAS website

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^ Guidance on the Conduct of General Meetings Amid Evolving COVID-19 Situation (https://www.sgx.com/media-centre/20201001-guidance-conduct-general-meetings-amid-evolving-covid-19-situation)