

MAGNUS ENERGY GROUP LTD.

(Incorporated in Singapore)

(Registration No. 198301375M)

RECEIPT OF LETTER OF DEMAND

The Board of Directors of Magnus Energy Group Ltd (the "**Company**") and, together with its subsidiaries, the "**Group**") wishes to inform shareholders that the Company has received a letter of demand dated 29 February 2020 ("**Letter of Demand**") from solicitors acting on behalf of Mr Thong Soon Seng ("**Mr Thong**"), notifying the Company of his claim for repayment of loans which the ex-CEO, Mr Luke Ho Khee Yong, allegedly borrowed from Mr Thong in 2016 purportedly on behalf of the Company.

The Letter of Demand contains demands for repayment of S\$5,118,572.49 representing the amount of loan principal and contractual interest owed as of 18 January 2018 of S\$4,600,000, and further interest on the same pursuant to section 12 of the Civil Law Act, Chapter 43 of Singapore, of S\$518,572.49.

For the avoidance of doubt, the Board would like to inform shareholders that no legal proceedings have been commenced against the Company at this stage.

The Board is seeking independent legal advice on the basis and merits of the claim and will make further announcements on the material developments as necessary.

Shareholders and potential investors are advised to read this announcement and any further announcements by the Company carefully. Shareholders and potential investors should exercise caution when dealing in the shares of the Company. Persons who are in doubt as to the action they should take should consult their legal, financial, tax or other professional advisers.

BY ORDER OF THE BOARD

Magnus Energy Group Ltd.

Charles Madhavan
Chief Executive Officer
3 March 2020

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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