

Explanatory notes to the agenda of the Annual General Meeting of Shareholders (the AGM) of Sequa Petroleum N.V. (the Company) of 8 February 2019 at 11:00 hours CET in the morning.

Agenda item 2

Report by the Management Board on the financial year 2017 (discussion)

The Management Board will explain the audited annual accounts for the financial year 2017, as drawn up by the Management Board.

Agenda item 3

Implementation of the remuneration policy in the financial year 2017(discussion)

Pursuant to Section 2:135 (5a) of the Dutch Civil Code, a discussion should be held regarding the implementation in 2017 of the remuneration policy for the Management Board. The discussion takes place on the basis of the information referred to in Section 2:383c up to and including Section 2:383e of the Dutch Civil Code, as included in the Annual Report 2017.

Agenda item 4

Proposal to adopt the annual accounts 2017 (vote)

It is proposed to the General Meeting to adopt the annual accounts drawn up by the Management Board and approved by the Supervisory Board on 28 December 2018. The auditor of the Company has audited the annual accounts and issued an approving auditors statement included in the Annual Report 2017.

Agenda item 5

Resolution of the Management Board to allocate the loss for the financial year 2017 to the retained earnings (discussion)

The Management Board resolved to allocate the loss for the financial year 2017 of USD 21.4 million to the retained earnings.

Agenda item 6

Proposal to release the Management Board members in office during the financial year 2017 from liability (vote)

In accordance with Article 23.7 of the Articles of Association of the Company, it is proposed to release the members of the Management Board in office as well as the Management Board member who stood down from office in 2017 Mr. J.P. Bosma, from liability for their duties insofar as the exercise of such duties is reflected in the Annual Report 2017 or otherwise disclosed to the General Meeting.

Agenda item 7

Proposal to release the Supervisory Board members in office during the financial year 2017 from liability (vote)

In accordance with Article 23.7 of the Articles of Association of the Company, it is proposed to release the members of the Supervisory Board in office as well as the Supervisory Board member who stood down from office in 2017 Mr. E.F. Eichler, from liability for their duties insofar as the exercise of such duties is reflected in the Annual Report 2017 or otherwise disclosed to the General Meeting.

Agenda item 8

- (a) *Proposal to designate of the Management Board as the competent body authorised to resolve to issue shares in the capital of the Company (vote)*

It is proposed to the General Meeting to designate the Management Board as the competent body to resolve to issue new shares and to grant rights to subscribe for shares in the capital of the Company, with a nominal value of EUR 0.10 each, for a period of five (5) years until 8 February 2024, such in accordance with Article 6.1 of the Articles of Association of the Company. The Management Board would like to confirm this authority for the period ending 8 February 2024 (the existing designation on this matter – as granted by the general meeting on 8 December 2017 – will expire upon the adoption of this resolution). The Management Board resolution to issue shares or to grant rights to subscribe for shares will require the approval of the Supervisory Board.

The designation of the Management Board as the competent body to resolve to the issue of shares in the capital of the Company and the granting of rights to subscribe to shares in the capital of the Company contemplates flexibility with regard to the financing of the Company and attracting of new capital.

The authority of the Management Board to resolve to issue shares and to grant rights to subscribe to shares will be restricted to:

- 10% of the entire issued capital of the Company on a fully diluted basis at the time of the first issuance of shares or the first granting of rights to subscribe for shares under this mandate; and
- an additional 10% of the entire issued capital of the Company on a fully diluted basis in the event of a merger or acquisition.

- (b) *Proposal to designate the Management Board as the competent body to resolve to restrict or exclude pre-emptive rights upon the issuance of shares (vote)*

In accordance with Article 6.6 of the Articles of Association of the Company, it is proposed to the General Meeting to designate the Management Board of the Company as the competent body to resolve to restrict or to exclude the pre-emptive rights upon the issuance of shares or granting of rights to subscribe for shares for a period of five (5) years until 8 February 2024. The Management Board would like to confirm the authority for the period ending 8 February 2024 (the existing designation on this matter – as granted by the general meeting on 8 December 2017 – will expire upon the adoption of this resolution). The authority of the Management Board to resolve to restrict or to exclude the pre-emptive rights upon the issuance of shares will be restricted to:

- 10% of the entire issued capital of the Company on a fully diluted basis; and
- an additional 10% of the entire issued capital of the Company on a fully diluted basis in the event of a merger or acquisition,

both as referred to under agenda item 8(a). The Management Board resolution to resolve to restrict or to exclude the pre-emptive rights will require the approval of the Supervisory Board.

- (c) *Proposal to authorise the Management Board to repurchase shares (vote)*

In accordance with Section 2:98(4) of the Dutch Civil Code and Article 7.1 of the Articles of Association of the Company, it is proposed to the General Meeting to authorise the Management Board to have the Company acquire own shares for a valuable consideration. The authorization of the Management Board to have the Company acquire its own shares contemplates flexibility.

The Management Board would like to confirm the authority for the period not exceeding eighteen months of the date of the AGM and therefore until 8 August 2020 (and including). The authority of the Management Board will be restricted to 10% of the issued share capital of the Company on a fully diluted basis at the time of the acquisition. The price per share will at least equal to EUR 0.01 but not exceed the stock price of a share at the last business day before the date of the acquisition increased by 10%. The approval of the Supervisory Board will be required for the acquisition of own shares by the Company.