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**Mr. Chen William Hon Lam**



**E&P Global Holdings Limited**  
**能源及能量環球控股有限公司**  
*(incorporated in the Cayman Islands with limited liability)*  
**(Stock code: 1142)**

**JOINT ANNOUNCEMENT**  
**(1) PLACING OF CONVERTIBLE NOTES BY THE VENDORS**  
**(2) PROPOSED CONVERSION OF**  
**CONVERTIBLE NOTES BY THE SUBSCRIBERS**  
**(3) APPLICATION FOR WHITEWASH WAIVER**  
**(4) ESTABLISHMENT OF INDEPENDENT BOARD COMMITTEE**  
**AND**  
**(5) COMMENCEMENT OF OFFER PERIOD**

**Financial Adviser to Mr. Chen**



**Placing Agent of the Vendors**

**Kingsway Financial Services Group Limited**

**PLACING OF CONVERTIBLE NOTES BY THE VENDORS**

On 28 March 2025 (after trading hours), the Vendors entered into the Placing Agreement with the Placing Agent, pursuant to which Ocean Resources and Wayside agreed to place the Convertible Notes in the principal amount of US\$26,000,000 and US\$74,000,000, respectively (i.e. the Sale CN), through the Placing Agent, at the placing price of not less than HK\$0.25 equivalent per Conversion Share on a best-effort basis to not less than six CN Placees who are independent third parties to and not parties acting in concert with Mr. Chen, the Subscribers and their respective concert parties.

## **PROPOSED CONVERSION OF CONVERTIBLE NOTES BY THE SUBSCRIBERS**

On 28 March 2025 (after trading hours), Mr. Chen and the Subscribers have notified the Company by way of the Conversion Notice of their intention to convert the Convertible Notes subject to the principal amounts of the Convertible Notes proposed to be converted to be finalised upon Closing and subject to the Conversion Conditions.

## **APPLICATION FOR WHITEWASH WAIVER**

Save for the Convertible Notes, as at the date of this joint announcement, neither Mr. Chen, the Subscribers nor any party acting in concert with any of them owns (or has control or direction over) any Shares or any other convertible securities, options, warrants or derivatives in the Company.

Upon the Total Conversion (assuming full conversion of the Convertible Note), Mr. Chen will, collectively with the Subscribers, hold in aggregate approximately 74.16% of the enlarged issued share capital of the Company (assuming that there will be no other change in the issued share capital of the Company save for the issuance of the Conversion Shares). Accordingly, upon completion of the Total Conversion, pursuant to Rule 26.1 of the Takeovers Code, Mr. Chen will be required to make a mandatory general offer for all the securities of the Company not already owned or agreed to be acquired by Mr. Chen, the Subscribers and parties acting in concert with any of them, unless the Whitewash Waiver from strict compliance with Rule 26.1 of the Takeovers Code is granted by the Executive. An application will be made by Mr. Chen to the Executive for the granting of the Whitewash Waiver in relation to the issuance of the Conversion Shares pursuant to Note 1 on dispensations from Rule 26 of the Takeovers Code.

## **INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER**

Pursuant to Rule 2.8 of the Takeovers Code, the Independent Board Committee, comprising all the non-executive Directors who have no direct or indirect interest in the Total Conversion, the Whitewash Waiver and the transactions contemplated thereunder, namely Ms. Sun Meng, Ms. Chen Dai, Mr. Kim Sung Rae and Mr. Wong Wei Hua Derek, has been formed to advise the Independent Shareholders with regard to the Proposed Conversion and the Whitewash Waiver. An independent financial adviser will be appointed by the Board (with the Independent Board Committee's approval) to advise the Independent Board Committee as to the fairness and reasonableness of the terms of the Proposed Conversion and the Whitewash Waiver and as to voting by the Independent Shareholders in accordance with the Takeovers Code.

## **COMMENCEMENT OF OFFER PERIOD**

As Mr. Chen and the Subscribers reserve their rights to waive Conversion Conditions (iv) and (v) in relation to the Proposed Conversion and the Whitewash Waiver, the possibility of the Shareholders receiving the Possible Offer as a result of the Proposed Conversion cannot be ruled

out. Accordingly, an offer period in respect of the Company has commenced on the date of this joint announcement. However, none of Mr. Chen and the Subscribers has a firm intention to waive conditions (iv) and (v) and to make the Possible Offer as at the date of this joint announcement.

## **GENERAL**

The EGM will be convened to consider and, if thought fit, approve, among other things, the Proposed Conversion and the Whitewash Waiver by way of poll.

The EGM Circular containing, among other things, (i) information about the Proposed Conversion and the Whitewash Waiver; (ii) the letter from the Independent Board Committee; (iii) the recommendations from the independent financial adviser on the Proposed Conversion and the Whitewash Waiver; and (iv) a notice convening the EGM will be despatched to the Shareholders in accordance with the applicable requirements of the Takeovers Code.

No Shareholder is involved in or interested in the Proposed Conversion and the Whitewash Waiver and therefore no Shareholder is required to abstain from voting at the EGM.

## **WARNING**

**There is no assurance that the Proposed Conversion and/or the Whitewash Waiver will materialise or eventually be consummated and the proposed actions of the Subscribers may or may not lead to a general offer for all issued Shares under Rule 26.1 of the Takeovers Code. The Proposed Conversion and/or the Whitewash Waiver, therefore, may or may not materialise. Shareholders and potential investors of the Company should exercise caution when dealing in the Shares and/or other securities of the Company, and if they are in any doubt about their position or as to the action they should take, they should consult their stockbroker, bank manager, solicitor or other professional adviser(s).**

On 28 March 2025 (after trading hours), the Board was notified by Mr. Chen of his proposed actions in relation to the Convertible Notes.

## **(A) PLACING OF CONVERTIBLE NOTES BY THE VENDORS**

### **The Placing Agreement**

As at the date of this joint announcement, subject to the Placing Agreement, A Mark, Ocean Resources and Wayside are the registered holders of the Convertible Notes in the principal amount of US\$200,195,000, US\$100,097,500 and US\$100,097,500, respectively. The entire principal amount of the Convertible Notes registered in the name of A Mark and Ocean Resources are beneficially owned by Wayside, which is in turn wholly owned by Mr. Chen. By

virtue of the SFO, Mr. Chen is deemed to be interested in the Convertible Notes registered in the name of A Mark, Ocean Resources and Wayside in the aggregate principal amount of US\$400,390,000.

On 28 March 2025 (after trading hours), the Vendors entered into the Placing Agreement with the Placing Agent, pursuant to which Ocean Resources and Wayside agreed to place the Convertible Notes in the principal amount of US\$26,000,000 and US\$74,000,000, respectively (i.e. the Sale CN), through the Placing Agent, at the placing price of not less than HK\$0.25 equivalent per Conversion Share on a best-effort basis to not less than six CN Placees who are independent third parties to and not parties acting in concert with Mr. Chen and the Subscribers and their respective concert parties.

Salient terms of the Placing Agreement are as follows:

Vendors: Mr. Chen (as deemed beneficial owner of the Sale CN), Ocean Resources, and Wayside

Placing Agent: Kingsway Financial Services Group Limited, a licensed corporation in Hong Kong permitted to carry on business in type 1 (dealing in securities) type 2 (dealing in futures contracts), type 4 (advising on securities) and type 9 (asset management) regulated activities under the SFO.

The Placing Agent is a third party independent of and not acting in concert with Mr. Chen and the Subscribers and their respective concert parties.

The Placing Agent confirmed to the Vendors that:

- (a) the Placing Agent and its associates have not dealt in any securities of the Company, as principal, in the six months prior to the date of the Placing Agreement; and
- (b) other than entering into the Placing Agreement, the Placing Agent and its associates do not hold and do not have any interest, as principal, in any securities of the Company as at the date of the Placing Agreement.

The Placing Agent further undertakes to the Vendors that the Placing Agent and its associates will not make any acquisitions or disposals of voting rights in the Company, as principal, which constitute disqualifying transactions (within the meaning of the Takeovers Code) in the period between the date of the Placing Agreement and the date of completion of the Proposed Conversion.

If the Possible Offer proceeds upon the Total Conversion, the Placing Agent will not deal in any securities of the Company during the period from the date of the Placing Agreement up to and including the final closing date of the Possible Offer.

The Sale CN:

The Convertible Notes in the aggregate amount of US\$100,000,000, representing 3,120,000,000 Conversion Shares), of which US\$26,000,000 and US\$74,000,000 are to be placed by Ocean Resources and Wayside, respectively.

The Placing Agent, as agent of the Vendors, will, on a best-effort basis, procure not less than six CN Placees, who are third parties independent of and not acting in concert with (a) the Placing Agent and its associates; and (b) Mr. Chen, the Subscribers or any of their respective concert parties, to purchase the Sale CN.

Selection criteria of the  
CN Placees:

Each of the CN Placees shall confirm to the Placing Agent and the Vendors that, other than the acquisition of the Sale CN: (i) the CN Placee and his/her/its associates have not dealt in any securities of the Company in the six months prior to the date of the Placing Agreement; and (ii) the CN Placee and his/her/its associates do not hold and do not have any interest in any securities of the Company as at the date of the Placing Agreement.

The Placing Agent shall obtain a written confirmation from each CN Placee that such CN Placee and (where a corporation) its ultimate beneficial owner(s) are, among other matters:

- (a) not holding and/or interested in any securities of the Company as at the date of the Placing Agreement;

- (b) (aa) third party independent of and not acting in concert with the Company or any of its substantial shareholders in relation to the control of the Company within the meaning of the Takeovers Code and independent of and not connected with any of the Company, the directors, chief executives or substantial shareholders of the Company or any of its subsidiaries, or any of their respective associates, and (bb) third party independent of and not acting in concert with Mr. Chen, the Subscribers or any of their respective concert parties;
- (c) not (as of the date of the Placing Agreement) and will not be (prior to completion of the Placing) Shareholder(s) or its ultimate beneficial owners (at such time) and that none of them shall become a substantial Shareholder as a result of the Total Conversion;
- (d) acquiring the Sale CN as principal and beneficial owner for the purpose of investment, and not as an agent;
- (e) not directly or indirectly funded or backed by Mr. Chen, the Subscriber or any of their respective concert parties, or director, chief executive, substantial shareholder of the Company or any of its subsidiaries or any of their respective associates in connection with the purchase of the Sale CN;
- (f) not accustomed to take instructions from a core connected person of the Company in relation to the acquisition, disposal, voting or any other disposition of securities in the Company registered in its name or otherwise held by him/her/it; and
- (g) there is no decrees, legislations or regulations prohibiting the Mandatory Conversion on the part of the CN Placee, and no courts with competent jurisdiction have issued any decree or injunction to stop or prohibit the Mandatory Conversion against the CN Placee.

The Placing Price:

No less than \$HK0.25 per Conversion Share falling to be issued and allotted under the Sale CN, which represents:

- (i) a discount of approximately 51.92% to the closing price of HK\$0.520 per Share as quoted on the Stock Exchange as at the Last Trading Date;
- (ii) a discount of approximately 52.47% to the average of the closing prices of HK\$0.526 per Share as quoted on the Stock Exchange for the last five consecutive trading days up to and including the Last Trading Date;
- (iii) a discount of approximately 52.56% to the average of the closing prices of HK\$0.527 per Share as quoted on the Stock Exchange for the last ten consecutive trading days up to and including the Last Trading Date;
- (iv) a difference (i.e. the initial Conversion Price minus net deficit per Share) of \$12.3231 relative to the audited net deficit per Share of approximately HK\$12.0731 as at 31 March 2024 (based on the audited consolidated net deficit of the Company of approximately HK\$1,750.8 million as at 31 March 2024 and 145,017,062 Shares in issue as at the date of this joint announcement);
- (v) a difference of approximately \$13.1392 relative to the unaudited net deficit per Share of approximately HK\$12.8892 as at 30 September 2024 (based on the unaudited consolidated net deficit of the Company of approximately HK\$1,869.2 million as at 30 September 2024 and 145,017,062 Shares in issue as at the date of this joint announcement); and
- (vi) a premium of approximately 83.42% over the adjusted net asset value of the Shares of approximately HK\$0.1363 as at 30 September 2024 (assuming full conversion of the Convertibles Notes) (based on the unaudited consolidated net deficit of the Company of approximately HK\$1,869.2 million as at 30 September 2024, the carrying value of the Third Convertible Notes of approximately HK\$3,591.5 million as at 30 September 2024 as disclosed in the interim report of the Company for the six months ended 30 September 2024 and 12,637,185,062 Shares in issue upon full conversion of the Convertible Notes).

Placing Commission: 1.0% of the aggregate principal amount of the Sale CN placed

Conversion by the CN Placees and conditions subsequent: Subject to the applicable requirements of the Takeovers Code, the Listing Rules and the terms of the Convertible Notes, each of the CN Placees shall give the Placees Undertakings in writing that he/she/it irrevocably and unconditionally undertake to the Vendors, for the six-month period from (i) the date of transfer of the Sale CN or (ii) waiver of Conversion Conditions (iv) and (v) (whichever is later) that:

- (i) the CN Placee shall convert all the Sale CN simultaneously upon Conversion by the Subscribers (i.e. the Mandatory Conversion);
- (ii) the CN Placee and its associates will not deal in any securities of the Company during the period from the date of the Placing Agreement up to and including the date of the Mandatory Conversion;
- (iii) the CN Placee and its associates will not sell, transfer, charge, pledge or otherwise dispose of any of the Sale CN or any interest in such Sale CN up to and including the date of the Mandatory Conversion; and
- (iv) if the Possible Offer proceeds upon the Total Conversion:
  - (a) the CN Placee will not tender acceptance to the Possible Offer;
  - (b) the CN Placee and its associates will not deal in any securities of the Company during the period from the date of the Placing Agreement up to and including the final closing date of the Possible Offer; and
  - (c) the CN Placee and its associates will not sell, transfer, charge, pledge or otherwise dispose of any of the Sale CN or Conversion Shares issued to the CN Placee upon Mandatory Conversion or any interest in such Sale CN or Conversion Shares up to and including the final closing date of the Possible Offer.



Each of the CN Placees shall confirm and agree to the Vendors that in the event that the Possible Offer proceeds upon the Total Conversion, the Possible Offer shall not be extended to the CN Placee and its associates in respect of the Sale CN and the Conversion Shares issued and allotted pursuant to the Mandatory Conversion.

Immediately after the completion of the Placing and the Mandatory Conversion, it is expected that none of the CN Placees will become a substantial shareholder of the Company.

Conditions of the Placing Agreement:

The Placing is not conditional upon the grant of the Whitewash Waiver by the Executive and approval of the Proposed Conversion and the Whitewash Waiver by the Independent Shareholders.

Date of Closing:

Within twenty (20) Business Days from the date of the Placing Agreement (or such later date to be agreed in writing between the parties to the Placing Agreement)

### Convertible Notes

Assuming the Sale CN are fully placed, immediately upon Closing, the Convertible Notes shall be registered in the name of the following persons:

	<b>As at the date of this joint announcement</b>	<b>Add/(Less): Sale CN</b>	<b>Immediately upon Closing</b>
	<i>Principal amounts (US\$'000)</i>		
A Mark	200,195.0	–	200,195.0
Ocean Resources	100,097.5	(26,000.0)	74,097.5
Wayside	100,097.5	(74,000.0)	26,097.5
CN Placees	–	100,000.0	100,000.0
	<u>–</u>	<u>100,000.0</u>	<u>100,000.0</u>
<b>Total</b>	<b><u>400,390.0</u></b>	<b><u>–</u></b>	<b><u>400,390.0</u></b>

### Basis of Determining the Placing Price

The Placing Price has been arrived at after arm's length negotiations between Mr. Chen, the Vendors and the Placing Agent with reference to, among other things (i) the cost of acquisition of the Sale CN (which is in the form of the Third Convertible Note of the equivalent amount);

(ii) the initial Conversion Price; (iii) the prevailing market price of the Shares of HK\$0.520 as at the Last Trading Date; (iv) the low liquidity in the Convertible Notes due to the lack of an open market for the Convertible Notes in the event the Whitewash Waiver not being granted by the Executive and/or the Whitewash Resolutions not being approved by the Independent Shareholders; (v) the restrictions imposed on the CN Placees in respect of the securities of the Company from the date of the Placing Agreement; (vi) the ability of the Company to repay the Sale CN upon the maturity of the Convertible Notes, the Vendors considered the Placing Price is reasonable and fair and justify the risk assumed by the CN Placees in the subscription of the Sale CN, notwithstanding the discount of the Placing Price to the prevailing market price of the Shares.

Upon the Closing, further announcement(s) will be made by the Company and Mr. Chen in respect of, among other things, the results of the Placing in accordance with applicable Listing Rules and Takeovers Code.

## **(B) PROPOSED CONVERSION OF THE CONVERTIBLE NOTES**

On 28 March 2025 (after trading hours), Mr. Chen and the Subscribers have notified the Company by way of the Conversion Notice of their intention to convert the Convertible Notes subject to the principal amounts of the Convertible Notes proposed to be converted to be finalised upon Closing of the Placing and subject to the Conversion Conditions.

The principal terms of the Convertible Notes are summarised as follows:

Issuer	:	The Company
Maturity Date	:	The Convertible Notes will mature on the Business Day falling on the fifth (5th) anniversary from the issue date of the Note Instrument, i.e. 17 March 2025.
Interest	:	No interest shall accrue on each of the Convertible Notes.
Redemption	:	The Company shall be entitled to redeem the Convertible Notes at a price equal to 115% of the outstanding principal amount of the Convertible Notes on their respective maturity dates, without entitlement of early redemption before the maturity dates.

- Transferability : Any assignment or transfer of the Convertible Notes shall be in respect of the whole or any part (in integral multiples of US\$1,000,000) of the outstanding principal amount of the Convertible Notes and should be made in accordance with any applicable requirements of the Stock Exchange, the Listing Rules, applicable laws and regulations. Save for with the consent of the Stock Exchange, none of the Convertible Notes may be transferred to a connected person of the Company (as defined in the Listing Rules).
- Conversion : The Convertible Noteholder shall have the right at any time from the date of issue up to and including the date immediately prior to their respective maturity dates, to convert in amounts in integral multiple of US\$100,000, the whole (but not part) of the outstanding principal amount of the Convertible Notes into Conversion Shares. The Convertible Noteholder shall be entitled to convert the outstanding principal amount of the Convertible Notes, provided that: (a)(i) the holder of each of the Convertible Notes together with the parties acting in concert (as defined in the Takeovers Code) with it will not hold or control such level of the voting rights of the Company as may trigger a mandatory general offer under the Takeovers Code regardless of whether a waiver has been granted by the SFC on the obligation of a mandatory general offer under the Takeovers Code; or (ii) the holder of each of the Convertible Notes together with the parties acting in concert (as defined in the Takeovers Code) with it, which will hold or control such level of the voting rights of the Company as may trigger a mandatory general offer under the Takeovers Code, shall make a mandatory general offer under the Takeovers Code or otherwise obtain a waiver from the SFC on the obligation of a mandatory general offer under the Takeovers Code; and (b) the conversion of the outstanding principal amount of each of the Convertible Notes will not cause the public float of the Company unable to meet the requirement under Rule 8.08 of the Listing Rules.
- Conversion Price : The Convertible Notes shall be converted at the initial Conversion Price of HK\$0.25 per Conversion Share (subject to adjustments), which represents:
- (i) a discount of approximately 51.92% to the closing price of HK\$0.520 per Share as quoted on the Stock Exchange on the Last Trading Date;

- (ii) a discount of approximately 52.47% to the average of the closing prices of HK\$0.526 per Share as quoted on the Stock Exchange for the last five consecutive trading days up to and including the Last Trading Date;
- (iii) a discount of approximately 52.56% to the average of the closing prices of HK\$0.527 per Share as quoted on the Stock Exchange for the last ten consecutive trading days up to and including the Last Trading Date;
- (iv) a difference (i.e. the initial Conversion Price minus net deficit per Share) of HK\$12.3231 relative to the audited net deficit per Share of approximately HK\$12.0731 as at 31 March 2024 (based on the audited consolidated net deficit of the Company of approximately HK\$1,750.8 million as at 31 March 2024 and 145,017,062 Shares in issue as at the date of this joint announcement);
- (v) a difference of approximately HK\$13.1392 relative to the unaudited net deficit per Share of approximately HK\$12.8892 as at 30 September 2024 (based on the unaudited consolidated net deficit of the Company of approximately HK\$1,869.2 million as at 30 September 2024 and 145,017,062 Shares in issue as at the date of this joint announcement); and
- (vi) a premium of approximately 83.42% over the adjusted net asset value of the Shares of approximately HK\$0.1363 as at 30 September 2024 (assuming full conversion of the Convertibles Notes) (based on the unaudited consolidated net deficit of the Company of approximately HK\$1,869.2 million as at 30 September 2024, the carrying value of the Third Convertible Notes of approximately HK\$3,591.5 million as at 30 September 2024 as disclosed in the interim report of the Company for the six months ended 30 September 2024 and 12,637,185,062 Shares in issue upon full conversion of the Convertible Notes).

The Conversion Price is subject to adjustments, which are exhaustive, upon the occurrence of consolidation, subdivision or reclassification of Shares, capitalisation of profits or reserves, capital distributions, rights issues of Shares, options over Shares, issue of Shares or convertible securities other than Shares issued on the exercise of the conversion right under the Convertible Notes, modification of rights of conversion or offers to Shareholders at price less than 80% of the then market price per Share. Details of the adjustments are set out in the CN Circular.

Please refer to the CN Circular for further details of the Convertible Notes.

### **CONVERSION CONDITIONS OF THE CONVERTIBLE NOTES**

The Proposed Conversion and the Mandatory Conversion are inter-conditional and the Total Conversion is subject to fulfillment of the following Conversion Conditions:

- (i) the approval and permission for the listing of and permission to deal in the Conversion Shares granted by the Listing Committee not having been subsequently revoked;
- (ii) the Company being able to maintain any prescribed minimum percentage of its issued share capital held by the public as required under the Listing Rules upon Total Conversion;
- (iii) no regulatory authorisations implementing or enacting any decrees, legislations or regulations to prohibit the Proposed Conversion and/or the Mandatory Conversion, and no courts with competent jurisdiction issuing a decree or injunction to stop or prohibit the Proposed Conversion and/or the Mandatory Conversion;
- (iv) the Executive having granted the Whitewash Waiver (which have not been subsequently revoked or withdrawn) and all the conditions attached thereto (if any) having been satisfied; and
- (v) the respective resolutions relating to the Proposed Conversion on the one hand, and the Whitewash Waiver on the other hand, being approved by more than 50% and at least 75% respectively, of the votes cast by the Independent Shareholders at the EGM by way of poll.

Conversion Conditions (i) and (ii) cannot be waived by any party. If the Conversion Conditions (i) and (ii) are not fulfilled, the Total Conversion will not take place and the notice from Mr. Chen and the Subscribers of their intention to exercise the conversion rights in respect of the Convertible Notes will be deemed to be withdrawn.

If Conversion Condition (iii) is not fulfilled (in respect of one or more than one CN Placee), the Subscribers will, in relation to the Sale CN of such CB Placees, scale down the Conversion Shares to be issued and allotted pursuant to the Proposed Conversion, such that the aggregate shareholding of Mr. Chen and the Subscribers immediately upon the scaled-down Total Conversion will be no more than 75% of the enlarged issued capital to render fulfilment of Conversion Condition (ii).

Conversion Conditions (iv) and (v) can only be waived by Mr. Chen and the Subscribers if they can provide proof of financial resources to the satisfaction of their financial adviser that sufficient financial resources are available to Mr. Chen and the Subscribers to satisfy full acceptance of the Possible Offer. Mr. Chen and the Subscribers reserve their rights to waive Conversion Conditions (iv) and (v), however, none of Mr. Chen and the Subscribers has a firm intention to waive conditions (iv) and (v) and to make the Possible Offer as at the date of this joint announcement.

As at the date of this joint announcement, the Listing Committee has granted and has not withdrawn or revoked the approval of listing of and permission to deal in the Conversion Shares (subject to conversion) which may fall to be allotted and issued upon the exercise of the conversion rights pursuant to Convertible Notes.

Other than Conversion Condition (i), none of the Conversion Conditions has been fulfilled as at the date of this joint announcement.

## **EFFECT ON THE SHAREHOLDING STRUCTURE OF THE COMPANY**

As at the date of this joint announcement, (i) the total issued share capital of the Company is 145,017,062 Shares; (ii) the total outstanding principal amount of the Convertible Notes is US\$400,390,000, which is convertible into 12,492,168,000 Conversion Shares upon full conversion; and (iii) the Company has no outstanding options, warrants, derivatives or other securities convertible into or exchangeable into Shares.

For illustration purpose, set out below are the shareholding structure of the Company (i) as at the date of this joint announcement; and (ii) two scenarios illustrating the effect on the shareholding structure of the Company immediately upon Total Conversion, in the event that (A) all the Sale CN having been placed (the “**Fully Placed Scenario**”); and (B) none the Sale CN having been placed (the “**Nil Placed Scenario**”), both assuming that there will be no other change in the issued share capital of the Company save for the issuance of the Conversion Shares:

	As at the date of this joint announcement		Total Conversion following different Placing scenarios			
	No. of Shares	Shareholding %	Fully Placed Scenario		Nil Placed Scenario (Note 1)	
			No. of Shares	Shareholding %	No. of Shares	Shareholding %
Cheon Ji In M Partners <sup>Note 2</sup>	43,134,137	29.74%	43,134,137	0.34%	43,134,137	7.45%
E-Tron Co., Ltd <sup>Note 3</sup>	24,169,510	16.67%	24,169,510	0.19%	24,169,510	4.18%
Solidarity Partner <sup>Note 4</sup>	17,403,076	12.00%	17,403,076	0.14%	17,403,076	3.01%
Kim Wuju	7,440,000	5.13%	7,440,000	0.06%	7,440,000	1.28%
	<b>92,146,723</b>	<b>63.54%</b>	<b>92,146,723</b>	<b>0.73%</b>	<b>92,146,723</b>	<b>15.92%</b>
Other public Shareholders	52,870,339	36.46%	52,870,339	0.42%	52,870,339	9.14%
Collectively the “Existing Shareholders”	<b>145,017,062</b>	<b>100.00%</b>	<b>145,017,062</b>	<b>1.15%</b>	<b>145,017,062</b>	<b>25.06%</b>
CN Places	-	-	<b>3,120,000,000</b>	<b>24.69%</b>	-	-
Public Float			<b>3,265,017,062</b>	<b>25.84%</b>	<b>145,017,062</b>	<b>25.06%</b>
A Mark <sup>Note 5</sup>	-	-	6,246,084,000	49.43%	215,280,000	37.20%
Ocean Resources <sup>Note 5</sup>	-	-	2,311,842,000	18.29%	109,200,000	18.87%
Way Side <sup>Note 5</sup>	-	-	814,242,000	6.44%	109,200,000	18.87%
Mr. Chen, the Subscribers and parties acting in concert with any of them	-	-	<b>9,372,168,000</b>	<b>74.16%</b>	<b>433,680,000</b>	<b>74.94%</b>
No. of (enlarged) issued Shares	<b>145,017,062</b>	<b>100.00%</b>	<b>12,637,185,062</b>	<b>100.00%</b>	<b>578,697,062</b>	<b>100.00%</b>

#### Notes

- This partial conversion scenario in the Nil Placed Scenario by the Subscribers is prepared on a pro rata basis based on the Subscribers’ respective holding of the Convertible Notes as at the date of this joint announcement and is for illustrative purposes only, taking into account (i) the terms of the Convertible Notes and (ii) the public float requirement of Rule 8.08 the Listing Rules. As at the date of this joint announcement, Mr. Chen and the Subscribers have not finalised their plan for the Proposed Conversion in Nil Placed Scenario.

2. HCMP SPC Ltd. held approximately 67.78% interest in Space Hong Kong Enterprise Limited. HCMP SPC Ltd. was a wholly-owned subsidiary of BSE CMP Value-up Private Equity Fund. BSE CMP Value up Private Equity Fund was in turn a wholly-owned subsidiary company of Cheon Ji In M Partners Co Ltd. By virtue of the SFO, each of HCMP SPC Ltd., BSE CMP Value-up Private Equity Fund and Cheon Ji In M Partners Co Ltd is deemed to be interested in these 43,134,137 Shares which Space Hong Kong Enterprise Limited has beneficial interest in.
3. E-tron Co., Ltd is a company incorporated in the Republic of Korea, and its shares are listed and traded on the KOSDAQ of the Korea Exchange (stock code: 09604.KQ).
4. Solidarity Partnership, a partnership set up in the Republic of Korea, in which Ms. Park Jonghee is the representative and she held 50% interest in Solidarity Partnership. By virtue of the SFO, Ms. Park Jonghee is deemed to be interested in these 17,403,076 Shares which Solidarity Partnership has beneficial interest in.
5. A Mark and Ocean Resources will hold these Shares on behalf of Wayside. Wayside is beneficially wholly owned by Mr. Chen and as such Mr. Chen will be deemed to be interested in all the Shares held by A Mark, Ocean Resources and Wayside.
6. As at the date of this joint announcement, none of the Directors or any of their associates or chief executives of the Company (as defined in the Listing Rules) had any interests or short positions in any shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO, which are required to be notified to the Company and the Stock Exchange pursuant to SFO (including interests which they are taken or deemed to have under SFO) or which are, pursuant to Section 352 of the SFO, entered in the register referred to therein.

### **(C) APPLICATION FOR THE WHITEWASH WAIVER**

Save for the Convertible Notes, as at the date of this joint announcement, neither Mr. Chen, the Subscribers nor any party acting in concert with any of them owns (or has control or direction over) any Shares or any other convertible securities, options, warrants or derivatives in the Company.

Upon the Total Conversion (assuming full conversion of the Convertible Note), Mr. Chen will, collectively with the Subscribers, hold in aggregate approximately 74.16% of the enlarged issued share capital of the Company (assuming that there will be no other change in the issued share capital of the Company save for the issuance of the Conversion Shares).

Accordingly, upon completion of the Total Conversion, pursuant to Rule 26.1 of the Takeovers Code, Mr. Chen will be required to make a mandatory general offer for all the securities of the Company not already owned or agreed to be acquired by Mr. Chen, the Subscribers and parties acting in concert any of with them, unless the Whitewash Waiver from strict compliance with Rule 26.1 of the Takeovers Code is granted by the Executive.



The Whitewash Waiver, if granted by the Executive, will be subject to (i) the approval of the Whitewash Waiver by at least 75% of the votes cast by the Independent Shareholders either in person or by proxy at the EGM by way of poll; and (ii) the approval of the Proposed Conversion by more than 50% of the votes cast by the Independent Shareholders either in person or by proxy at the EGM by way of poll as required under the Takeovers Code.

The Total Conversion will not proceed if the Whitewash Waiver is not granted by the Executive or if the Whitewash Resolutions are not approved by the Independent Shareholders and Mr. Chen does not waive Conversion Conditions (iv) and (v). If the Whitewash Waiver is not granted by the Executive or if the Whitewash Resolutions are not approved by the Independent Shareholders and Mr. Chen does not waive Conversion Conditions (iv) and (v), Mr. Chen and the Subscribers can convert such amount of the Convertible Notes so that the aggregate shareholding of Mr. Chen, the Subscribers and parties acting in concert with any of them will have shareholding up to a percentage less than 30% of the enlarged issued share capital following such conversion having taking into account the results of the Placing.

Upon the Closing, further announcement(s) will be made by the Company and Mr. Chen in respect of, among other things, the results of the Placing, the respective principal amounts of the Convertible Notes subject to the Proposed Conversion and the Mandatory Conversion, the number of the Conversion Shares proposed to be issued and further information on the effect on the shareholding and voting rights in the Company following the Total Conversion (if materialised).

An application will be made by Mr. Chen to the Executive for the granting of the Whitewash Waiver in relation to the issuance of the Conversion Shares pursuant to Note 1 on dispensations from Rule 26 of the Takeovers Code.

None of the acquisition of the Third Convertible Notes, the subscription of the Convertible Notes, the entering into the Placing Agreement and giving the Conversion Notice to the Company involve acquisition or disposal of any voting rights in the Company on the part of Mr. Chen, the Subscribers and parties acting in concert with any of them. Mr. Chen, the Subscribers and parties acting in concert with any of them had not acquired nor dispose any voting rights in the Company in the six months prior to and including the date of this joint announcement.

As the aggregate shareholding of Mr. Chen and the Subscribers would exceed 50% as a result of the Total Conversion, if the Whitewash Waiver is granted by the Executive and the Whitewash Resolutions are approved by the Independent Shareholders, Mr. Chen, the Subscribers and parties acting in concert with any of them may increase their shareholding in the Company without incurring any further obligation under Rule 26 of the Takeovers Code to make a mandatory general offer.

## **Reasons for Entering into the Placing Agreement and the Conversion**

The Vendors entered into the Placing Agreement with a view to ensure that, immediately upon Total Conversion the public float of the Company will not fall below 25% of the enlarged issued share capital of the Company as required under Rule 8.08 of the Listing Rules.

The Group has been reporting net liabilities and net current liabilities positions over a long period of time which have adverse impact on the Group. As at 31 March 2024 and 30 September 2024, the Group had net liabilities of approximately HK\$1,750.80 million (audited) and HK\$1,869.15 million (unaudited), respectively, and net current liabilities of approximately HK\$3,705.06 million (audited) and HK\$3,660.26 million (unaudited), respectively. Based on the discussions between the Subscribers and the Company in the course of negotiating the Subscription Agreement, such financial positions have limited the ability of the Group to carry out (i) equity fund raising by placing of new shares of the Company to independent third parties; (ii) borrowings from banks and independent third parties; (iii) issue of new convertible note to replace the Third Convertible Notes; and (iv) pre-emptive offering of new shares to existing Shareholders by rights issue or open offer. In the audit opinion of Prism Hong Kong and Shanghai Limited, the independent external auditor, contained in the annual report of the Company for the year ended 31 March 2024, the auditor highlighted the material uncertainty related to the going concern as one of the emphasis of matter. In order to address such issues, Mr. Chen and the Subscribers are of the view that the Total Conversion can address the net liabilities and net current liabilities positions of the Company which is in the best interest of the Company and the Shareholders as a whole. In addition, if the Proposed Conversion is conducted in tranches, this would allow the adverse financial positions to continue and as long as the Subscribers are Shareholders, this would exhibit reliance of the Company on the Subscribers, which is undesirable and may have regulatory concerns.

## **DISCLOSURE REQUIRED UNDER THE TAKEOVERS CODE**

Mr. Chen confirms that, save for the entering into of the Subscription Agreement and the Placing Agreement, having interest in the Convertible Notes and giving the Conversion Notice to the Company as disclosed herein, as at the date of this joint announcement:

- a. neither Mr. Chen, the Subscribers nor any party acting in concert with any of them, holds, owns, controls or direct any Shares, convertible securities, warrants, options or has entered into any derivatives in respect of the securities of the Company, or hold any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company;
- b. neither Mr. Chen, the Subscribers nor any party acting in concert with any of them has secured an irrevocable commitment to vote in favor of or against the Whitewash Resolutions;
- c. neither Mr. Chen, the Subscriber nor any party acting in concert with any of them has entered into any derivative in respect of the securities of the Company;

- d. neither Mr. Chen, the Subscriber nor any party acting in concert with any of them, has any agreement referred to in Note 8 to Rule 22 of the Takeovers Code (whether by way of option, indemnity or otherwise) in relation to the relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company;
- e. neither Mr. Chen, the Subscriber nor any party acting in concert with any of them has borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company;
- f. neither Mr. Chen, the Subscriber nor any party acting in concert with any of them has any agreement or arrangement to which any of them is a party which relates to the circumstances in which it may or may not invoke or seek to invoke a pre-condition or a condition to the Proposed Conversion of the Convertible Bonds and/or the Whitewash Waiver;
- g. neither Mr. Chen, the Subscriber nor any party acting in concert with any of them, has dealt in any Shares, acquired or enter into any agreement or arrangement to acquire any voting rights in the Company within six months immediately preceding prior to and including the date of this joint announcement;
- h. save for the Subscribers' waiver and release of all the liabilities and obligations of the Company under the Third Convertible Note in consideration of the issue of the Convertible Notes to the Subscribers in accordance with the Subscription Agreement, neither Mr. Chen, the Subscriber nor any parties acting in concert with any of them has paid or will pay any other consideration or benefits in whatever form to the Company or any parties acting in concert with it or any Shareholder in relation to the Proposed Conversion;
- i. neither Mr. Chen, the Subscriber nor any party acting in concert with any of them will make any acquisitions or disposals of voting rights in the Company which constitute disqualifying transactions (within the meaning of the Takeovers Code) in the period between the date of this joint announcement and the date of completion of the Proposed Conversion; and
- j. there is no understanding, arrangement, agreement or special deal (as defined under Rule 25 of the Takeovers Code) between (1) any of the Shareholders; and (2)(a) Mr. Chen, the Subscribers or any party acting in concert with any of them; or (b) the Company, its subsidiaries or associated companies.

As at the date of this joint announcement, the Company does not believe that the Proposed Conversion or the Total Conversion would give rise to any concerns in relation to compliance with other applicable rules or regulations (including the Listing Rules). If a concern should arise after the release of this joint announcement, the Company will endeavour to resolve the matter to the satisfaction of the relevant authority as soon as possible but in any event before the despatch of the EGM Circular. The Company notes that the Executive may not grant the Whitewash Waiver if the Proposed Conversion or the Total Conversion does not comply with other applicable rules and regulations.

## Intention of Mr. Chen and the Subscribers

Mr. Chen will continue to support the independent operation of the Group and maintain the Company's listing status in the Hong Kong capital market. It is the intention of Mr. Chen that the Group will continue its existing principal business following the Total Conversion. Mr. Chen does not intend to introduce any major changes to the existing business and operation of the Group following the Total Conversion. Furthermore, Mr. Chen has no intention to (a) discontinue the employment of any employees of the Group; or (b) dispose of or re-deploy the fixed assets of the Group other than those in its ordinary and usual course of business. Mr. Chen will review the business and operation of the Group from time to time following the Total Conversion, and may take steps that he deems necessary or appropriate to enhance the value of the Group.

## INFORMATION ON THE GROUP

The Company is an investment holding company. The principal activities of its principal subsidiaries are engaged in holding mining and exploration rights of coal mines in the Russian Federation and trading of diesel, gasoline and other products in the Republic of Korea.

Set out below is a summary of the audited consolidated financial results of the Company for each of the two financial years ended 31 March 2023 and 2024, as extracted from the annual reports of the Company for the years ended 31 March 2023 and 2024, respectively, and the unaudited consolidated results of the Company for the six months ended 30 September 2023 and 2024, as extracted from the interim reports of the Company for the six months ended 30 September 2023 and 2024, respectively.

	For the year ended 31 March		For the six months ended 30 September	
	2023 HK\$'000 (Audited)	2024 HK\$'000 (Audited)	2023 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Revenue	1,149,675	664,701	353,724	240,825
Profit/(loss) before tax	528,926	108,658	41,593	(92,257)
Profit/(loss) for the year attributable to the Shareholders	550,211	106,889	41,107	(93,873)
	As at 31 March		As at 30 September	
	2023 HK\$'000 (Audited)	2024 HK\$'000 (Audited)	2023 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Total assets	2,045,010	2,163,595	2,090,141	2,008,192
Total current liabilities	3,728,260	3,719,510	3,746,357	3,676,626
Total liabilities	3,899,915	3,914,397	3,906,957	3,877,343
Capital deficiencies	(1,854,905)	(1,750,802)	(1,816,816)	(1,869,151)

## **INFORMATION OF MR. CHEN AND THE SUBSCRIBERS**

### **Mr. Chen**

Mr. Chen, formerly known as Chen William Youwen (陳彥瑜), aged 36, is a seasoned investor with property investments in the PRC and the Commonwealth of Australia and investments in coal mine in Mongolia. Mr. Chen, through Wayside, controlled Azure Coal Mining Company, a limited liability company incorporated in Mongolia. Azure Coal Mining Company was licensed to explore mineral reserve over 1,802 acre of land in Mongolia by the competent authority of Mongolia. With his background in mining business, Mr. Chen has experience and knowledge in managing the principal assets of the Group which consist of exploration and mining rights.

Mr. Chen obtained a bachelor's degree in business from the Royal Melbourne Institute of Technology in 2012 and was awarded an executive master of business administration by the University of Northampton in 2022.

### **Wayside**

Wayside Holdings Limited, a company incorporated in Samoa with limited liability, which is (i) the beneficial owner of the Convertible Notes in the amount of US\$400,390,000 and (ii) beneficially owned by Mr. Chen.

### **A Mark**

A Mark Limited, a company incorporated in Hong Kong with limited liability, which holds the Convertible Notes in the amount of US\$200,195,000 on behalf of Wayside. A Mark is beneficially owned by Mr. Wong Wilson, aged 33, a close relative of Mr. Chen (as having the meaning defined in the Takeovers Code).

### **Ocean Resources**

Ocean Resources Int'l Investment Group Limited, a company incorporated in the British Virgin Islands with limited liability, which holds the Convertible Notes in the amount of US\$100,097,500 on behalf of Wayside. Ocean Resources is owned by Jin Xin Resources Group Limited, which is in turn wholly owned by Jin Xin (PTC) Limited for and on behalf of the family trust for the family of Mr. Yao Junliang. Jin Xin (PTC) Limited and Mr. Yao Junliang is the trustee and the settlor of the said family trust, respectively.

## **INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER**

Pursuant to Rule 2.8 of the Takeovers Code, the Independent Board Committee, comprising all the non-executive Directors who have no direct or indirect interest in the Total Conversion, the Whitewash Waiver and the transactions contemplated thereunder, namely Ms. Sun Meng, Ms. Chen Dai, Mr. Kim Sung Rae and Mr. Wong Wei Hua Derek, has been formed to advise the Independent

Shareholders with regard to the Proposed Conversion and the Whitewash Waiver. An independent financial adviser will be appointed by the Board (with the Independent Board Committee's approval) to advise the Independent Board Committee as to the fairness and reasonableness of the terms of the Proposed Conversion and the Whitewash Waiver and as to voting by the Independent Shareholders in accordance with the Takeovers Code.

## **GENERAL**

The EGM will be convened to consider and, if thought fit, approve, among other things, the Proposed Conversion and the Whitewash Waiver by way of poll.

The EGM Circular containing, among other things, (i) information about the Proposed Conversion and the Whitewash Waiver; (ii) the letter from the Independent Board Committee; (iii) the recommendations from the independent financial adviser on the Proposed Conversion and the Whitewash Waiver; and (iv) a notice convening the EGM will be despatched to the Shareholders in accordance with the applicable requirements of the Takeovers Code.

No Shareholder is involved in or interested in the Proposed Conversion and the Whitewash Waiver and therefore no Shareholder is required to abstain from voting at the EGM.

## **COMMENCEMENT OF OFFER PERIOD**

As Mr. Chen and the Subscribers reserve their rights to waive Conversion Conditions (iv) and (v) in relation to the Proposed Conversion and the Whitewash Waiver, the possibility of the Shareholders receiving the Possible Offer as a result of the Proposed Conversion cannot be ruled out. Accordingly, an offer period in respect of the Company has commenced on the date of this joint announcement. However, none of Mr. Chen and the Subscribers has a firm intention to waive conditions (iv) and (v) and to make the Possible Offer as at the date of this joint announcement.

## **DISCLOSURE OF DEALINGS**

In accordance with Rule 3.8 of the Takeovers Code, associates of the Company or the Applicant (including persons holding 5% or more of a class of relevant securities of the Company or the Applicant) are reminded to disclose their dealings in the securities of the Company pursuant to the Takeovers Code.

The full text of Note 11 of Rule 22 of the Takeovers Code is reproduced below pursuant to Rule 3.8 of the Takeovers Code:

*“Responsibilities of stockbrokers, banks and other intermediaries*

*Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates of an offeror or the offeree company and other persons under Rule 22 and*

*that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant Rules. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7 day period is less than \$1 million.*

*This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.*

*Intermediaries are expected to co-operate with the Executive in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation.”*

## **WARNING**

**There is no assurance that the Proposed Conversion and/or the Whitewash Waiver will materialise or eventually be consummated and the proposed actions of the Subscribers may or may not lead to a general offer for all issued Shares under Rule 26.1 of the Takeovers Code. The Proposed Conversion and/or the Whitewash Waiver, therefore, may or may not materialise. Shareholders and potential investors of the Company should exercise caution when dealing in the Shares and/or other securities of the Company, and if they are in any doubt about their position or as to the action they should take, they should consult their stockbroker, bank manager, solicitor or other professional adviser(s).**

## **DEFINITIONS**

In this joint announcement, the following terms shall have the meanings set out below, unless the context otherwise requires:

“A Mark”	A Mark Limited, a company incorporated in Hong Kong with limited liability, which holds the Convertible Notes in the amount of US\$100,097,500 on behalf of Wayside
“acting in concert”	has the meaning ascribed to it under the Takeovers Code
“Asian Capital”	Asian Capital Limited, a corporation licensed to carry out Type 1 (dealing in securities), Type 4 (advising on securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, the exclusive financial adviser to Mr. Chen, A Mark and Wayside
“associate(s)”	has the meaning ascribed to it under the Takeovers Code
“Board”	the board of Directors of the Company

“Business Day(s)”	a day on which the Stock Exchange is open for the transaction of business
“Closing”	closing of the Placing
“CN Circular”	the circular of the Company dated 20 December 2024 in relation to the issue of the Convertible Notes under specific mandate in full and final settlement of the Third Convertible Notes
“CN Placees”	the purchaser(s) of the Sale CN who are independent third parties to and not parties acting in concert with Mr. Chen, the Subscribers and any of their respective concert parties
“Company”	E&P Global Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the ordinary shares of which are currently listed on the Stock Exchange with stock code 1142
“Conversion Conditions”	the conditions precedent to the Conversion contained in the Conversion Notice, which are set out in the section headed “CONVERSION CONDITIONS OF THE CONVERTIBLE NOTES” in this joint announcement
“Conversion Notice”	the conversion notice dated 28 March 2025 served by the Subscribers on the Company
“Conversion Price”	HK\$0.25 per Conversion Share
“Conversion Shares”	Shares to be allotted and issued pursuant to the Convertible Notes
“Convertible Noteholder(s)”	holders of the Convertible Notes
“Convertible Notes”	zero coupon rate unsecured convertible note(s) in the aggregate principal amount of US\$400,390,000 issued by the Company pursuant to the Subscription Agreement
“Director(s)”	director(s) of the Company from time to time
“EGM”	the extraordinary general meeting of the Company to be convened and held for considering, and if though fit, approving the Proposed Conversion and the Whitewash Resolutions



“EGM Circular”	the circular containing, among other things, (i) information about the Proposed Conversion and the Whitewash Waiver; (ii) the letter from the Independent Board Committee; (iii) the recommendations from the independent financial adviser on the Proposed Conversion and the Whitewash Waiver; and (iv) a notice convening the EGM to be despatched to the Shareholders in accordance with the applicable requirements of the Takeovers Code
“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any delegate thereof
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	the independent board committee, comprising all the non-executive Directors who have no direct or indirect interest in the Total Conversion, the Whitewash Waiver and the transactions contemplated thereunder, namely Ms. Sun Meng, Ms. Chen Dai, Mr. Kim Sung Rae and Mr. Wong Wei Hua Derek, formed to advise the Independent Shareholders with regard to the Proposed Conversion and the Whitewash Waiver
“independent third parties”	third parties independent of the Company and its connected persons as defined under the Listing Rules
“Independent Shareholders”	Shareholders other than Mr. Chen, the Subscribers, and any parties acting in concert with any of them and those who are interested in or involved in the Proposed Conversion and/or the Whitewash Waiver
“Last Trading Date”	27 March 2025, being the last trading date for the Shares prior to the release of this joint announcement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended, supplemented or otherwise modified from time to time
“Mandatory Conversion”	the conversion of the Sale CN that will be triggered by the Proposed Conversion in accordance with the Places Undertakings pursuant to the terms of the Placing

“Mr. Chen” or “Applicant”	Mr. Chen William Hon Lam, formerly known as Chen William Youwen, who is beneficial owner of Wayside and deemed to be interested in the Convertible Notes pursuant to the SFO
“Ocean Resources”	Ocean Resources Int’l Investment Group Limited, a company incorporated in the British Virgin Islands with limited liability, which holds the Convertible Notes in the amount of US\$100,097,500 on behalf of Wayside
“Placees Undertakings”	various irrevocable undertakings as to the Sale CN by the CN Placees to the Vendors in relation to the Proposed Conversion pursuant to the Placing Agreement
“Placing”	placing of the Sale CN by the Placing Agent to investors on a best effort basis to not less than six placees who are independent third parties and not parties acting in concert with any of Mr. Chen, the Subscribers and any of their respective concert parties
“Placing Agent”	Kingsway Financial Services Group Limited, a corporation, a licensed corporation in Hong Kong permitted to carry on business in type 1 (dealing in securities), type 2 (dealing in futures contracts), type 4 (advising on securities) and type 9 (asset management) regulated activities under the SFO
“Placing Agreement”	the placing agreement dated 28 March 2025 entered into between the Vendors and the Placing Agent in relation to the Placing
“Placing Price”	the placing price in respect of the Sale CN, which is not less than HK\$0.25 equivalent per Conversion Share corresponding to the Sale CN placed
“Possible Offer”	the possible mandatory unconditional cash offer to be made by Asian Capital Limited for and on behalf of Mr. Chen and the Subscribers to acquire all the issued Shares (other than those already owned or agreed to be acquired by the Mr. Chen, the Subscribers and parties acting in concert with any of them) pursuant to Rule 26.1 of the Takeovers Code in the event that the Subscribers waive the Conversion Conditions (iii) and (iv) as set out in the section headed “CONVERSION CONDITIONS OF THE CONVERTIBLE NOTES” in this joint announcement
“PRC”	the People’s Republic of China which, for the purpose of this joint announcement, excludes Hong Kong, Macau Special Administrative Region of the People’s Republic of China and Taiwan

“Proposed Conversion”	the proposed conversion of the Convertible Notes (in full or in part) by the Subscribers
“Sale CN”	US\$26,000,000 and US\$74,000,000 to be placed by Ocean Resources and Wayside, respectively
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Share(s)”	share(s) of nominal value of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscribers”	holders of the Convertible Note(s), namely A Mark, Ocean Resources and Wayside
“Subscription Agreement”	the subscription agreement dated 2 December 2024 entered into between the Company and the Subscribers in respect of the subscription for the Convertible Notes
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers, as amended, supplemented or otherwise modified from time to time
“Third Convertible Notes”	the convertible note issued by the Company on 3 April 2013 which was settled by the issue of the Convertible Notes by the Company to the Subscribers on 17 March 2025
“Total Conversion”	the Proposed Conversion and the Mandatory Conversion
“US\$”	United States dollar, the lawful currency of the United States of America
“Vendors”	Mr. Chen (as deemed beneficial owner of the Sale CN), Ocean Resources and Wayside

“Wayside”	Wayside Holdings Limited, a company incorporated in Samoa with limited liability, which is (i) the beneficial owner of the Convertible Notes in the amount of US\$400,390,000 and (ii) beneficially wholly owned by Mr. Chen
“Whitewash Waiver”	a waiver from the Executive pursuant to Note 1 on dispensations from Rule 26 of the Takeovers Code in respect of the obligations of Mr. Chen and the Subscribers to make a mandatory general offer for all the securities of the Company not already owned or agreed to be acquired by Mr. Chen, the Subscribers and parties acting in concert with any of them which would otherwise arise as a result of the issue of the new Conversion Shares from the Proposed Conversion
“Whitewash Resolutions”	resolutions approving (A) the Whitewash Waiver by at least 75% of the independent votes that are cast either in person or by proxy by the Independent Shareholders at the EGM, and (B) the Proposed Conversion by more than 50% of the independent votes that are cast either in person or by proxy by the Independent Shareholders at the EGM as required under the Takeovers Code
“%”	per cent.

**Mr. Chen William Hon Lam**

By order of the board of directors of  
**E&P Global Holdings Limited**  
**Lee Jaeseong**  
*Executive Director*

Hong Kong, 28 March 2025

*For the purpose of this joint announcement, unless otherwise indicated, conversion of US\$ into HK\$ is calculated at the approximate exchange rate of US\$1.00 to HK\$7.80. This exchange rate is for illustration purposes only and does not constitute a representation that any amounts have been, could have been, or may be exchanged at this or any other rate at all.*

*As at the date of this joint announcement, the Board consists of Mr. Lee Jaeseong, Mr. Im Jonghak and Mr. Liu Wai Shing Peter as executive Directors, Ms. Sun Meng as non-executive Director and Ms. Chen Dai, Mr. Kim Sung Rae and Mr. Wong Wei Hua Derek as independent non-executive Directors.*

*The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than the information relating to Mr. Chen, the Subscribers and parties acting in concert with any of them), and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than those expressed by the Mr. Chen) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any such statement contained in this joint announcement misleading.*

*Mr. Chen accepts full responsibility for the accuracy of the information contained in this joint announcement (other than the information relating to the Group) and confirms, having made all reasonable inquiries, that, to the best of his knowledge, opinions expressed in this joint announcement (other than the opinions expressed by the Directors) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.*

*In the case of inconsistency, the English text of this joint announcement shall prevail over the Chinese text.*