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NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT a special general meeting (the “**SGM**”) of Up Energy Development Group Limited (the “**Company**”) will be held at 4:00 p.m. on 25 January 2021 at HKFYG Auditorium, 9/F, The Hong Kong Federation of Youth Groups Building, 21 Pak Fuk Road, North Point, Hong Kong for the purpose of considering and, if thought fit, passing with or without amendments, the following resolutions:

ORDINARY RESOLUTIONS

1. “**THAT:**

- (a) the authorised share capital of the Company be reduced from HK\$4,040,000,000.00 divided into 22,000,000,000 shares (the “**Shares**”) of HK\$0.20 each to HK\$2,200,000,000.00 divided into 220,000,000,000 Shares of HK\$0.01 each by the creation of an additional 215,461,484,589 new Shares, which shall rank equally in all respects with the existing Shares (the “**Reduction in Authorised Share Capital**”); and
- (b) any one or more of the directors of the Company (the “**Director(s)**”) be and is/are hereby authorised to do all such acts and things and execute all such documents including under the seal of the Company if and where applicable as he/she/they consider necessary, desirable or expedient for the purpose of, or in connection with, the implementation of and giving effect to the Reduction in Authorised Share Capital.”

2. “**THAT** the proposed scheme of arrangement for the Company under Sections 670, 673 and 674 of the Companies Ordinance and Section 99 of the Bermuda Companies Act between the Company and its creditors (the “**Creditors**”), in its present form, or with or subject to any modification of it, any addition to it or any condition approved or imposed by the High Court of Hong Kong and/or the Supreme Court of Bermuda (the “**Creditors’ Scheme**”) becoming effective, the Company will implement the issuing and allotment of New Shares, under which it is estimated that the Company will issue and allot, in aggregate, up to approximately 46,600,371,845 New Shares at the Issue Price of HK\$0.129 per each New Share to the Creditors for settlement:
- (a) all the transactions contemplated under the Creditors’ Scheme, including but not limited to the specific mandate to issue and allot the New Shares by the Company to the Creditors pursuant to the Creditors’ Scheme, be and are hereby approved and the Directors and/or other authorised persons be and are hereby authorised to issue and allot the New Shares to the Creditors pursuant to the Creditors’ Scheme; and
 - (b) any one or more of the Directors and/or other authorised persons be and is/are hereby authorised to do all such acts and things and execute all such documents which he/she/they consider necessary, desirable or expedient for the purpose of, or in connection with the implementation of and giving effect to the transactions contemplated under the Creditors’ Scheme.”
3. “**THAT** the placing agreement dated 18 May 2018 (the “**Placing Agreement**”) and entered into between the Company as issuer, and SBI China Capital Financial Services as placing agent in respect of the placing of up to 2,000,000,000 new ordinary shares (the “**Placing Shares**”) of HK\$0.129 each in the share capital of the Company:
- (a) the transactions contemplated under the Placing Agreement be and are hereby approved, confirmed and ratified;
 - (b) subject to fulfilment of the conditions precedent set out in the Placing Agreement, the allotment and issue of the Placing Shares in accordance with the terms and conditions of the Placing Agreement be and are hereby approved;
 - (c) the Directors be and are hereby granted a specific mandate to exercise the powers of the Company to allot and issue the Placing Shares pursuant to the terms and conditions of the Placing Agreement, where such Placing Shares shall rank equally in all respects among themselves and with all fully paid ordinary shares of the Company in issue as at the date of allotment and issue. The aforementioned specific mandate is in addition to, and shall not prejudice nor revoke any general or special mandate(s) which has/have been granted or may from time to time be granted to the Directors prior to the passing of this resolution;
 - (d) any one or more of the Directors and/or other authorised persons be and is/are hereby authorised to do all such acts and things and execute all such documents which he/she/they consider necessary, desirable or expedient for the purpose of, or in connection with the implementation of and giving effect to any of the matters relating to, or incidental to, the Placing Agreement.”

4. **“THAT:**

- (a) subject to the consent of the executive director of the Corporate Finance Division of the Securities and Futures Commission or any delegate of the executive director (the **“Executive”**) pursuant to Rule 25 of the Takeovers Code and the satisfaction of any condition(s) attached thereon imposed by the Executive, all transactions contemplated under the Creditors’ Scheme which constitute a special deal under Rule 25 of the Takeovers Code (the **“Special Deal”**) be and are hereby approved, confirmed and ratified; and
- (b) any one or more of the Directors be and is/are hereby authorised to do all such acts; and things and execute all such document as he/she/they consider necessary, desirable or expedient for the purpose of, or in connection with, the implementation of and giving effect to any of the matters relating to, or incidental to, the Special Deal.”

SPECIAL RESOLUTION

5. **“THAT:**

- (a) subject to the granting of the Whitewash Waiver (as defined below) by the Executive and any conditions that may be imposed thereon, the waiver of obligation on the part of Up Energy Group and any parties acting in concert with it to make a mandatory general offer to shareholders of the Company for all the issued shares of the Company not already owned or agreed to be acquired by Up Energy Group and any parties acting in concert with it which might otherwise arise as a result of Up Energy Group subscribing for the new Shares under the Creditors’ Scheme pursuant to Rule 26 of the Hong Kong Code on Takeovers and Mergers (the **“Whitewash Waiver”**), be and is hereby approved; and
- (b) any one or more of the Directors be and is/are hereby authorised to do all such acts; and things and execute all such document as he/she/they consider necessary, desirable or expedient for the purpose of, or in connection with, the implementation of and giving effect to any of the matters relating to, or incidental to, the Whitewash Waiver.”

For and on behalf of
Up Energy Development Group Limited
(In Provisional Liquidation
(For Restructuring Purposes))

Osman Mohammed Arab
Roy Bailey
Lai Wing Lun
Provisional Liquidators
who act without personal liability

Hong Kong, 31 December 2020

Registered office:
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Principal place of business in Hong Kong:
29/F, Lee Garden Two
28 Yun Ping Road
Causeway Bay
Hong Kong

Notes:

- (1) In order to determine the entitlement of members of the Company to attend and vote at the SGM, all transfers of Shares accompanied by the relevant Share certificates must be lodged at the Company's branch share registrar and transfer office in Hong Kong, Tricor Secretaries Limited at Level 54, Hopewell Centre, 183 Queen's Road, Hong Kong for registration not later than 4:30 p.m. on Tuesday, 19 January 2021.
- (2) A member entitled to attend and vote at the SGM is entitled to appoint one or more proxy to attend and, subject to the provisions of the bye-laws of the Company, to vote on his/her/its behalf. A proxy need not be a member of the Company but must be present in person at the SGM to represent the member. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
- (3) A form of proxy for use at the SGM is enclosed. Whether or not you intend to attend the SGM in person, you are encouraged to complete and return the enclosed form of proxy in accordance with the instructions printed thereon. Completion and return of a form of proxy will not preclude a member from attending in person and voting at the SGM or any adjournment thereof, should he/she/it so wish.
- (4) In order to be valid, the form of proxy, together with a power of attorney or other authority, if any, under which it is signed, or a certified copy of such power or authority must be deposited at the Company's branch share registrar and transfer office in Hong Kong, Tricor Secretaries Limited at Level 54, Hopewell Centre, 183 Queen's Road, Hong Kong, not less than 48 hours before the time appointed for holding the SGM or any adjournment thereof.
- (5) In the case of joint holders of Shares, any one of such joint holders may vote at the SGM, either in person or by proxy, in respect of such Share as if he/she/it was solely entitled thereto, but if more than one of such joint holders are present at the SGM personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such shares shall alone be entitled to vote in respect thereof.

As at the date of this announcement, the Board of Directors comprises Mr Wang Chuan, Mr Zhang Li and Mr Zheng Yuan as Executive Directors; and Mr Li Bao Guo, Mr Liu Yongshun, and Mr Wu Yanfeng as Independent Non-executive Directors. The names of the Board members referred hereto are based on the latest register of directors of the Company. For the avoidance of doubt, the composition of the Board is a matter in dispute as Mr Gao Shufang (subsequently resigned with effect from 30 September 2017) and Mr Ji Lianming claimed themselves being appointed as Executive Directors whereas Mr Chan Ming Sun Jonathan, Mr Lee Chi Hwa, Joshua and Mr Mak Yiu Tong claimed themselves to be appointed as Independent Non-executive Directors in replacement of the entire Board members (inter alia including Mr Chui Man Lung, Everett who has purported resigned on 30 August 2018) in a SGM held on 25 April 2017.

* For identification purposes only