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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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**If you are in any doubt** as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional advisers.

**If you have sold or transferred** all your shares in **Petro-king Oilfield Services Limited**, you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee, or to the stockbroker, registered dealer in securities or other agent through whom the sale or the transfer was effected for transmission to the purchaser or the transferee.

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**PETRO-KING OILFIELD SERVICES LIMITED**

**百勤油田服務有限公司**

*(Incorporated in the British Virgin Islands with limited liability)*

**(Stock Code: 2178)**

**CONTINUING CONNECTED TRANSACTIONS –  
THE FRAMEWORK SALE AND PURCHASE AGREEMENT;  
AND  
NOTICE OF THE EGM**

**Independent Financial Adviser to  
the Independent Board Committee and the Independent Shareholders**

**MESSIS 大有融資**

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Capitalised terms used in this cover page shall have the same meanings as those defined in the section headed “Definitions” in this circular.

A letter from the Board is set out on pages 4 to 13 of this circular. A letter from the Independent Board Committee containing its advice and recommendation to the Independent Shareholders is set out on pages 14 to 15 of this circular. A letter from the Independent Financial Adviser, containing its advice and recommendation to the Independent Board Committee and the Independent Shareholders is set out on pages 16 to 26 of this circular.

A notice convening the EGM to be held at 17th Floor, Tower 2, Silvercord, 30 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong on Thursday, 12 June 2025 at 2:30 p.m. is set out on pages EGM-1 to EGM-2 of this circular. A form of proxy for use at the EGM is enclosed with this circular. Whether or not you are able to attend the EGM or any adjournment thereof, you are requested to read the notice and complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the Company’s branch share registrar in Hong Kong, Union Registrars Limited, at Suites 3301-04, 33/F, Two Chinachem Exchange Square, 338 King’s Road, North Point, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish, but in such event the form of proxy shall be deemed to be revoked.

28 May 2025

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## DEFINITIONS

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*In this circular, the following expressions shall have the meanings set out below, unless the context requires otherwise:*

“Annual Cap(s)”	the annual caps in respect of the transactions contemplated under the Framework Sale and Purchase Agreement for the each of the financial years from 1 January 2025 and ending on 31 December 2027
“associate(s)”	has the same meaning ascribed to it under the Listing Rules
“Board”	the board of the Directors
“Company”	Petro-king Oilfield Services Limited (百勤油田服務有限公司), a company incorporated in the British Virgin Islands with limited liability, the issued Shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 2178)
“connected person(s)”	has the same meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened and held for the purpose of considering and, if thought fit, approving the resolution relating to the Framework Sale and Purchase Agreement and the transactions contemplated thereunder
“Framework Sale and Purchase Agreement”	the framework sale and purchase agreement dated 8 May 2025 entered into between the PRC Subsidiaries and the Petro-king Energy Group
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	the independent board committee of the Company, comprising all the independent non-executive Directors, namely Mr. Leung Lin Cheong, Mr. Xin Junhe and Mr. Zhang Dawei, formed to advise the Independent Shareholders in respect of the Framework Sale and Purchase Agreement and the transactions contemplated thereunder

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## DEFINITIONS

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“Independent Financial Adviser”	Messis Capital Limited, a corporation licensed under the SFO to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities, which has been appointed as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Framework Sale and Purchase Agreement and the transactions contemplated thereunder
“Independent Shareholders”	Shareholders other than Mr. Wang and his associates
“Independent Third Party(ies)”	any person or company and their respective ultimate beneficial owner(s), to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are not connected persons of the Company and are third parties independent of the Company and its connected persons
“Latest Practicable Date”	23 May 2025, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Wang”	Mr. Wang Jinlong, the chairman of the Company and a non-executive Director, who through his controlled corporation, is deemed to be interested in approximately 28.32% of the entire issued Shares as at the Latest Practicable Date
“percentage ratio(s)”	has the same meaning ascribed to it under the Listing Rules
“Petro-king Chongqing”	百勤(重慶)油氣工程技術服務有限公司 (Petro-king (Chongqing) Oil and Gas Technical Services Co., Ltd. <sup>#</sup> ), a company established in the PRC with limited liability and is indirectly owned as to 80% by the Company
“Petro-king Drilling”	深圳市百勤鑽井技術有限公司 (Shenzhen Petro-king Drilling Technology Co., Ltd. <sup>#</sup> ), a company established in the PRC with limited liability and is indirectly owned as to 80% by the Company
“Petro-king Energy”	百勤能源科技(廣東)股份有限公司 (Petro-king Energy Technology Co., Ltd. <sup>#</sup> , formerly known as 百勤能源科技(惠州)有限公司 (Petro-king Energy Technology (Huizhou) Co., Ltd. <sup>#</sup> )), a company established in the PRC with limited liability
“Petro-king Energy Group”	collectively, Petro-king Energy and Star Petrotech

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## DEFINITIONS

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“PRC”	The People’s Republic of China
“PRC Subsidiaries”	collectively, Shenzhen Petro-king, Petro-king Chongqing and Petro-king Drilling
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) in the share capital of the Company with no par value
“Shareholder(s)”	holder(s) of the Share(s)
“Shenzhen Petro-king”	深圳市百勤石油技術有限公司 (Shenzhen Petro-king Oil Technology Co., Ltd. <sup>#</sup> ), a company established in the PRC with limited liability and is an indirectly wholly-owned subsidiary of the Company
“Star Petrotech”	Star Petrotech Pte. Ltd., a company incorporated in Singapore with limited liability and is a wholly-owned subsidiary of Petro-king Energy
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“RMB”	Renminbi, the lawful currency of the PRC
“%”	per cent.

<sup>#</sup> *The English transliteration of the Chinese name(s) in this circular, where indicated, is included for information purpose only, and should not be regarded as the official English name(s) of such Chinese name(s).*

Unless otherwise stated, translation of RMB into HK\$ is based on the exchange rate of HK\$1.00 to RMB0.9287. Such translation should not be construed as a representation that the amount in question has been, could have been or could be converted at any particular rate or at all.

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LETTER FROM THE BOARD

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PETRO-KING OILFIELD SERVICES LIMITED

百勤油田服務有限公司

*(Incorporated in the British Virgin Islands with limited liability)*

**(Stock Code: 2178)**

*Executive Directors:*

Mr. Zhao Jindong

Mr. Lin Jingyu

Miss Zhou Sisi

*Non-executive Directors:*

Mr. Wang Jinlong

*Independent non-executive Directors:*

Mr. Leung Lin Cheong

Mr. Xin Junhe

Mr. Zhang Dawei

*Registered Officer:*

Commerce House

Wickhams Cay 1

P.O. Box 3140

Road Town, Tortola

British Virgin Islands

VG1110

*Principal Place of Business*

*in Hong Kong:*

Suite 1603A, 16/F

Tower 1, Silvercord

30 Canton Road

Kowloon, Hong Kong

28 May 2025

*To the Shareholders*

Dear Sir or Madam,

**CONTINUING CONNECTED TRANSACTIONS –  
THE FRAMEWORK SALE AND PURCHASE AGREEMENT;  
AND  
NOTICE OF THE EGM**

**INTRODUCTION**

The purpose of this circular is to provide you with, among other things, (i) further particulars of the Framework Sale and Purchase Agreement and the transactions contemplated thereunder; (ii) the letter of advice from the Independent Board Committee to the Independent Shareholders; (iii) the letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders; (iv) other information as required under the Listing Rules; and (v) the notice of the EGM.

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## LETTER FROM THE BOARD

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### BACKGROUND

The PRC Subsidiaries has entered into a framework sale and purchase agreement and a supplemental agreement with the Petro-king Energy Group on 24 February 2022 and 12 October 2022 respectively, pursuant to which the PRC Subsidiaries agreed to purchase from the Petro-king Energy Group, and the Petro-king Energy Group agreed to sell to the PRC Subsidiaries, well completion products, production enhancement products and drilling products, for the period commencing from 24 February 2022 to 31 December 2024. The annual caps for the transactions contemplated under these framework agreements were RMB15 million, RMB20 million and RMB22 million respectively for each of the three financial years ending 31 December 2022, 2023 and 2024.

The Framework Sale and Purchase Agreement is renewable by the PRC Subsidiaries and the Petro-king Energy Group in writing prior to its expiration, subject to compliance with the Listing Rules and all applicable laws and regulations.

### THE FRAMEWORK SALE AND PURCHASE AGREEMENT

Reference is made to the announcement of the Company dated 8 May 2025 in relation to the transactions contemplated under the Framework Sale and Purchase Agreement.

The principal terms and conditions of the Framework Sale and Purchase Agreement are set out below:

#### Date

8 May 2025

#### Parties

- (1) The PRC Subsidiaries; and
- (2) The Petro-king Energy Group

#### Term

For the period commencing from the date of the approval of the Framework Sale and Purchase Agreement by the Independent Shareholders and ending on 31 December 2027 (both days inclusive).

#### Nature of the transactions

Pursuant to the Framework Sale and Purchase Agreement, the PRC Subsidiaries agreed to purchase from the Petro-king Energy Group, and the Petro-king Energy Group agreed to sell to the PRC Subsidiaries, well completion products, production enhancement products and drilling products during the term of the Framework Sale and Purchase Agreement.

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## LETTER FROM THE BOARD

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### **Particulars of the Framework Sale and Purchase Agreement**

Pursuant to the Framework Sale and Purchase Agreement, the PRC Subsidiaries and the Petro-king Energy Group will enter into a separate agreement for each purchase order to set out the transaction details, including without limitation, the product specification, price, volume, time of delivery and payment terms.

There are two types of transactions that are involved under the Framework Sale and Purchase Agreement. For most of the products, as the Petro-king Energy Group is not the authorised suppliers of certain customers (mainly state-owned oil and gas enterprises in the PRC), the PRC Subsidiaries (who is the authorised suppliers of such customers) would act as the dealers of these products for Petro-king Energy Group in supplying the products to these end customers. Since the Petro-king Energy Group is the product supplier and the PRC Subsidiaries are the product distributors, the price of the products sold to the PRC Subsidiaries' customers is determined by the Petro-king Energy Group and to be agreed by the end customers of the PRC Subsidiaries. The Company will ensure that the PRC subsidiaries will have a resale profit margin no less than the profit margin they can earned from other third party suppliers for the same or similar type of products. Based on the prevailing market norm, the resale margin for the products is approximately 10%. The Company will monitor the pricing for transactions of the same or similar type, in order to ensure that the price and terms under the transactions to be entered into pursuant to the Framework Sale and Purchase Agreement are fair and reasonable and on normal commercial terms.

For a minority portion of products which are being acquired proprietarily and deployed or consumed by the PRC subsidiaries in the provision of oilfield and gas field services, the product prices shall be determined based on the prevailing market price at the time when the separate agreement is entered into, and shall take into account at least two other product quotations and terms obtained from Independent Third Parties to determine if the price and terms offered by the Petro-king Energy Group are fair and reasonable and comparable. The Company will monitor the pricing for transactions of the same or similar type in the market and solicit at least two other quotations and terms from Independent Third Parties for products in similar quantities, in order to ensure that the price and terms under the transactions to be entered into pursuant to the Framework Sale and Purchase Agreement are fair and reasonable and on normal commercial terms, and that the actual price and terms for the transactions between the PRC Subsidiaries and the Petro-king Energy Group will be no less favourable to the PRC Subsidiaries than those offered by Independent Third Parties for transactions of the same or similar type. In the event that such price and terms for the transactions between the PRC Subsidiaries and the Petro-king Energy Group are less favourable to the PRC Subsidiaries than those offered by Independent Third Parties, the PRC Subsidiaries will negotiate with the Petro-king Energy Group to ensure that such price and terms will not be less favourable, or to procure such products from the Independent Third Party suppliers who offer the best price and terms.

The parties to the Framework Sale and Purchase Agreement agree that the sale and purchase of the well completion products, production enhancement products and drilling products under the Framework Sale and Purchase Agreement shall be on normal commercial terms, on terms that are fair and reasonable, and in compliance with the applicable laws and regulations (including the Listing Rules), the parties' business needs and their own approval conditions and procedures.



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## LETTER FROM THE BOARD

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### Effectiveness of the Framework Sale and Purchase Agreement

The Framework Sale and Purchase Agreement will become effective, subject to the Company's compliance with all applicable laws, rules and regulations (including but not limited to the Listing Rules) as regards the transactions contemplated under the Framework Sale and Purchase Agreement, including but not limited to the Company having obtained approval from the Independent Shareholders at the EGM to be convened and held in relation to the approval of the transactions contemplated under the Framework Sale and Purchase Agreement.

### BASIS OF THE ANNUAL CAPS AND HISTORICAL FIGURES

The value of the products to be purchased by the PRC Subsidiaries from the Petro-king Energy Group under the Framework Sale and Purchase Agreement are subject to a maximum annual amount of RMB20,000,000 (equivalent to approximately HK\$21,535,000) for each of the three financial years ending 31 December 2025, 2026 and 2027, being the Annual Caps.

The proposed annual caps were determined based on the historical sale and purchase quantities and values between the parties to the Framework Sale and Purchase Agreement, and the expected demand of the products by the PRC subsidiaries and the end customers during the term of the Framework Sale and Purchase Agreement. Although the historical sale and purchase amounts were lower than RMB20,000,000 per year, the Group has succeeded in tender and has received tender acceptance documents for the products with an estimated aggregate annual sales amount of approximately RMB20,000,000. To be conservative, the Company therefore set the Proposed Annual Caps at RMB20,000,000.

The historical amount of purchase by the PRC Subsidiaries are as follows:

	<b>For the year ended</b>		
	<b>31 December 2022</b>	<b>31 December 2023</b>	<b>31 December 2024</b>
<b>Actual annual amount of purchase</b>	RMB10.6 million (equivalent to approximately HK\$12.4 million),	RMB14.7 million (equivalent to approximately HK\$16.3 million)	RMB5.5 million (equivalent to approximately HK\$6.0 million)

During the period from 1 January 2025 and up to 8 May 2025 (i.e. the date of the announcement of the Company in relation to the Framework Sale and Purchase Agreement), the Group has made purchases of approximately RMB2,339,000 (equivalent to approximately HK\$2,519,000) from the Petro-king Energy Group. As the applicable percentage ratios in respect of the previous purchases were less than 5% and the total consideration was less than HK\$3,000,000, such transactions fell within the de minimis threshold as stipulated under Rule 14A.76(1) of the Listing Rules, and were fully exempt from the reporting, annual review, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules. The Company will keep monitoring the trading pattern and will ensure the amount of purchases would remain under the de minimis threshold as stipulated under Rule 14A.76(2) of the Listing Rules prior to obtaining the approval of the Framework Sale and Purchase Agreement from the Independent Shareholders at the EGM.

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## LETTER FROM THE BOARD

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### RENEWAL

The Framework Sale and Purchase Agreement is renewable by the PRC Subsidiaries and the Petro-king Energy Group in writing prior to its expiration, subject to compliance with the Listing Rules and all applicable laws and regulations.

### REASONS FOR AND BENEFITS OF ENTERING INTO THE FRAMEWORK SALE AND PURCHASE AGREEMENT

The Group is principally engaged in the business of provision of production enhancement services, drilling services, consultancy services and integrated project management services for oilfields and gas fields, with auxiliary activities in the trading of oilfield and gas field related products. The Group utilises production enhancement products and drilling products in its provision of production enhancement services and drilling services, and needs to procure well completion tools and production enhancement tools for its trading of oilfield and gas field related products.

As members of the Petro-king Energy Group are not the authorised suppliers of certain customers (mainly state-owned oil and gas enterprises in the PRC), the PRC Subsidiaries (who are the authorised suppliers of such customers) would act as the dealers of these products for the Petro-king Energy Group in supplying the products to these end customers. By entering into the transactions contemplated under the Framework Sale and Purchase Agreement, the PRC Subsidiaries will procure the products from the Petro-king Energy Group and supply them to the end customers and earn a profit margin which is comparable to the market norm for engaging in similar type of sales and services.

The PRC Subsidiaries may also procure products from the Petro-king Energy Group for self use if the prices is fair and reasonable and no less favourable than that could be obtained from Independent Third Party suppliers.

The Directors (including the independent non-executive Directors) are of the view that the transactions contemplated under the Framework Sale and Purchase Agreement have been conducted in the ordinary and usual course of business of the Group. The Directors (including the independent non-executive Directors) consider that the Framework Sale and Purchase Agreement is entered into after arm's length negotiations and on normal commercial terms, and the terms of the Framework Sale and Purchase Agreement and the proposed Annual Caps are fair and reasonable and in the interests of the Company and the Shareholders as a whole. Since Mr. Wang (a non-executive Director and the chairman of the Company) is also a director of Petro-king Energy, he has abstained from voting on the relevant board resolutions approving the Framework Sale and Purchase Agreement and the transactions contemplated thereunder to avoid any potential conflict of interest.

### IMPLICATIONS UNDER THE LISTING RULES

As at the Latest Practicable Date, Mr. Wang is a non-executive Director and is a substantial shareholder who is interested in approximately 28.32% of the issued share capital of the Company. Mr. Wang is therefore a connected person of the Company.

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## LETTER FROM THE BOARD

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As at the Latest Practicable Date, Mr. Wang and his associates are also substantial shareholders of Petro-king Energy and together are interested in approximately 30.60% of the equity interest in Petro-king Energy. Star Petrotech is a wholly-owned subsidiary of Petro-king Energy. Therefore, Petro-king Energy and Star Petrotech are associates of Mr. Wang and also connected persons of the Company pursuant to the Listing Rules. Accordingly, the transactions contemplated under the Framework Sale and Purchase Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio (other than profits ratio) in respect of the Annual Caps of the transactions contemplated under the Framework Sale and Purchase Agreement exceeds 5% and the Annual Caps exceed HK\$10,000,000, the Framework Sale and Purchase Agreement and the transactions contemplated thereunder are subject to the reporting, annual review, announcement, circular (including independent financial advice) and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

### INFORMATION ON THE GROUP

Each of Shenzhen Petro-king, Petro-king Chongqing and Petro-king Drilling is a company established in the PRC and an indirect subsidiary of the Company. Shenzhen Petro-king is principally engaged in the business of provision of production enhancement services, drilling services, consultancy services and integrated project management services for oilfields and gas fields, with auxiliary activities in the trading of oilfield and gas field related products. Petro-king Chongqing is principally engaged in the business of provision of production enhancement services for oilfields and gas fields. Petro-king Drilling is principally engaged in the business of provision of drilling services for oilfields and gas fields.

The Group is principally engaged in the business of provision of production enhancement services, drilling services, consultancy services and integrated project management services for oilfields and gas fields, with auxiliary activities in the trading of oilfield and gas field related products.

### INFORMATION ON PETRO-KING ENERGY AND STAR PETROTECH

Petro-king Energy is a company established in the PRC and is principally engaged in the research and development, production and trading of oilfield and gas field related products. Star Petrotech is a wholly-owned subsidiary of Petro-king Energy. Star Petrotech is a company incorporated in Singapore with limited liability and is principally engaged in the manufacturing and repairing of oilfield and gas field machinery and equipment.

As at the Latest Practicable Date, Petro-king Energy is approximately 28.11% owned by the Group, approximately 22.25% directly owned by Mr. Wang and his associates, approximately 8.35% owned by Mr. Wang through his associate 深圳市龍躍管理諮詢合夥企業(有限合夥) (Shenzhen Longyue Management Consulting Partnership Enterprise (Limited Partnership)<sup>#</sup>) (the “**Employee Partnership Enterprise I**”), approximately 6.35% owned by 深圳市龍凱管理諮詢合夥企業(有限合夥) (Shenzhen Longkai Management Consulting Partnership Enterprise (Limited Partnership)<sup>#</sup>) (the “**Employee Partnership Enterprise II**”), approximately 6.30% owned by 粵科國惠創新創業基金(廣東)合夥企業(有限合夥) (Yueke Guohui Innovation Entrepreneurship Fund (Guangdong) Partnership Enterprise (Limited Partnership)<sup>#</sup>) (“**Yueke Guohui**”), approximately 4.57% owned by 深圳市凱安管理諮詢合夥企業(有限合夥) (Shenzhen Kaian Management Consulting Partnership Enterprise (Limited Partnership)<sup>#</sup>) (“**Shenzhen**

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## LETTER FROM THE BOARD

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**Kaian**”), approximately 2.28% owned by Mr. Zhou Xian, approximately 2.28% owned by 東方港灣(橫琴)投資管理有限公司 (Dongfang Gangwan (Hengqin) Investment Management Co., Ltd.<sup>#</sup>) (“**Dongfang Gangwan**”), approximately 2.28% owned by Mr. Zhang Houdong, approximately 2.28% owned by Mr. Fang Yonghao, approximately 2.28% owned by Mr. Yang Hongjun, approximately 1.90% owned by Mr. Zhou Xiaoping, approximately 1.83% owned by Mr. Dai Shaoyue, approximately 1.78% owned by 寧波梅山保稅港區準審創業投資合夥企業(有限合夥) (Ningbo Meishan Free Trade Zone Zhunrui Entrepreneurship Investment Partnership Enterprise (Limited Partnership)<sup>#</sup>) (the “**Zhunrui Partnership**”), approximately 1.57% owned by Miss Fei Xiaofan, approximately 1.29% owned by Mr. Zhang Shiqiang, approximately 1.28% owned by Miss Xie Huie, approximately 0.79% owned by Mr. Qu Zongjin, approximately 0.79% owned by Miss Zhang Xiaorui, approximately 0.79% owned by Mr. Zhao Qingzhong and approximately 0.65% owned by Ms. Xue Mei.

Employee Partnership Enterprise I is a special investment vehicle and is principally engaged in investment in equity interest in Petro-king Energy. The Employee Partnership Enterprise I is managed by the general partner, Mr. Wang. Mr. Wang and his associate held 53% interest in Employee Partnership Enterprise I as at the Latest Practicable Date and accordingly, Employee Partnership Enterprise I is an associate of Mr. Wang and a connected person of the Company. The Employee Partnership Enterprise I has 18 limited partners, 17 of them are existing employees of Petro-king Energy. To the best of the knowledge, information and belief of the Directors after having made all reasonable enquiries, except one limited partner who is an associate of Mr. Wang, all remaining limited partners of Employee Partnership Enterprise I are natural persons who are Independent Third Parties.

Employee Partnership Enterprise II is a special investment vehicle and is principally engaged in investment in equity interest in Petro-king Energy. The Employee Partnership Enterprise II is managed by the general partner, namely Mr. Shi Junyi, a natural person who is a former employee of the Group and is an Independent Third Party. Mr. Shi Junyi held approximately 13.89% as the single largest partner in Employee Partnership Enterprise II as at the Latest Practicable Date. Employee Partnership Enterprise II has 34 limited partners, 12 of them are existing employees of the Group, and 17 of them are existing employees of Petro-king Energy. To the best of the knowledge, information and belief of the Directors after having made all reasonable enquiries, all of the limited partners of Employee Partnership Enterprise II are natural persons who are Independent Third Parties.

Yueke Guohui is a special investment vehicle and is principally engaged in equity investment. Yueke Guohui is owned as to 49.75% by 廣東省新興產業投資基金合夥企業(有限合夥) (Guangdong Province Emerging Industries Investment Fund Partnership Enterprise (Limited Partnership)<sup>#</sup>), 49.75% by 惠州產業投資發展母基金有限公司 (Huizhou Industries Investment Development Parent Fund Co., Ltd.<sup>#</sup>), 0.25% by 廣東省粵科母基金投資管理有限公司 (Guandong Province Yueke Parent Fund Investment Management Co., Ltd.<sup>#</sup>) and 0.25% by 惠州市國惠資本私募基金管理有限公司 (Huizhou Guohui Capital Private Equity Fund Management Co., Ltd.<sup>#</sup>). To the best of the knowledge, information and belief of the Directors after having made all reasonable enquiries, each of the limited partner and the general partner of Yueke Guohui is ultimately beneficially owned by the Guandong Provincial government authorities and the Huizhou Municipal government authorities and is an Independent Third Party.

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## LETTER FROM THE BOARD

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Shenzhen Kaian is a special investment vehicle and is principally engaged in equity investment. Shenzhen Kaian is owned as to approximately 99.9% by Mr. Zhang Yang as the limited partner and as to approximately 0.1% by 深圳市凱華投資管理有限公司 (Shenzhen Kaihua Investment Management Co., Ltd.<sup>#</sup>) (“**Shenzhen Kaihua**”) as the general partner. The general partner and the limited partner of Shenzhen Kaihua is Miss Wu Ying and Mr. Zhang Haoyu respectively, holding approximately 90% and 10% interest in Shenzhen Kaihua, respectively as at the Latest Practicable Date. To the best of the knowledge, information and belief of the Directors after having made all reasonable enquiries, each of the limited partner and the general partner of Shenzhen Kaian (including its ultimate beneficial owners) is an Independent Third Party.

Dongfang Gangwan is a company established in the PRC with limited liability and is principally engaged in investment management, assets management and equity investment. To the best of the knowledge, information and belief of the Directors after having made all reasonable enquiries, Dongfang Gangwan is wholly-owned by 深圳東方港灣投資管理股份有限公司 (Shenzhen Dongfang Gangwan Investment Management Co., Ltd.<sup>#</sup>), which is in turn owned by Dan Bin, Zheng Weifeng, Zhang Min, Wu Huiling, Huang Haiping, Zhou Mingbo and Ren Renxiong as to approximately 81.75%, 6%, 5.625%, 2%, 2%, 1.625% and 1% respectively as at the Latest Practicable Date, all of them are Independent Third Parties.

The Zhunrui Partnership is principally engaged in investment in equities and has 8 partners, with 寧波市九天矩陣投資管理有限公司 (Ningbo Jiutian Juzhen Investment Management Limited<sup>#</sup>), the principal business of which is investment management, holding approximately 1.23% interest and 寧波正棱柱創業投資合夥企業(有限合夥) (Ningbo Zhenglingzhu Entrepreneurship Investment Partnership Enterprise (Limited Partnership)<sup>#</sup>, “**Ningbo Zhenglingzhu**”), a special investment vehicle, holding approximately 98.77% interest. Yuan Bing, Yuan Yi, Ma Hua, Dong Ruili and Zhang Chun hold 30%, 25%, 25%, 10%, and 10%, respectively, in the interest in Ningbo Zhenglingzhu as at the Latest Practicable Date. To the best of the knowledge, information and belief of the Directors after having made all reasonable enquiries, each of Ningbo Jiutian (including its ultimate beneficial owners) and Ningbo Zhenglingzhu (including its ultimate beneficial owners) is an Independent Third Party.

To the best of the knowledge, information and belief of the Directors after having made all reasonable enquiries, each of Miss Fei Xiaofan, Mr. Zhou Xian, Mr. Zhang Houdong, Mr. Fang Yonghao, Mr. Yang Hongjun, Mr. Zhou Xiaoping, Mr. Dai Shaoyue, Mr. Zhang Shiqiang, Miss Xie Huie, Mr. Qu Zongjin, Miss Zhang Xiaorui, Mr. Zhao Qingzhong and Miss Xue Mei is a natural person who is an Independent Third Party.

### INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

An independent board committee comprising all the independent non-executive Directors has been formed to advise the Independent Shareholders in respect of the Framework Sale and Purchase Agreement and the transactions contemplated thereunder. Messis Capital Limited, a corporation licensed under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities, has been appointed as the independent financial adviser to advise the independent board committee and the Independent Shareholders in this regard.

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## LETTER FROM THE BOARD

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### EGM AND PROXY ARRANGEMENT

The Company will convene the EGM for the Independent Shareholders and the Shareholders to consider and, if thought fit, pass the resolutions to approve the Framework Sale and Purchase Agreement and the transactions contemplated.

In view of Mr. Wang's interests in Petro-king Energy, Mr. Wang and his associates are required to abstain and shall abstain from voting on the relevant resolution to be proposed at the EGM to approve the Framework Sale and Purchase Agreement and the transactions contemplated thereunder. As at the Latest Practicable Date, to the extent that the Directors are aware having made all reasonable enquiries, Mr. Wang and his associates hold 488,920,138 Shares (representing approximately 28.32% of the issued share capital of the Company as at the Latest Practicable Date), and they control or are entitled to exercise control over the voting rights in respect of their respective Shares. Except for the above, as at the Latest Practicable Date, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, other than Mr. Wang and his associates, no other Shareholder will be required to abstain from voting on the resolution approving the Framework Sale and Purchase Agreement and the transactions contemplated thereunder at the EGM.

Pursuant to the Listing Rules, any vote of shareholders at a general meeting must be taken by poll except for purely procedural or administrative matters. Accordingly, all the proposed resolutions will be put to vote by way of poll at the EGM. An announcement on the poll vote results will be made by the Company after the EGM in the manner prescribed under Rule 13.39(5) of the Listing Rules.

A notice convening the EGM to be held at 17th Floor, Tower 2, Silvercord, 30 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong on Thursday, 12 June 2025 at 2:30 p.m. is set out on pages EGM-1 to EGM-2 of this circular. A form of proxy for use at the EGM is enclosed with this circular. Whether or not you are able to attend the EGM or any adjournment thereof, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the Company's branch share registrar in Hong Kong, Union Registrars Limited at Suites 3301-04, 33/F, Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish, but in such event the form of proxy shall be deemed to be revoked.

### CLOSURE OF REGISTER OF MEMBERS

For the purpose of determining Shareholders who are entitled to attend and vote at the EGM, the register of members of the Company will be closed from Monday, 9 June 2025 to Thursday, 12 June 2025, both days inclusive during which period, no transfer of Shares will be registered. In order to qualify for attending and voting at the EGM, all transfers of Shares accompanied by the relevant share certificates and transfer forms should be lodged for registration with the Branch Share Registrar in Hong Kong, Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong as soon as practicable and in any event not later than 4:00 p.m. (Hong Kong Time) on Friday, 6 June 2025.

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## LETTER FROM THE BOARD

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### RECOMMENDATIONS

The Directors (excluding Mr. Wang, but including the independent non-executive Directors) are of the view that the transactions contemplated under the Framework Sale and Purchase Agreement are entered into in the ordinary and usual course of business of the Group, and the terms of the Framework Sale and Purchase Agreement and the Annual Caps are determined after arm's length negotiations and on normal commercial terms, are fair and reasonable, and in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors (excluding Mr. Wang, but including the independent non-executive Directors) recommend the Independent Shareholders to vote in favour of the relevant resolution to be proposed at the EGM to approve the Framework Sale and Purchase Agreement and the transactions contemplated thereunder.

The Independent Financial Adviser, having taken into account the principal factors and reasons as set out in its letter, considers that (i) the entering into of the Framework Sale and Purchase Agreement is in the ordinary and usual course of business of the Group and is in the interests of the Company and the Shareholders as a whole; (ii) the terms of the Framework Sale and Purchase Agreement and the transactions contemplated thereunder are on normal commercial terms and are fair and reasonable so far as the Independent Shareholders are concerned; and (iii) the Annual Caps are reasonably determined, and are fair and reasonable so far as the Independent Shareholders are concerned. Accordingly, the Independent Financial Adviser recommends the Independent Shareholders to vote in favour of the relevant resolution to be proposed at the EGM to approve the Framework Sale and Purchase Agreement and the transactions contemplated thereunder and the respective Annual Caps thereof.

The Independent Board Committee, having taken into account the advice of the Independent Financial Adviser and its recommendation in relation thereto, considers that the Framework Sale and Purchase Agreement are entered into in the ordinary and usual course of business of the Group, and the terms of the Framework Sale and Purchase Agreement and the Annual Caps are on normal commercial terms, fair and reasonable, and in the interests of the Company and the Shareholders as a whole so far as the Independent Shareholders are concerned. Accordingly, the Independent Board Committee recommends the Independent Shareholders to vote in favour of the relevant resolution to be proposed at the EGM to approve the Framework Sale and Purchase Agreement and the transactions contemplated thereunder.

### ADDITIONAL INFORMATION

Your attention is drawn to the letter from the Independent Board Committee set out on pages 14 to 15 of this circular, which contains its advice and recommendation to the Independent Shareholders, and the letter from the Independent Financial Adviser set out on pages 16 to 26 of this circular, which contains its advice and recommendation to the Independent Board Committee and the Independent Shareholders. Your attention is also drawn to the additional information set out in the appendices to this circular and the notice of the EGM.

Yours faithfully,  
By Order of the Board  
**Petro-king Oilfield Services Limited**  
**Wang Jinlong**  
*Chairman*

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## LETTER FROM THE INDEPENDENT BOARD COMMITTEE

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*The following is the text of a letter from the Independent Board Committee setting out its advice and recommendation to the Independent Shareholders in respect of the Framework Sale and Purchase Agreement and the transactions contemplated thereunder.*



**PETRO-KING OILFIELD SERVICES LIMITED**

**百勤油田服務有限公司**

*(Incorporated in the British Virgin Islands with limited liability)*

**(Stock Code: 2178)**

28 May 2025

*To the Independent Shareholders*

Dear Sir or Madam,

### **CONTINUING CONNECTED TRANSACTION – THE FRAMEWORK SALE AND PURCHASE AGREEMENT**

We refer to the circular of the Company dated 28 May 2025 (the “**Circular**”) to the Shareholders, of which this letter forms part. Unless otherwise defined, capitalised terms used herein shall have the same meanings as defined in the Circular.

We have been appointed by the Board to advise the Independent Shareholders as to whether, in our opinion, the transactions contemplated under the Framework Sale and Purchase Agreement are entered into in the ordinary and usual course of business of the Group, and the terms of the Framework Sale and Purchase Agreement and the Annual Caps are on normal commercial terms, fair and reasonable, and in the interests of the Company and the Shareholders as a whole so far as the Independent Shareholders are concerned.

Messis Capital Limited has been appointed as the Independent Financial Adviser to advise us and the Independent Shareholders in this regard. We wish to draw your attention to the letter from the Board set out on pages 4 to 13 of the Circular, and the letter from the Independent Financial Adviser to us and the Independent Shareholders set out on pages 16 to 26 of the Circular, which contains its advice and recommendation in respect of the Framework Sale and Purchase Agreement and the transactions contemplated thereunder.

Having taken into account the advice of the Independent Financial Adviser and its recommendation in relation thereto, we consider that the Framework Sale and Purchase Agreement are entered into in the ordinary and usual course of business of the Group, and the terms of the Framework Sale and Purchase Agreement and the Annual Caps are on normal commercial terms, fair and reasonable, and in the interests of the Company and the Shareholders as a whole so far as the Independent Shareholders are concerned.



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## LETTER FROM THE INDEPENDENT BOARD COMMITTEE

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Accordingly, we would recommend the Independent Shareholders to vote in favour of the relevant resolution to be proposed at the EGM to approve the Framework Sale and Purchase Agreement and the transactions contemplated thereunder.

Yours faithfully,  
For and on behalf of  
**Independent Board Committee**

**Mr. Leung Lin Cheong**

**Mr. Xin Junhe**

**Mr. Zhang Dawei**

*Independent non-executive Directors*

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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*The following is the full text of the letter from Messis Capital Limited, the Independent Financial Adviser, for the purpose of inclusion in this circular, to the Independent Board Committee and the Independent Shareholders in relation to the Framework Sale and Purchase Agreement and transactions contemplated thereunder.*

28 May 2025

*To: The Independent Board Committee and the Independent Shareholders of  
Petro-king Oilfield Services Limited*

Dear Sir/Madam,

### **CONTINUING CONNECTED TRANSACTIONS THE FRAMEWORK SALE AND PURCHASE AGREEMENT**

#### **INTRODUCTION**

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Framework Sale and Purchase Agreement and the transactions contemplated thereunder, together with the Annual Caps, details of which are set out in the letter from the Board (the “**Letter from the Board**”) contained in the circular of the Company dated 28 May 2025 (the “**Circular**”), of which this letter forms a part. Capitalised terms used in this letter shall have the same meanings as defined in the Circular unless the context otherwise requires.

The PRC Subsidiaries has entered into a framework sale and purchase agreement and a supplemental agreement with the Petro-king Energy Group on 24 February 2022 and 12 October 2022, respectively, pursuant to which the PRC Subsidiaries agreed to purchase from the Petro-king Energy Group, and the Petro-king Energy Group agreed to sell to the PRC Subsidiaries, well completion products, production enhancement products and drilling products, for the period commencing from 24 February 2022 to 31 December 2024. The annual caps for the transactions contemplated under these framework agreements were RMB15 million, RMB20 million and RMB22 million respectively for each of the three financial years ending 31 December 2022, 2023 and 2024.

The aforesaid framework sale and purchase agreement is renewed by the entering into of the Framework Sale and Purchase Agreement between the PRC Subsidiaries and the Petro-king Energy Group on 8 May 2025.

As at the date of this circular, Mr. Wang is a non-executive Director and is a substantial shareholder who is interested in approximately 28.32% of the issued share capital of the Company. Mr. Wang is therefore a connected person of the Company.

As at the date of this circular, Mr. Wang and his associates are also substantial shareholders of Petroking Energy and together are interested in approximately 30.60% of the equity interest in Petro-king Energy. Star Petrotech is a wholly-owned subsidiary of Petro-king Energy. Therefore, Petro-king Energy and Star

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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Petrotech are associates of Mr. Wang and also connected persons of the Company pursuant to the Listing Rules. Accordingly, the transactions contemplated under the Framework Sale and Purchase Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio (other than profits ratio) in respect of the Annual Caps of the transactions contemplated under the Framework Sale and Purchase Agreement exceeds 5% and the Annual Caps exceed HK\$10,000,000, the Framework Sale and Purchase Agreement and the transactions contemplated thereunder are subject to the reporting, annual review, announcement, circular (including independent financial advice) and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

Since Mr. Wang (a non-executive Director and the chairman of the Company) is also a director of Petroking Energy, he has abstained from voting on the relevant board resolutions approving the Framework Sale and Purchase Agreement and the transactions contemplated thereunder to avoid any potential conflict of interest.

An independent board committee comprising all the independent non-executive Directors, namely, Mr. Leung Lin Cheong, Mr. Xin Junhe and Mr. Zhang Dawei, has been formed to advise the Independent Shareholders in respect of the Framework Sale and Purchase Agreement and the transactions contemplated thereunder.

We, Messis Capital Limited, have been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders as to whether the terms of the Framework Sale and Purchase Agreement, the transactions contemplated thereunder and the Annual Caps are on normal commercial terms and in the ordinary and usual course of business of the Group, and fair and reasonable so far as the Independent Shareholders are concerned, in the interests of the Company and the Shareholders as a whole, and whether the Independent Shareholders should vote in favour of the approval of the Framework Sale and Purchase Agreement and the transactions contemplated thereunder, together with the Annual Caps.

### OUR INDEPENDENCE

We have not acted as a financial adviser for other transactions of the Group in the last two years prior to the date of the Circular. Pursuant to Rule 13.84 of the Listing Rules, and given that remuneration for our engagement to opine on the Framework Sale and Purchase Agreement, the transactions contemplated thereunder and the Annual Caps is at market level and not conditional upon successful passing of the resolutions, and that our engagement is on normal commercial terms, we are independent of the Company.

### BASIS OF OUR OPINION

In formulating our opinion and recommendation, we have considered, among other things, (i) the Company's annual report for the year ended 31 December 2024 (the "**2024 Annual Report**"); and (ii) the Company's annual report for the year ended 31 December 2023 (the "**2023 Annual Report**"); (iii) the Framework Sale and Purchase Agreement; (iv) the framework sale and purchase agreement and a supplemental agreement dated 24 February 2022 and 12 October 2022; (v) the Announcement; and (vi) other information as set out in the Circular. In arriving at our recommendations, we have relied on the statements, information and representations contained in the Circular and the information and representations provided to us by the

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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Company, the Directors and the management of the Company. We have assumed that all information, representations and opinions contained or referred to in the Circular and all information and representations which have been provided by the Company, the Directors and the management of the Company for which they are solely and wholly responsible, are true and accurate at the time they were made and will continue to be accurate as at the Latest Practicable Date. We have no reason to doubt the truth, accuracy and completeness of the information and representations provided to us by the Company.

The Circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in the Circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement therein or the circular misleading.

We consider that we have been provided with sufficient information on which to form a reasonable basis for our opinion. We have no reason to suspect that any relevant information has been withheld, nor are we aware of any material facts or circumstances which would render the information provided and representations made to us untrue, inaccurate or misleading. We consider that we have performed all the necessary steps to enable us to reach an informed view and to justify our reliance on the information provided so as to provide a reasonable basis for our opinion. We have not, however, carried out any independent verification of the information provided by the Company, the Directors and the management of the Company, nor have we conducted an independent investigation into the business and affairs of the Group and any parties in relation to the Framework Sale and Purchase Agreement.

This letter is issued for the information of the Independent Board Committee and the Independent Shareholders solely in connection with their consideration of the Framework Sale and Purchase Agreement and the transactions contemplated thereunder, together with the Annual Caps. Except for its inclusion in the Circular, this letter is not to be quoted or referred to, in whole or in part, nor shall this letter be used for any other purposes, without our prior written consent.

### **PRINCIPAL FACTORS AND REASONS CONSIDERED**

In assessing whether the terms of the Framework Sale and Purchase Agreement and the transactions contemplated thereunder, together with the Annual Caps are on normal commercial terms and are fair and reasonable as the Independent Shareholders are concerned, we have considered the following principal factors and reasons:

#### **1. Background of and reasons for entering into the Framework Sale and Purchase Agreement**

The Group is principally engaged in the business of provision of production enhancement services, drilling services, consultancy services and integrated project management services for oilfields and gas fields, with auxiliary activities in the trading of oilfield and gas field related products. The Group utilises production enhancement products and drilling products in its provision of production enhancement services and drilling services, and needs to procure well completion tools and production enhancement tools for its trading of oilfield and gas field related products.

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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As members of the Petro-king Energy Group are not the authorised suppliers of certain customers (mainly state-owned oil and gas enterprises in the PRC), the PRC Subsidiaries (who are the authorised suppliers of such customers) would act as the dealers of these products for the Petro-king Energy Group in supplying the products to these end customers. By entering into the transactions contemplated under the Framework Sale and Purchase Agreement, the PRC Subsidiaries will procure the products from the Petro-king Energy Group and supply them to the end customers and earn a profit margin which is comparable to the market norm for engaging in similar type of sales and services.

The PRC Subsidiaries may also procure products from the Petro-king Energy Group for self use if the prices are fair and reasonable and no less favourable than that could be obtained from Independent Third Party suppliers.

Petro-king Energy is a company established in the PRC and is principally engaged in the research and development, production and trading of oilfield and gas field related products. Star Petrotech is a wholly owned subsidiary of Petro-king Energy. Star Petrotech is a company incorporated in Singapore with limited liability and is principally engaged in the manufacturing and repairing of oilfield and gas field machinery and equipment.

In this regard, the PRC Subsidiaries entered into a framework sale and purchase agreement and a supplemental agreement with the Petro-king Energy Group on 24 February 2022 and 12 October 2022 respectively, pursuant to which the PRC Subsidiaries agreed to purchase from the Petro-king Energy Group, and the Petro-king Energy Group agreed to sell to the PRC Subsidiaries, well completion products, production enhancement products and drilling products, for the period commencing from 24 February 2022 to 31 December 2024. The annual caps for the transactions contemplated under these framework agreements were RMB15 million, RMB20 million and RMB22 million respectively for each of the three financial years ending 31 December 2022, 2023 and 2024, whereas actual annual amount of purchase were RMB10.6 million, RMB16.3 million and RMB5.5 million respectively for each of the three financial years ending 31 December 2022, 2023 and 2024.

As advised by the management of the Company, as it is uncertain that whether the Petro-king Energy Group can become the authorised suppliers of these PRC state-owned oil and gas enterprises in the PRC in the foreseeable future and therefore, the PRC Subsidiaries (who are the authorised suppliers of such customers) would continue to act as the dealers of these products for the Petro-king Energy Group in supplying the products to these end customers.

Hence, we are of the view that the PRC Subsidiaries act as the dealers of these products for the Petro-king Energy Group in supplying the products to these end customers to earn a profit margin could contribute to the Group's revenue base, thereby improving the Group's sustainability in the long run.

Furthermore, as disclosed in the Letter from Board, the resale margin for the products is approximately 10% based on the prevailing market norm and the Company will monitor the pricing for transactions of the same or similar type, in order to ensure that the price and terms under the transactions to be entered into pursuant to the Framework Sale and Purchase Agreement are fair and reasonable and on normal commercial terms, including adherence to the aforesaid 10% resale margin.

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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For further details regarding the pricing policy of the Framework Sale and Purchase Agreement, please refer to the paragraphs headed “Principal terms of the Framework Sale and Purchase Agreement” below.

In light of that (i) the Group is principally engaged in the business of provision of production enhancement services, drilling services, consultancy services and integrated project management services for oilfields and gas fields, with auxiliary activities in the trading of oilfield and gas field related products; (ii) the PRC Subsidiaries has established a long term business relationship with the Petro-king Energy Group to act as the dealers of oilfield and gas field related products for the Petro-king Energy Group in supplying the products to these end customers; and (iii) it is expected that the PRC Subsidiaries would continue to act as the dealers of these products for the Petro-king Energy Group in supplying the products to these end customers to earn a profit margin could contribute to the Group’s revenue base, we consider that the entering into the Framework Sale and Purchase Agreement and the transactions contemplated thereunder form part of the ordinary and usual course of the Group’s business and are in the interest of the Group and the Shareholders as a whole.

## 2. Framework Sale and Purchase Agreement

### 2.1 *Principal terms of the Framework Sale and Purchase Agreement*

The principal terms of the Framework Sale and Purchase Agreement, among others, are set out below:

*Date:*

8 May 2025

*Parties:*

- (i) The PRC Subsidiaries; and
- (ii) The Petro-king Energy Group

*Term:*

For the period commencing from the date on which the Framework Sale and Purchase Agreement is approved by the Independent Shareholders and ending on 31 December 2027 (both days inclusive).

*Nature of the transactions:*

Pursuant to the Framework Sale and Purchase Agreement, the PRC Subsidiaries agreed to purchase from the Petro-king Energy Group, and the Petro-king Energy Group agreed to sell to the PRC Subsidiaries, well completion products, production enhancement products and drilling products during the term of the Framework Sale and Purchase Agreement.

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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### *Particulars of the Framework Sale and Purchase Agreement:*

Pursuant to the Framework Sale and Purchase Agreement, the PRC Subsidiaries and the Petro-king Energy Group will enter into a separate agreement for each purchase order to set out the transaction details, including without limitation, the product specification, price, volume, time of delivery and payment terms.

There are two types of transactions that are involved under the Framework Sale and Purchase Agreement. For certain products, as the Petro-king Energy Group is not the authorised suppliers of certain customers (mainly state-owned oil and gas enterprises in the PRC), the PRC Subsidiaries (who is the authorised suppliers of such customers) would act as the dealers of these products for Petro-king Energy Group in supplying the products to these end customers. Since the Petro-king Energy Group is the product supplier and the PRC Subsidiaries are the product distributors, the price of the products sold to the PRC Subsidiaries' customers is determined by the Petro-king Energy Group and to be agreed by the end customers of the PRC Subsidiaries. The Company will ensure that the PRC subsidiaries will have a resale profit margin no less than the profit margin they can earned from other third party suppliers for the same or similar type of products. Based on the prevailing market norm, the resale margin for the products is approximately 10%. The Company will monitor the pricing for transactions of the same or similar type, in order to ensure that the price and terms under the transactions to be entered into pursuant to the Framework Sale and Purchase Agreement are fair and reasonable and on normal commercial terms.

For certain products which are being acquired proprietarily and deployed or consumed by the PRC subsidiaries in the provision of oilfield and gas field services, the product prices shall be determined based on the prevailing market price at the time when the separate agreement is entered into, and shall take into account at least two other product quotations and terms obtained from Independent Third Parties to determine if the price and terms offered by the Petro-king Energy Group are fair and reasonable and comparable. The Company will monitor the pricing for transactions of the same or similar type in the market and solicit at least two other quotations and terms from Independent Third Parties for products in similar quantities, in order to ensure that the price and terms under the transactions to be entered into pursuant to the Framework Sale and Purchase Agreement are fair and reasonable and on normal commercial terms, and that the actual price and terms for the transactions between the PRC Subsidiaries and the Petro-king Energy Group will be no less favourable to the PRC Subsidiaries than those offered by Independent Third Parties for transactions of the same or similar type. In the event that such price and terms for the transactions between the PRC Subsidiaries and the Petro-king Energy Group are less favourable to the PRC Subsidiaries than those offered by Independent Third Parties, the PRC Subsidiaries will negotiate with the Petro-king Energy Group to ensure that such price and terms will not be less favourable, or to procure such products from the Independent Third Party suppliers who offer the best price and terms.

The parties to the Framework Sale and Purchase Agreement agree that the sale and purchase of the well completion products, production enhancement products and drilling products under the Framework Sale and Purchase Agreement shall be on normal commercial terms, on terms that

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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are fair and reasonable, and in compliance with the applicable laws and regulations (including the Listing Rules), the parties' business needs and their own approval conditions and procedures.

To assess the fairness and reasonableness of the terms as stipulated under the Framework Sale and Purchase Agreement, we have obtained and reviewed the Framework Sale and Purchase Agreement and further discussed with the management of the Company in relation to the pricing policy as stated above. The Directors have confirmed that as a general principle and pursuant to the terms of the Framework Sale and Purchase Agreement, the Company will ensure that the PRC subsidiaries will have a resale profit margin no less than the profit margin they can earned from other third party suppliers for the same or similar type of products. We were further advised the management of the Company that the current resale margin for the products is approximately 10%, which is the rate of margin currently earned by the Group from resale of the same or similar type of products where the PRC subsidiaries act as dealers. For those products which are being acquired proprietarily and deployed or consumed by the PRC subsidiaries in the provision of oilfield and gas field services, the Directors have confirmed that as a general principle and pursuant to the terms of the Framework Sale and Purchase Agreement, the Company will ensure that the product prices shall be determined based on the prevailing market price at the time when the separate agreement is entered into, and shall take into account at least two other quotations obtained from Independent Third Parties to ensure that the price and terms offered by the Petro-king Energy Group are fair and reasonable and comparable. The Company will monitor the pricing for transactions of the same or similar type in the market and solicit at least two other quotations and terms from Independent Third Parties for products in similar quantities, in order to ensure that the purchase prices of products and the terms under the transactions to be entered into pursuant to the Framework Sale and Purchase Agreement are fair and reasonable and on normal commercial terms, and that the purchase prices and terms for the transactions between the PRC Subsidiaries and the Petro-king Energy Group are no less favourable to the PRC Subsidiaries than those offered by Independent Third Parties for transactions of the same or similar products.

For due diligence purpose, we obtained the Group's procurement record and randomly selected and reviewed (i) 15 purchase orders entered into between the PRC Subsidiaries (as purchaser) and the Petro-king Energy Group (as supplier); and (ii) 15 sets of quotations from two Independent Third Parties for the same/similar products purchased in the aforementioned 15 purchase orders entered into between the PRC Subsidiaries (as purchaser) and the Petro-king Energy Group (as supplier), during the term of the previous framework sale and purchase agreement dated 24 February 2022. Of the above 15 sample sets reviewed, 5 sample sets cover each of the year ended 31 December 2022, 2023 and 2024, and accounted for approximately 80% of the value of purchases from the Petro-king Energy Group for each year. We consider that the said samples are extensive enough and are fair and adequate based on our random selection. Based on the review of these samples, for those products which are being acquired proprietarily and deployed or consumed by the PRC subsidiaries in the provision of oilfield and gas field services, we note that the purchase prices of products purchased from the Petro-king Energy Group were no less favourable to those purchased from the Independent Third Parties on the same or similar products in the similar period. In addition, for those back-to-



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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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back resale orders where the PRC Subsidiaries acted as the dealers of the products for the Petro-king Energy Group in supplying the products to certain customers (with the PRC Subsidiaries being the authorised suppliers of such customers), having reviewed the corresponding sale orders, we note that the PRC subsidiaries were able to earn a profit margin of around 10% from the resale of same or similar type of oilfield and gas field related products purchased from either the Petro-king Energy Group or Independent Third Parties. As such we consider that the Company has adhered to the aforementioned pricing policies with the internal control procedures (to be discussed below) in place in monitoring the transactions contemplated under the previous framework sale and purchase agreements.

Based on the above, we concur the Directors' view that there is a reliable and fair mechanism for determining the purchase prices and terms of oilfield and gas field related products purchased by the PRC Subsidiaries from the Petro-king Energy Group, and therefore the purchase prices and terms of oilfield and gas field related products purchased by the PRC Subsidiaries from the Petro-king Energy Group shall be regarded as fair and reasonable so far as the Independent Shareholders are concerned.

Having considered the above, we are of the view that the terms of the Framework Sale and Purchase Agreement are on normal commercial terms and are fair and reasonable so far as the Independent Shareholders are concerned.

### ***2.2 The Annual Caps for the Framework Sale and Purchase Agreement***

The value of the products to be purchased by the PRC Subsidiaries from the Petro-king Energy Group under the Framework Sale and Purchase Agreement are subject to a maximum annual amount of RMB20,000,000 (equivalent to approximately HK\$21,535,000) for each of the three financial years ending 31 December 2025, 2026 and 2027, being the Annual Caps.

The proposed annual caps were determined based on the historical sale and purchase quantities and values between the parties to the Framework Sale and Purchase Agreement and the expected demand of the products by the PRC subsidiaries and the end customers during the term of the Framework Sale and Purchase Agreement.

The following table sets forth (i) the historical amount of purchase by the PRC Subsidiaries from the Petro-king Energy Group during the three years ended 31 December 2022, 2023 and 2024; and (ii) percentage of such historical amount of purchase by the PRC Subsidiaries from the Petro-king Energy Group over the Annual Caps, i.e. RMB20 million.

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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	<b>For the year ended 31 December 2022 <i>RMB million</i></b>	<b>For the year ended 31 December 2023 <i>RMB million</i></b>	<b>For the year ended 31 December 2024 <i>RMB million</i></b>
Actual annual amount of purchase	10.6	14.7	5.5
As percentage of the Annual Caps	53.0%	73.5%	27.5%

In order to assess the fairness and reasonableness of the Annual Caps, we have performed an independent analysis on the historical amount of purchase by the PRC Subsidiaries from the Petro-king Energy Group during the three years ended 31 December 2022, 2023 and 2024. As illustrated in above table, the historical amount of purchase by the PRC Subsidiaries from the Petro-king Energy Group during the three years ended 31 December 2022, 2023 and 2024 represent a percentage of approximately 53.0%, 73.5% and 27.5% of the Annual Cap of RMB20 million, respectively.

We note that the historical amount of purchase by the PRC Subsidiaries from the Petro-king Energy Group for the two years ended 31 December 2022 and 2023 both presented over 50% of the Annual Cap of RMB20 million, while the amount of purchase from the Petro-king Energy Group for the year ended 31 December 2023 increased notably by approximately 38.7% to RMB14.7 million, up from that of RMB10.6 million for the year ended 31 December 2022. We also note that the historical amount of purchase by the PRC Subsidiaries from the Petro-king Energy Group for the year ended 31 December 2024 only represented approximately 27.5% of the Annual Cap of RMB20 million.

As advised by the management of the Company, the drop in purchase of oilfield and gas field related products by the PRC Subsidiaries from the Petro-king Energy Group for the year ended 31 December 2024 was due to delay in the oilfield/gas field projects of the end customers. We have been informed by the Directors that the Group has succeeded in project tendering and we have been provided with the tender acceptance documents issued by the end customers with an estimated annual procurement amount of over RMB20,000,000. Accordingly, we are of the opinion that the setting of the Annual Caps at RMB20 million for the three years ending 31 December 2027 is justifiable.

Having considered (i) the historical amount of purchase by the PRC Subsidiaries from the Petro-king Energy Group for the two years ended 31 December 2022 and 2023 both presented over 50% of the Annual Cap of RMB20 million; (ii) the Group has succeeded in project tendering and has awarded projects with an estimated annual procurement amount of over RMB20,000,000, we are of the view that the Annual Caps are reasonably estimated and are fair and reasonable so far as the Independent Shareholders are concerned and are in the interests of the Company and the Shareholders as a whole.

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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### INTERNAL CONTROL MEASURES OF THE COMPANY

We have discussed with the management of the Company and are given to understand that the Group will continue to adhere to the internal control measures in monitoring the transactions contemplated under the Framework Sale and Purchase Agreement, which are set out in the Letter from the Board, in order to safeguard the interests of the Company and the Shareholders as a whole.

In addition, we were given to understand by the management of the Company, that the Group has adopted the aforesaid internal control measures when conducting the continuing connected transactions contemplated under the previous framework sale and purchase agreement dated 24 February 2022. The Company has assigned specific responsibilities to the finance department of the Company in performing regular checks on the continuing connected transactions, monitoring the amounts of transactions and conducting assessment and evaluation on the fairness of the transaction terms and pricing terms to ensure the transactions with the Petro-king Energy Group are in accordance with the Framework Sale and Purchase Agreement.

Furthermore, we have obtained and reviewed the relevant board minutes and confirmation letters of the Group for three years ended 31 December 2024, that the independent non-executive Directors of the Company had reviewed the historical continuing connected transactions contemplated under the previous framework sale and purchase agreement dated 24 February 2022 and confirmed such continuing connected transactions were entered into (i) in the ordinary and usual course of business of the Group; (ii) either on normal commercial terms or better, on terms no more favourable to the terms offered by the Group to Independent Third Parties; and (iii) in accordance with the relevant agreement governing the respective transactions on the terms that are fair and reasonable and in the interests of the Shareholders as a whole. We also noted from the aforesaid documents that the Company has engaged its auditor to report on the Group's continuing connected transactions and issued an unqualified independent assurance report containing their findings and conclusions in respect of the Group's continuing connected transactions in respect of the previous framework sale and purchase agreement dated 24 February 2022 during respective financial years.

Given the above, we concur with the Directors' view that the Group has implemented adequate and effective internal control and procedures to ensure that the pricing basis for the goods to be purchased by the PRC Subsidiaries by the Petro-king Energy Group under the Framework Sale and Purchase Agreement will be in accordance with the terms under the Framework Sale and Purchase Agreement, on normal commercial terms, fair and reasonable to the Company and the Shareholders as a whole.

### RECOMMENDATION

Taking into consideration the above factors and reasons, we are of the view that (i) the entering into the Framework Sale and Purchase Agreement is in the ordinary and usual course of business of the Group and is in the interests of the Company and the Shareholders as a whole; (ii) the terms of the Framework Sale and Purchase Agreement are on normal commercial terms and are fair and reasonable so far as the Independent Shareholders are concerned; and (iii) the Annual Caps are reasonably determined, and are fair and reasonable so far as the Independent Shareholders are concerned. Accordingly, we recommend the Independent Shareholders, as well as the Independent Board Committee to recommend the Independent

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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Shareholders, to vote in favour of the relevant resolution(s) to be proposed at the EGM to approve the Framework Sale and Purchase Agreement, the transactions contemplated thereunder and the respective Annual Caps thereof.

Yours faithfully,  
For and on behalf of  
**Messis Capital Limited**  
**Wallace Cheung**  
*Managing Director*

*Mr. Wallace Cheung is a licensed person registered with the Securities and Futures Commission and regarded as a responsible officer of Mesis Capital Limited to carry out type 6 (advising on corporate finance) regulated activities under the SFO and has over 14 years of experience in corporate finance industry.*

## 1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

## 2. DISCLOSURE OF INTERESTS

As at the Latest Practicable Date, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which were required (i) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions in which they are taken or deemed to have under such provisions of the SFO); (ii) to be entered in the register maintained by the Company pursuant to section 352 of the SFO; or (iii) to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix C1 to the Listing Rules were as follows:

### (i) Interest of the Directors

Name of Director/ chief executive	Capacity/ Nature of interest	Number of Shares interested (Note 1)	Approximate percentage of interest in the Company
Mr. Wang	Interest in a controlled corporation (Note 2)	488,920,138 (L)	28.32%
Mr. Lin Jingyu	Beneficial owner (Note 3)	10,984,854 (L)	0.64%
Mr. Zhao Jindong	Beneficial owner (Note 4)	6,020,000 (L)	0.35%
Mr. Leung Lin Cheong	Beneficial owner (Note 5)	500,000 (L)	0.03%
Mr. Xin Junhe	Beneficial owner (Note 6)	500,000 (L)	0.03%
Mr. Zhang Dawei	Beneficial owner (Note 7)	500,000 (L)	0.03%

*Notes:*

1. “L” denotes long position and “S” denotes short position.
2. Mr. Wang holds approximately 45.24% of the issued share capital in King Shine Group Limited (“**King Shine**”) and King Shine directly holds approximately 28.32% of the total number of issued Shares. Therefore, Mr. Wang is taken to be interested in the number of Shares held by King Shine pursuant to Part XV of the SFO.

3. 1,484,854 Shares were held by Mr. Lin Jingyu. In addition, 9,500,000 share options were granted to Mr. Lin Jingyu on 10 January 2023. Therefore under Part XV of the SFO, Mr. Lin Jingyu is taken to be interested in the underlying Shares that he is entitled to subscribe for subject to the exercise of the share options granted.
4. 20,000 Shares were held by Mr. Zhao Jindong. In addition, 6,000,000 share options were granted to Mr. Zhao Jindong on 10 January 2023. Therefore under Part XV of the SFO, Mr. Zhao Jindong is taken to be interested in the underlying Shares that he is entitled to subscribe for subject to the exercise of the share options granted.
5. 500,000 share options were granted to Mr. Leung Lin Cheong on 10 January 2023. Therefore under Part XV of the SFO, Mr. Leung Lin Cheong is taken to be interested in the underlying Shares that he is entitled to subscribe for subject to the exercise of the share options granted.
6. 500,000 share options were granted to Mr. Xin Junhe on 10 January 2023. Therefore under Part XV of the SFO, Mr. Xin Junhe is taken to be interested in the underlying Shares that he is entitled to subscribe for subject to the exercise of the share options granted.
7. 500,000 share options were granted to Mr. Zhang Dawei on 10 January 2023. Therefore under Part XV of the SFO, Mr. Zhang Dawei is taken to be interested in the underlying Shares that he is entitled to subscribe for subject to the exercise of the share options granted.

As at the Latest Practicable Date, save as disclosed above, none of the Directors or chief executive of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required (i) to be notified to the Company and the Stock Exchange pursuant to the provisions of Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) to be entered in the register maintained by the Company pursuant to section 352 of Part XV of the SFO; or (iii) to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix C1 to the Listing Rules.

**(ii) Interest of substantial Shareholders and other persons**

As at the Latest Practicable Date, the following persons (other than a Director or chief executive of the Company) had an interest or a short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under section 336 of the SFO:

Name of Shareholder	Capacity/ Nature of interest	Number of Shares interested (Note 1)	Approximate percentage of interest in the Company
Mr. Wang	Interest in a controlled corporation (Note 2)	488,920,138 (L)	28.32%
Ms. Zhou Xiaojun	Interest of spouse (Note 2)	488,920,138 (L)	28.32%

Name of Shareholder	Capacity/ Nature of interest	Number of Shares interested (Note 1)	Approximate percentage of interest in the Company
King Shine Group Limited ("King Shine")	Beneficial owner	488,920,138 (L)	28.32%
Mr. Lee Lap	Founder of a discretionary trust (Note 3)	337,269,760 (L)	19.53%
HSBC International Trustee Limited ("HKIT")	Trustee (Note 3)	337,269,760 (L)	19.53%
Lee & Leung (B.V.I.) Limited	Beneficial owner (Note 3) Interest in a controlled corporation (Notes 3)	335,737,745 (L) 1,532,015 (L)	19.44% 0.09%
TCL Corporation	Interest in a controlled corporation (Note 4)	136,303,475 (L)	7.89%
T.C.L. Industries Holdings (H.K.) Limited ("TCL HK")	Interest in a controlled corporation (Note 4)	136,303,475 (L)	7.89%
Exceltop Holdings Limited ("Exceltop")	Interest in a controlled corporation (Note 4)	136,303,475 (L)	7.89%
Jade Max Holdings Limited ("Jade Max")	Interest in a controlled corporation (Note 4)	136,303,475 (L)	7.89%
Jade Win Investment Limited ("Jade Win")	Beneficial owner	136,303,475 (L)	7.89%

*Notes:*

1. "L" denotes long position and "S" denotes short position.
2. Mr. Wang holds approximately 45.24% of the issued share capital in King Shine. Therefore, Mr. Wang is taken to be interested in the number of Shares held by King Shine pursuant to Part XV of the SFO. Ms. Zhou Xiaojun is the spouse of Mr. Wang. Therefore, Ms. Zhou Xiaojun is deemed to be interested in the Shares in which Mr. Wang is interested for the purpose of the SFO.
3. Lee & Leung (B.V.I.) Limited directly holds approximately 19.44% of the total number of issued Shares. It also holds approximately 46.96% of the issued share capital in Termbray Industries International (Holdings) Limited ("Termbray Industries"), where Termbray Industries directly holds 1,532,015 Shares. Therefore, Lee & Leung (B.V.I.) Limited is taken to be interested in the number of Shares held by Termbray Industries pursuant to Part XV of the SFO. Lee & Leung (B.V.I.) Limited is wholly-owned by Lee & Leung Family Investment Limited, which is wholly-owned by HKIT as trustee for Lee & Leung Family Trust. Mr. Lee Lap is the settlor of the Lee & Leung Family Trust. Therefore, Mr. Lee Lap, HKIT and Lee & Leung Family Investment Limited are taken to be interested in the number of Shares in which Lee & Leung (B.V.I.) Limited is interested for the purpose of the SFO.
4. According to the corporate substantial shareholder notices filed by TCL Corporation on 21 June 2016 and by TCL HK, Exceltop, Jade Max and Jade Win on 3 April 2013, TCL Corporation directly holds 100% of the issued share capital of TCL HK, which in turn holds 100% of the issued share capital of

Exceltop, which in turn holds 100% of the issued share capital of Jade Max, which in turn holds 100% of the issued share capital of Jade Win. Therefore, TCL Corporation, TCL HK, Exceltop and Jade Max are taken to be interested in the number of Shares held by Jade Win pursuant to Part XV of the SFO.

As at the Latest Practicable Date, save as disclosed above, the Directors are not aware that there is any party (not being a Director or chief executive of the Company) who had any interest or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who was, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group or any options in respect of such shares.

### **3. DIRECTORS' EMPLOYMENT WITH SUBSTANTIAL SHAREHOLDERS**

As at the Latest Practicable Date, Mr. Wang and Mr. Zhao Jindong are directors of King Shine, a company which has an interest in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

### **4. DIRECTORS' SERVICE CONTRACTS**

As at the Latest Practicable Date, none of the Directors has or is proposed to have any service contract with any members of the Group (other than contracts expiring or determinable by the employer within one year without payment of compensation other than statutory compensation)

### **5. COMPETING BUSINESS**

As at the Latest Practicable Date, so far as the Directors were aware, none of the Directors and their respective close associates (as defined in the Listing Rules) was interested in any business apart from the business of the Group, which competes or is likely to compete, either directly or indirectly, with the business of the Group.

### **6. DIRECTORS' INTERESTS IN CONTRACTS, ARRANGEMENTS AND ASSETS**

As at the Latest Practicable Date: (i) none of the Directors was materially interested in any contract or arrangement subsisting as at the Latest Practicable Date which is significant in relation to the business of the Group; and (ii) none of the Directors had any direct or indirect interest in any assets which have been, since 31 December 2024 (being the date to which the latest published audited consolidated financial statements of the Group were made up), acquired, disposed of by, or leased to any member of the Group, or were proposed to be acquired, disposed of by, or leased to any member of the Group.

### **7. MATERIAL ADVERSE CHANGE**

As at the Latest Practicable Date, the Directors confirmed that there had been no material adverse change in the financial or trading position of the Company since 31 December 2024, being the date to which the latest published audited consolidated financial statements of the Company were made up.



**8. EXPERT AND CONSENT**

The following is the qualification of the expert who has given opinion or advice, which are contained or referred to in this circular:

<b>Name</b>	<b>Qualification</b>
Messis Capital Limited	a corporation licensed under the SFO to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance)

As at the Latest Practicable Date, MESSIS Capital Limited did not have any shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

As at the Latest Practicable Date, MESSIS Capital Limited did not have any interest, direct or indirect, in any assets which since 31 December 2024, the date to which the latest published audited financial statements of the Group were made up, have been acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group.

MESSIS Capital Limited has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letter and references to its name in the form and context in which they respectively appear.

**9. DOCUMENTS ON DISPLAY**

Copies of the following documents will be published on the websites of the Stock Exchange ([www.hkexnews.com](http://www.hkexnews.com)) and the Company (<http://www.petro-king.cn>) for a period of 14 days from the date of this circular:

- (a) the letter from the Independent Board Committee, the text of which is set out in this circular;
- (b) the letter from the Independent Financial Adviser, the text of which is set out in this circular;
- (c) the written consent referred to in the paragraph headed “Expert and Consent” in this appendix;
- (d) the Framework Sale and Purchase Agreement; and
- (e) this circular.

**10. GENERAL**

In the event of inconsistency, the English text of this circular shall prevail over the Chinese text.

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## NOTICE OF THE EGM

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**PETRO-KING OILFIELD SERVICES LIMITED**

**百勤油田服務有限公司**

*(Incorporated in the British Virgin Islands with limited liability)*

**(Stock Code: 2178)**

### **NOTICE OF EXTRAORDINARY GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that an extraordinary general meeting (the “EGM”) of Petro-king Oilfield Services Limited (the “Company”) will be held at 17th Floor, Tower 2, Silvercord, 30 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong on Thursday, 12 June 2025 at 2:30 p.m. for the purpose of considering and, if thought fit, passing, with or without modifications, the following resolution as an ordinary resolution:

#### **ORDINARY RESOLUTION**

1. **“THAT:**

- (a) the Framework Sale and Purchase Agreement (the “**Framework Sale and Purchase Agreement**”) dated 8 May 2025 entered into between Petro-king Energy Technology (Energy) Co., Ltd.\* (百勤能源科技(廣東)股份有限公司), Star Petrotech Pte. Ltd., Shenzhen Petro-king Oil Technology Co., Ltd.\* (深圳市百勤石油技術有限公司), Petro-king (Chongqing) Oil and Gas Technical Services Co., Ltd.\* (百勤(重慶)油氣工程技術服務有限公司) and Shenzhen Petro-king Drilling Technology Co., Ltd.\* (深圳市百勤鑽井技術有限公司) and the transactions and the proposed annual caps contemplated thereunder be and are hereby approved, confirmed and ratified; and
- (b) any one director of the Company be and is hereby authorised to do all such acts and things and execute all such documents for and on behalf of the Company which he considers necessary or expedient to give effect to the Framework Sale and Purchase Agreement and the transactions contemplated thereunder.”

By Order of the Board  
**Petro-king Oilfield Services Limited**  
**Wang Jinlong**  
*Chairman*

Hong Kong, 28 May 2025

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## NOTICE OF THE EGM

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*Registered office:*  
Commerce House  
Wickhams Cay 1  
P.O. Box 3140  
Road Town, Tortola  
British Virgin Islands  
VG1110

*Principal place of business  
in Hong Kong:*  
Suite 1603A, 16/F  
Tower 1, Silvercord  
30 Canton Road  
Kowloon, Hong Kong

*Notes:*

- (a) The register of members of the Company will be closed from Monday, 9 June 2025 to Thursday, 12 June 2025, both days inclusive, during which period no transfer of shares will be registered. In order to attend the EGM, all transfer of shares, accompanied by the relevant share certificates and transfer forms, must be lodged with the Company's branch share registrar in Hong Kong, Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong for registration not later than 4:00 p.m. on Friday, 6 June 2025.
- (b) Any member of the Company entitled to attend and vote at the EGM shall be entitled to appoint a proxy to attend and vote instead of him/her. A proxy need not be a member of the Company. A member who is the holder of two or more shares of the Company may appoint more than one proxy to represent him/her to attend and vote on his/her behalf. If more than one proxy is so appointed, the appointment shall specify the number of shares in respect of which each such proxy is so appointed.
- (c) To be valid, a form of proxy and the power of attorney or other authority (if any) under which it is signed or a certified copy thereof, must be lodged at the Company's Branch Share Registrar in Hong Kong, Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the EGM or any adjournment thereof (as the case may be).
- (d) Completion and delivery of the form of proxy shall not preclude members from attending and voting in person at the EGM or any adjournment thereof (as the case may be) should they so wish, and in such event, the form of proxy previously submitted by such member(s) shall be deemed to be revoked.
- (e) Where there are joint registered holders of any share(s) of the Company, any one of such persons may vote at any meeting, either in person or by proxy, in respect of such share(s) as if he/she was solely entitled thereto; but if more than one of such joint holders are present at the meeting personally or by proxy, the vote of that one of the said persons so present whose name stands first on the register of members of the Company in respect of such share(s) shall be accepted to the exclusion of the votes of the other joint holders.
- (f) If Typhoon Signal No. 8 or above, or a "black" rainstorm warning or "extreme conditions after super typhoons" announced by the Hong Kong Government is/are in effect any time after 11:30 a.m. on the date of the EGM, the EGM will be postponed. The Company will publish an announcement on the website of the Company (<http://www.petro-king.cn>) and on the website of the Stock Exchange (<http://www.hkexnews.hk>) to notify Shareholders of the date, time and venue of the rescheduled meeting.

*As at the date of this notice, the executive directors of the Company are Mr. Zhao Jindong, Mr. Lin Jingyu and Ms. Zhou Sisi; the non-executive director of the Company is Mr. Wang Jinlong; and the independent non-executive directors of the Company are Mr. Leung Lin Cheong, Mr. Xin Junhe and Mr. Zhang Dawei.*

- \* The English transliteration of the Chinese name(s) in this notice, where indicated, is included for information purpose only, and should not be regarded as the official English name(s) of such Chinese name(s).