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# **G&M** Holdings Limited 信越控股有限公司

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 6038)**

**Financial adviser to the Company**



**Diligent Capital Limited**

## **SUPPLEMENTAL AGREEMENT IN RELATION TO THE DISCLOSEABLE TRANSACTION**

Reference is made to the announcement (the “**Announcement**”) made by G & M Holdings Limited (the “**Company**”) dated 25 June 2023 in relation to, among other things, the entering into of the exclusive right agreement between Azure Coal Mongol Mining LLC (“**Party A**”) and G & M Contracting Limited (“**Party B**”). Unless the context otherwise requires, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcement.

The board (the “**Board**”) of directors (the “**Director(s)**”) of the Company announces that on 12 July 2023 (after trading hours of the Stock Exchange), Party A and Party B entered into a supplemental agreement to the Exclusive Right Agreement (the “**Supplemental Agreement**”) to revise certain terms in the Exclusive Right Agreement.

Principal terms of the Supplemental Agreement are set out below:

### **THE SUPPLEMENTAL AGREEMENT**

Date : 12 July 2023

Parties : (i) Party A; and  
(ii) Party B.

(i) **Amendment of the conditions precedent**

Pursuant to the terms and conditions of the Supplemental Agreement, the original conditions for completion of the transactions contemplated under the Exclusive Right Agreement, where “upon signing of the Exclusive Right Agreement, Party A shall provide Party B with the minutes showing passing of the necessary resolution(s) by the shareholders of Party A approving, inter alia, the Exclusive Rights Agreement.” should be amended and replaced as follows:

“Completion of the transactions contemplated under the Exclusive Right Agreement (the “**Completion**”) is conditional upon the fulfilment (or wavier in writing) of, among others, the following conditions precedent:

- (a) Party A having provided Party B with the minutes showing passing of the necessary resolution(s) by the shareholders of Party A approving, inter alia, the Exclusive Right Agreement;
- (b) Party B having complied with all the requirements under the Listing Rules in connection with the transactions contemplated under the Exclusive Right Agreement;
- (c) Party A and Party B having obtained any other necessary approvals, consents and/or waivers by the relevant governmental or regulatory authorities or bodies or such other third parties as may be required by applicable laws, rules or regulations for the transactions contemplated under the Exclusive Right Agreement;
- (d) Party B having obtained from a qualified Mongolia legal adviser a legal opinion with respect to the “Bayantaliin uurhai” coal mine (in particular the ownership and legality of the business operations of the coal mine under Mongolia law), and that Party B being satisfied with such legal opinion;
- (e) having obtained a valuation report prepared by an independent professional valuer appointed by Party B in such form and substance satisfactory to Party A which shows the value of the subcontracted exploration rights, logistics and distribution transactions underlying the “Bayantaliin uurhai” coal mine to be satisfied by Party B;
- (f) all warranties stipulated in the Exclusive Right Agreement remaining true, accurate and not misleading, and there being no event occurring or matter arising which may render or renders breaches to the warranties in relation to the Party A and/or Party B stipulated in the Exclusive Right Agreement; and
- (g) Party A and Party B having fully performed and complied with all the covenants and undertakings required to be performed or complied by it under the Exclusive Right Agreement.

Party B may waive the condition (g) above by giving notice in writing to Party A.

The parties to the Agreement shall use (to the extent they are able) their respective best endeavours to procure the fulfilment of the conditions precedent on or before 31 December 2023 (the “**Long Stop Date**”) or such later date as the parties may agree in writing but in any event not later than the Long Stop Date. If any of the conditions precedent shall not have been fulfilled (or waived, where applicable) in all respects prior to the Long Stop Date, the Exclusive Right Agreement shall be terminated automatically and of no further effect and all liabilities and obligations of the parties to the Exclusive Right Agreement shall cease and determine provided that such termination shall be without prejudice to any rights or remedies of the parties to the Exclusive Right Agreement which shall have accrued prior to such termination.

**(ii) Amendment to the payment terms of the consideration**

Pursuant to the terms and conditions of the Supplemental Agreement, the original payment terms of the consideration under the Exclusive Right Agreement, where “Upon signing of the Exclusive Right Agreement, Party B shall pay a consideration in the amount of RMB27,000,000 in cash within 3 business days after the date of the Exclusive Right Agreement” shall be replaced as follows:

“Upon signing of the Exclusive Right Agreement, Party B shall pay a refundable deposit in the amount of RMB27,000,000 (the “**Deposit**”) in cash to Party A within 3 business days after signing of the Exclusive Right Agreement, which would be applied towards the settlement of the whole consideration of the transactions contemplated under the Exclusive Right Agreement.

In the event that the Exclusive Right Agreement ceases and terminates on or before the Long Stop Date, Party A shall forthwith refund the Deposit (whichever is paid) to Party B within 5 business days after the Long Stop Date. In any event, neither party thereto shall have any obligations and liabilities to the other party (save and except for any antecedent breach of the terms of the Exclusive Right Agreement).”

Save as the aforesaid, all other terms and conditions of the Exclusive Right Agreement shall remain unchanged and continue in full force and effect.

**As the Completion is subject to the satisfaction of the conditions precedent under the Supplemental Agreement, the transactions contemplated under the Exclusive Right Agreement may or may not materialize. Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.**

**This announcement is supplemental to and should be read in conjunction with the Announcement. Save as specified herein, the above supplemental information does not affect other information and contents set out in the Announcement.**

By order of the Board  
**G & M Holdings Limited**  
**Lee Chi Hung**  
*Chairman and Executive Director*

Hong Kong, 12 July 2023

*As at the date of this announcement, the Board comprises Mr. Lee Chi Hung and Ms. Lam Suk Yee, Patricia as executive Directors; Mr. Leung Ping Kwan as non-executive Director; and Professor Wong Roderick Sue Cheun, Mr. Tai Kwok Leung Alexander and Mr. Kwan Cheuk Kui as independent nonexecutive Directors.*