



# ENERGY WORLD CORPORATION LTD.

**Registered Office Address:**  
Level 8, 210 George Street,  
Sydney NSW 2000, Australia  
A.C.N. 009 124 994

**Tel:** (61 2) 9247 6888  
**Fax:** (61 2) 9247 6100

1 July 2025

## **Significant Change to Capital Structure Proposed** **Changes in Management Effective 1 July**

### **HIGHLIGHTS:**

- **Agreement with EWI and Slipform to convert all outstanding debt to shares (subject to shareholder approval). If approved:**
  - Conversion Shares will be issued at A\$0.88, circa 44x the current 30-day Vwap of A\$0.02
  - Estimated Conversion Amount at Completion of US\$440.5 million would result in circa 782.2 million shares being issued. This is ~25% of current shares on issue.
  - Pro Forma for Completion:
    - Net Asset per Share would be approx. A\$0.31 <sup>1</sup>
    - EWI / Slipform combined shareholding would increase from 41% to circa 53%
- **Resignation of Brian Allen as Managing Director after 24 years of service; also stepping down as Chair**
- **Appointment of Alan Jowell as interim Chair effective 1 July 2025**
- **Appointment of Edward McCartin as CEO effective 1 July 2025**

### **1. SUBSCRIPTION AGREEMENT AND DEBT CONVERSION**

Energy World Corporation Ltd (**EWC** or the **Company**) advises that it has entered into a Subscription Agreement with Energy World International Ltd. (**EWI**) and the Slipform Engineering Group (**Slipform**), (the **Lenders**) in relation to an amount of US\$ 432 million plus accrued interest owed under the Debt Repayment and Investment Agreement (**DRIA**) which will be converted into fully paid ordinary shares in the Company (**Conversion Shares**).

This transaction (**Proposed Transaction**) is subject to shareholder approval at an upcoming General Meeting.

The Lenders have been instrumental in supporting EWC with the development of its Power, and LNG related projects, and continue to support EWC.

#### **Key Details of the Proposed Transaction**

- The Proposed Transaction involves the issue of Conversion Shares to the Lenders in exchange for the full repayment of all outstanding debt under the DRIA.
- Upon the issue of the Conversion Shares, the Company will have no further obligations under the DRIA, and the subscription amount for the Conversion Shares will be deemed fully paid.
- The Proposed Transaction is subject to shareholder approval under item 7 of section 611 of the Corporations Act and ASX Listing Rule 10.1.
- The Company has engaged BDO Corporate Finance Australia Pty Ltd to prepare an Independent Expert's Report to assess whether the Proposed Transaction is fair and reasonable to all non-associated Shareholders.
- The Proposed Transaction will be put to a vote at an upcoming General Meeting of Shareholders. Details of the meeting, including the Notice of Meeting and Explanatory Statement, will be provided to shareholders in due course. The Company looks forward to the support of its shareholders in approving this important transaction, which is expected to position the Company for future growth and success.

<sup>1</sup> See calculation below. Exchange rate of US\$1.00 to A\$0.64 which is used throughout this document

The material terms of the subscription agreement are as follows:

Terms	Summary
<b>Parties</b>	EWI, Slipform Engineering International (H.K) Limited, PT Slipform Indonesia and Swan Capital Limited
<b>Conversion Amount</b>	The principal and interest owing at the time the transaction is settled. Assuming an Extraordinary General Meeting in September, this will be approx. US\$440,508,782
<b>Conversion Price</b>	A\$0.88
<b>Proportional Amount</b>	Using the above assumptions approx. 782,153,378 shares would be issued which is 25% of the number of shares currently issued. The Lenders combined holding would increase to approx. 53% of the Company
<b>Loan Standstill</b>	<ul style="list-style-type: none"> <li>Loan repayment obligations are subject to a standstill until Completion.</li> <li>Lenders will not exercise default rights under the DRIA during the standstill.</li> <li>Standstill ends if the agreement is terminated due to a failure to satisfy the Conditions Precedent or Completion does not occur by 31 December 2025 (or later agreed date).</li> </ul>
<b>Condition Precedent</b>	<ul style="list-style-type: none"> <li>Shareholder approval is required for the issuance of Conversion Shares.</li> <li>No Prescribed Occurrences between the agreement date and Completion</li> <li>If required, FIRB approval.</li> <li>Parties must cooperate to satisfy conditions before the End Date. Agreement can be terminated if conditions are not met.</li> </ul>
<b>Prescribed Occurrences</b>	<ul style="list-style-type: none"> <li>An issue of securities by the Company other than as permitted the Agreement</li> </ul>
<b>Conversion and issue of Shares</b>	<ul style="list-style-type: none"> <li>Loans will be converted into shares at the Conversion Price.</li> <li>Issue of shares satisfies the Company's loan repayment obligations.</li> </ul>
<b>Completion</b>	Completion occurs 5 Business Days after Conditions Precedent are satisfied. If obligations are not met, Completion is deemed not to have occurred.
<b>Consultation Rights</b>	Until completion of the Proposed Transaction, EWI will be consulted with and, in reasonable circumstances, have the right to request to participate in, future capital raisings.

### Directors' Recommendation

The Directors (excluding Mr Graham Elliott and Brian Allen, who abstained due to their association with the Proposed Transaction) have carefully considered the Proposed Transaction and believe the Proposed Transaction is in the best interests of the Company and its shareholders.

### Rationale for the Proposed Transaction

The Proposed Transaction is expected to deliver significant benefits to the Company, including:

- Improved Financial Structure:** The conversion of debt into equity will reduce the Company's debt levels, significantly and thereby improve financial stability.
- Enhanced Cash Flow:** By eliminating the need for immediate cash outflows to service debt, the Company can focus its financial resources on advancing its projects and business operations.
- Strengthened Balance Sheet:** The reduction in debt is expected to enhance the Company's financial profile, making it more attractive to future investors and supporting long-term strategic objectives. The Conversion Price is a significant premium to the current share price (~44x) and 2.8x the pro forma Net Book Value per share of approx. A\$0.31 <sup>2</sup>.

<sup>2</sup> As at 31 December 2024, Total Assets of US\$794.1, Less Related Party Debt US\$433.8. Reported Net Assets US\$320.2 million; leaves US\$39.9 million residual debts to unrelated parties. Pro Forma Net Assets therefore US\$754.2 million, and Pro Forma shares on issue 3,861 million = A\$0.31 per share.

4. **Demonstrated Shareholder Support:** The conversion reflects the ongoing support and confidence of EWI, the Company's major shareholder, in the Company's long-term prospects and growth potential.

## 2. RESIGNATION OF BRIAN ALLEN

The Board advises that Mr Brian Allen has resigned his role as interim Chairman and Managing Director, effective 30 June 2025.

Mr Allen will continue to work for the Company for a period of up to 6 months to enable a smooth transition for the new Chief Executive Officer who has been appointed and will commence the role on 1 July 2025. Mr Allen will remain on the Board as a Director.

Mr Alan Jowell has been appointed as interim Chair until a permanent Chair can be appointed.

Mr Allen has played a pivotal role in the development of EWC since joining in 2000, during which time he made a significant contribution to the Company's strategic direction and operations serving in several roles including Finance Director, Executive Director and his current roles as interim Chairperson and Managing Director.

Mr Allen leaves the business well positioned for the future and the Board sincerely thanks him for his dedication and service and wishes him all the best in his future endeavours.

## 3. APPOINTMENT OF EDWARD MCCARTIN, CHIEF EXECUTIVE OFFICER

The Board is pleased to announce that Mr. Edward McCartin will be joining the Company as the Chief Executive Officer (President) as from 1 July 2025.

Mr. McCartin brings with him a vast amount of experience in the LNG and power industries, in particular in the two core geographies EWC is currently focusing its efforts, the Philippines and Indonesia.

Over the last 25 years, he has been involved in the financing, construction and operation of power stations in the Philippines, Indonesia and the USA, as well as the development of power stations in Chile, Iceland, India, Kenya, Peru, Thailand, China, Vietnam and the USA. He has developed LNG to power, as well as coal, geothermal, hydro, waste to energy, biomass, biogas and solar projects throughout the region and has sourced \$6 billion of debt for projects.

A number of his most relevant specific responsibilities have included: acting as a leading independent developer of LNG and Power Generation Projects in Australia, Indonesia and the Philippines; acting as the Senior Commercial Advisor for the largest (3,200MW) independent private LNG to Power Project being developed in ASEAN and related infrastructure investments; served as a Senior Development Advisor to Chevron Geothermal, Alterra Power Corporation, Origin Energy and Tata Power regarding geothermal power generation developments in the region, specifically in Indonesia, the Philippines, Kenya and Iceland; and leading The AES Corporation's renewable energy development team for ASEAN, focusing on Indonesia and the Philippines.

He holds an LLM in Corporate and Tax Law from New York University School of Law, a JD Cum Laude from Seton Hall University School of Law and a BA in Government from Colby College.

Key terms of Mr McCartin's Employment Contract are:

<b>Effective Date</b>	1 July 2025
<b>Fixed Remuneration</b>	US\$200,000 p.a.
<b>Commitment to Subscribe for Shares</b>	On his appointment Mr McCartin has agreed to subscribe for US\$50,000 worth of shares at A\$0.05.
<b>Options/ Incentive</b>	<ul style="list-style-type: none"> <li>10 million Options with an exercise price of A\$0.16 which will vest after 6 months of employment (i.e. 1 January 2026)</li> <li>4 million Options with an exercise price of A\$0.30 which will vest on the 1st anniversary of his engagement (i.e. 1 July 2026).</li> <li>4 million Options with an exercise price of A\$0.30 which will vest on the 18-month anniversary of his engagement (i.e. 1 January 2027)</li> </ul>

	<ul style="list-style-type: none"> <li>• 4 million Options with an exercise price of A\$0.30 which will vest on the 2<sup>nd</sup> anniversary of his engagement (i.e. 1 January 2028)</li> <li>• All unexercised Options will expire on 1 July 2030</li> </ul>
<b>Termination Notice Period</b>	<ul style="list-style-type: none"> <li>• 6 months' Notice in writing</li> </ul>
<b>Restraint</b>	<ul style="list-style-type: none"> <li>• Unless approved by the Company, for 6 months following employment he will be restricted from being or interested in any business which is in any business or company which is in any respect in competition with or similar to the Company's business within the countries where the Company has businesses.</li> <li>• For 1 year following employment he cannot solicit or interfere with customers or employees of the Company.</li> </ul>

**Speaking on behalf of the Non-Executive Directors, Alan Jowell said:**

*"It has been a long journey for the Company and its shareholders, and while we still have a way to go before our assets are commercialised, the past nine months have brought transformational changes in strategy and direction. We believe these changes have set the Company on a path toward securing the funding critical to its future development and growth.*

*The first steps taken by EWI, Slipform and the Elliott Family - agreeing to reduce the amount owing to them by approximately US\$350 million and introducing new directors to the Board - were pivotal. After years of being in control, their decision to step back was not only courageous but essential. It reflected an honest recognition that, despite past efforts and best intentions, a new management approach was needed. More recently acknowledging that the significant amount of shareholder debt was a major barrier to investment, a reality that has long been reflected in the Company's share price, which has traded at an approximate 90% discount to Net Tangible Assets over the last few years.*

*Throughout all discussions with EWI/Slipform, the shared focus has been on positioning the Company for long-term success. Their support over many years - providing substantial amounts of capital at below-market interest rates and on an unsecured basis - is, to our knowledge, unprecedented on the ASX.*

*The agreement announced today, if approved by shareholders, is an agreement to settle what will be approximately US\$440.5 million of shareholder debt at Completion; with approx. 782.2 million shares at A\$0.88 per share.*

*This is approximately 44x the 30-Day Vwap of A\$0.02 and at this price equates to circa US\$10.0 million.*

*Pro Forma for Completion the Conversion Price is 2.8x the Net Book Value per share of approx. A\$0.31*

*This in our view represents a transformative resolution to what has long been one of the Company's most significant challenges.*

*The Board thanks EWI, Slipform and the Elliott Family for their continued support. We also would like to thank Brian Allen for his many years of commitment and support and sincerely wish him well in his future endeavours. All parties remain committed to commercialising our projects.*

*Earlier this year, we announced we had appointed a leading US investment bank to advise on our funding strategy in the Philippines. In parallel, we launched a comprehensive technical, commercial, and legal review of our projects, engaging independent experts. These reports are now being finalised and will inform the Information Memorandum to be used in investor marketing by the investment bank.*

*Importantly, these reviews have also reinforced our confidence in the value and quality of our assets. While there is wear and weathering, the core viability of the projects remains strong. Updated capital cost estimates are underway and will be shared in due course.*

*With the balance sheet now reset and confidence in our assets reaffirmed, the Board has turned its focus to leadership. We are pleased today to announce the appointment of Edward McCartin as CEO. Ed brings deep experience in the Power and LNG sectors and a strong understanding of the geographies in which we operate. We believe he is exceptionally well-suited to lead the Company at this stage.*

*He will now begin assembling a team to support delivery of the Company's next phase and we look forward to updating shareholders with our progress."*

**Speaking on his appointment as Chief Executive Officer, Edward McCartin said**

*"I am excited to be joining Energy World Corporation at this important time. Having known the Company for 25 years, I am honoured to now contribute directly to the vision and objectives that the founder and Board have long pursued. I am grateful for the opportunity, and for the significant efforts made by many to position EWC to deliver critical energy solutions to the Philippines and Indonesia.*

*LNG continues to play a vital role in strengthening Southeast Asia's power and energy markets. Clean natural gas offers a dependable base load power source - available day and night, in all weather - making it the best option for many nations. It not only supports industrial growth and economic development but also provides grid stability for renewable technologies, which are often intermittent. With abundant global supply and growing demand, I believe EWC is well positioned to lead in its markets and to help drive sustainable economic progress in Indonesia and the Philippines."*

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**Further Information**

This announcement is authorised for release by the Board of Directors of Energy World Corporation Limited.

**For further information, please contact: Alan Jowell, telephone +61 2 8277 6623 or Computershare Investor Services Pty Limited on 1300 850 505 (within Australia) and +61 3 9415 400 (outside Australia) between 8:30am to 5:00pm (AEDT) Monday to Friday**