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E&P Global Holdings Limited
能源及能量環球控股有限公司

(formerly known as Siberian Mining Group Company Limited 西伯利亞礦業集團有限公司)
(incorporated in the Cayman Islands with limited liability)
(Stock code: 1142)

PROFIT WARNING

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The Board wishes to inform the shareholders and potential investors of the Company that based on the preliminary review of the draft unaudited consolidated management accounts of the Group for the year ended 31 March 2022 and other information currently available, the Group is expected to record a loss before income tax of approximately HK\$393 million for the year ended 31 March 2022 as compared to a profit before income tax of approximately HK\$536 million for the year ended 31 March 2021, primarily attributable to (i) an estimated reversal of impairment losses of approximately HK\$309 million (reversal of impairment loss of approximately HK\$205 million for the year ended 31 March 2021) on other intangible assets; (ii) an estimated impairment loss of approximately HK\$304 million (reversal of impairment loss of approximately HK\$439 million for the year ended 31 March 2021) on exploration and evaluation assets; and (iii) an estimated increase of amortization of other intangible assets to approximately HK\$382 million (2021: approximately HK\$89 million).

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

This announcement is made by E&P Global Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders and potential investors of the Company that based on the preliminary review of the draft unaudited consolidated management accounts of the Group for the year ended 31 March 2022 and other information currently available, the Group is expected to record a loss before income tax of approximately HK\$393 million for the year ended 31 March 2022 as compared to a profit before income tax of approximately HK\$536 million for the year ended 31 March 2021. Such estimated turnaround from profit to loss is primarily attributable to (i) an estimated reversal of impairment loss on other intangible assets (in relation to mining rights of Lot 1 and Lot 1 Extension of the Group’s Russian coal mines) amounting to approximately HK\$309 million (reversal of impairment loss of approximately HK\$205 million for the year ended 31 March 2021) arising from change in valuation of such assets as at 31 March 2022 mainly due to the net effect of increase in coal sales prices of certain type of coals, the depreciation of Russian Rubles to United States Dollars, the increase in post-tax discount rate, the change in expected future inflation rate of costs and the corresponding change in expected future growth rate of coal sales prices in the coming few years, and change of the expected first year of coal production to 2029; (ii) an estimated impairment loss on exploration and evaluation assets (in relation to mining rights of Lot 2 of the Group’s Russian coal mines) amounting to approximately HK\$304 million (reversal of impairment loss of approximately HK\$439 million for the year ended 31 March 2021) arising from change in valuation of such assets as at 31 March 2022 also mainly due to the net effect of increase in coal sales prices of certain type of coals, the depreciation of Russian Rubles to United States Dollars, the increase in post-tax discount rate, the change in expected future inflation rate of costs and the corresponding change in expected future growth rate of coal sales prices in the coming few years, and change of the expected first year of coal production to 2024; and (iii) an estimated increase of amortization of other intangible assets (in relation to mining rights of Lot 1 and Lot 1 Extension of the Group’s Russian coal mines) to approximately HK\$382 million (2021: approximately HK\$89 million) as last year’s carrying value as of 31 March 2021 increased.

The Company would like to highlight that the above-mentioned estimated reversal of impairment loss on other intangible assets and impairment loss on exploration and evaluation assets are just non-cash items arising from year end valuation exercises for accounting purposes, which will not affect the cash flow position of the Group.

As the Company is still in the process of preparing its annual results for the year ended 31 March 2022, the information contained in this announcement is only based on the information currently available and the preliminary review of the draft unaudited consolidated management accounts of the Group for the year ended 31 March 2022, which are yet to be finalized and have not been reviewed by the Company’s Audit Committee, and which therefore are subject to adjustments. The unaudited consolidated annual results of the Group for the year ended 31 March 2022 are expected to be announced by the Company on or before 30 June 2022.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
E&P Global Holdings Limited
Lee Jaeseong
Chairman

Hong Kong, 17 June 2022

As at the date of this announcement, the Board consists of Mr. Lee Jaeseong and Mr. Im Jonghak as executive directors, and Ms. Chen Dai, Mr. Kwok Kim Hung Eddie and Mr. Leung Yau Wan John as independent non-executive directors.