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E&P Global Holdings Limited
能源及能量環球控股有限公司
(incorporated in the Cayman Islands with limited liability)
(Stock code: 1142)

(1) PROPOSED CAPITAL REORGANISATION OF THE COMPANY; AND
(2) PROPOSED CHANGE IN BOARD LOT SIZE

Financial Adviser to the Company



Asian Capital Limited

PROPOSED CAPITAL REORGANISATION

The Board hereby proposes to reorganise the share capital of the Company by conducting the Proposed Capital Reorganisation in the following manner:

(1) Capital Reduction

- (i) the reduction of the par value of each of the issued Shares from HK\$0.50 to HK\$0.01 by cancelling the paid-up share capital to the extent of HK\$0.49 per issued Share so that following such reduction, each issued Share shall become one Reduced Share with a par value of HK\$0.01 each in the share capital of the Company; and
- (ii) the credit arising from step (i) above will be applied towards offsetting the accumulated losses of the Company as at the effective date of the Proposed Capital Reorganisation in a manner as permitted by all applicable laws and the memorandum and articles of association of the Company and as the Board considers appropriate.

(2) Share Sub-division

Immediately following the Capital Reduction becoming effective, the sub-division of each of the authorised but unissued shares of the Company into fifty (50) Reduced Shares with a par value of HK\$0.01 each.

Each of the Reduced Shares arising from the Proposed Capital Reorganisation shall rank pari passu in all respects with each other and will have rights and privileges and be subject to the restrictions contained in the memorandum and articles of association of the Company.

The Proposed Capital Reorganisation is conditional upon, inter alia:

- (a) the approval of the Shareholders by way of special resolution at the EGM;
- (b) an order being made by the Cayman Court confirming the Capital Reduction;
- (c) registration by the Registrar of Companies of the Cayman Islands of a copy of the order of the Cayman Court confirming the Proposed Capital Reorganisation and the minute approved by the Cayman Court containing the particulars required under the Companies Act with respect to the Proposed Capital Reorganisation; and
- (d) the Listing Committee granting the listing of, and permission to deal in, the Reduced Shares arising from the Proposed Capital Reorganisation.

The Proposed Capital Reorganisation will become effective when the conditions mentioned above are fulfilled. Upon the approval by the Shareholders of the Proposed Capital Reorganisation at the EGM, the legal advisers to the Company (as to the Cayman Islands laws) will apply to the Cayman Court for hearing date(s) to confirm the Proposed Capital Reorganisation and a further announcement will be made by the Company as soon as practicable after the Cayman Court hearing date(s) is confirmed.

GENERAL

An EGM will be convened and held for the Shareholders to consider and, if thought fit, approve, among other matters, the Proposed Capital Reorganisation. A circular containing, among other things, further details of the Proposed Capital Reorganisation, together with a notice convening the EGM and the related proxy form, will be despatched by the Company to the Shareholders on or before Friday, 6 December 2024.

As no Shareholders have a material interest in the Proposed Capital Reorganisation, no Shareholders will be required to abstain from voting on the resolutions to approve the Proposed Capital Reorganisation.

Shareholders and potential investors of the Company should note that the Proposed Capital Reorganisation is conditional upon, among others, the fulfilment of the conditions set out in the section headed “Conditions of the Proposed Capital Reorganisation” in this announcement. Accordingly, the Proposed Capital Reorganisation may or may not proceed. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares. Any party who is in doubt about his/her/its position or any action to be taken is recommended to consult his/her/its own professional adviser(s).

PROPOSED CHANGE IN BOARD LOT SIZE

The Shares are currently traded in board lot of 4,000 Shares and the market value per board lot of the Shares was HK\$1,220 (based on the closing price of HK\$0.305 per Share as quoted on the Stock Exchange on 26 November 2024). In order to increase the value of each board lot so that the value of each board lot will be not less than the expected board lot value of HK\$2,000 set out in the Guide on Trading Arrangements for Selected Types of Corporate Actions issued by the Hong Kong Exchanges and Clearing Limited on 28 November 2008 and updated in September 2024 and save the transaction and registration costs incurred by the Shareholders and potential investors, the Board proposes to change the board lot size for trading of the Reduced Shares from 4,000 Reduced Shares to 8,000 Reduced Shares with effect from the effective date of the Proposed Capital Reorganisation.

Upon the Proposed Change in Board Lot Size becoming effective, the Reduced Shares will be traded in board lot of 8,000 Reduced Shares and the estimated market value of the Reduced Shares per board lot will be HK\$2,440 (based on the closing price of HK\$0.305 per Share as quoted on the Stock Exchange on 26 November 2024).

The Proposed Change in Board Lot Size will not affect any of the relative rights of the Shareholders.

PROPOSED CAPITAL REORGANISATION

The Board proposes to reorganise the share capital of the Company by conducting the Proposed Capital Reorganisation in the following manner:

(1) Capital Reduction

- (i) the reduction of the par value of each of the issued Shares from HK\$0.50 to HK\$0.01 by cancelling the paid-up share capital to the extent of HK\$0.49 per issued Share so that following such reduction, each issued Share shall become one Reduced Share with a par value of HK\$0.01 each in the share capital of the Company; and

- (ii) the credit arising from step (i) will be applied towards offsetting the accumulated losses of the Company as at the effective date of the Proposed Capital Reorganisation in a manner as permitted by all applicable laws and the memorandum and articles of association of the Company and as the Board considers appropriate.

(2) Share Sub-division

Immediately following the Capital Reduction becoming effective, the sub-division of each of the authorised but unissued shares of the Company into fifty (50) Reduced Shares with a par value of HK\$0.01 each.

Each of the Reduced Shares arising from the Proposed Capital Reorganisation shall rank pari passu in all respects with each other and will have rights and privileges and be subject to the restrictions contained in the memorandum and articles of association of the Company.

Effect on the Third Convertible Note

For the avoidance of doubt, as at the date of this announcement, the Third Convertible Note at the outstanding principal amount of US\$400,390,000.00 (approximately HK\$3,123,042,000.00) at conversion price of HK\$480.00 per conversion share has not been converted, and the conversion price and the potential total number of conversion shares thereof will not be affected by the Proposed Capital Reorganisation.

Conditions of the Proposed Capital Reorganisation

The Proposed Capital Reorganisation is conditional upon, inter alia:

- (a) the approval of the Shareholders by way of special resolution at the EGM;
- (b) an order being made by the Cayman Court confirming the Capital Reduction;
- (c) registration by the Registrar of Companies of the Cayman Islands of a copy of the order of the Cayman Court confirming the Proposed Capital Reorganisation and the minute approved by the Cayman Court containing the particulars required under the Companies Act with respect to the Proposed Capital Reorganisation; and
- (d) the Listing Committee granting the listing of, and permission to deal in, the Reduced Shares arising from the Proposed Capital Reorganisation.

The Proposed Capital Reorganisation will become effective when the conditions mentioned above are fulfilled. Upon the approval by the Shareholders of the Proposed Capital Reorganisation at the EGM, the legal advisers to the Company (as to the Cayman Islands laws) will apply to the Cayman Court for hearing date(s) to confirm the Proposed Capital Reorganisation and a further announcement will be made by the Company as soon as practicable after the Cayman Court hearing date(s) is confirmed.

Effect of the Proposed Capital Reorganisation on capital structure of the Company

Assuming there will be no change in the issued share capital of the Company from the date of this announcement up to the date on which the Proposed Capital Reorganisation becoming effective, the share capital structure of the Company will be as follow:

	As at the date of this announcement	Immediately after the Proposed Capital Reorganisation becoming effective
Par value	HK\$0.50	HK\$0.01
Amount of authorised share capital	HK\$1,000,000,000.00	HK\$1,000,000,000.00
Number of authorised Shares/ Reduced Shares	2,000,000,000 Shares	100,000,000,000 Reduced Shares
Amount of issued share capital	HK\$72,508,531.00	HK\$1,450,170.62
Number of issued Shares/Reduced Shares	145,017,062 Shares	145,017,062 Reduced Shares

Listing of and dealings in the Reduced Shares

Application will be made to the Listing Committee for the listing of, and permission to deal in, the Reduced Shares arising from the Proposed Capital Reorganisation.

The Reduced Shares will be identical in all respects and rank pari passu in all respects with each other as to all future dividends and distributions which are declared, made or paid. Subject to the granting of the listing of, and permission to deal in, the Reduced Shares on the Stock Exchange, the Reduced Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Reduced Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second settlement day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

None of the share capital or debt securities of the Company is listed or dealt in on any other stock exchange other than the Stock Exchange and no such listing or permission to deal is being or is proposed to be sought.

Exchange of share certificates for the Reduced Shares

As the Cayman Court hearing date(s) has yet to be fixed, the effective date of the Proposed Capital Reorganisation is not ascertainable as at the date of this announcement. Should the Proposed Capital Reorganisation become effective, the Shareholders may submit existing certificates for the Shares to the Share Registrar, Tricor Tengis Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for exchange, at the expense of the Company, within one month from the effective date of the Proposed Capital Reorganisation, for certificates for the Reduced Shares.

Details of such free exchange of share certificates will be announced as soon as the effective date of the Proposed Capital Reorganisation is ascertained. All existing certificates of the Shares will continue to be evidence of title to such Shares or Reduced Shares (as the case may be) and be valid for delivery, trading and settlement purposes.

Expected timetable of the Proposed Capital Reorganisation

Set out below is the expected timetable for the implementation of the Proposed Capital Reorganisation. The expected timetable is subject to the results of the EGM and satisfaction of the conditions to the Proposed Capital Reorganisation and is therefore for indicative purposes only. Any change to the expected timetable will be announced in a separate announcement by the Company as and when appropriate.

Event	Time and Date
Despatch date of circular with notice of the EGM with form of proxy	6 December 2024 (Friday)
Latest time for lodging share transfer in order to qualify for attending and voting at the EGM	4:30 p.m., 23 December 2024 (Monday)
Closure of register of members for determining the entitlement to attend and vote at the EGM (both dates inclusive)	From 24 December 2024 (Tuesday) to 30 December 2024 (Monday)
Latest time for lodging forms of proxy for the EGM (not less than 48 hours prior to time of the EGM)	11:00 a.m., 28 December 2024 (Saturday)
Record date for attendance and voting at the EGM	30 December 2024 (Monday)

Event	Time and Date
Date and time of the EGM	11:00 a.m., 30 December 2024 (Monday)
Announcement of voting results of the EGM	30 December 2024 (Monday)
The following events are conditional on the results of the EGM and the approval from the Cayman Court and therefore the dates are tentative:	
Last day for trading of the Shares in the board lot of 4,000 Shares each in the original counter	28 March 2025 (Friday)
Effective date of the Proposed Capital Reorganisation	Before 9:00 a.m., 31 March 2025 (Monday)
Commencement of dealing in the Reduced Shares	9:00 a.m., 31 March 2025 (Monday)
Effective date of the change in board lot size from 4,000 Shares to 8,000 Reduced Shares	9:00 a.m., 31 March 2025 (Monday)
Original counter for trading in the Shares in board lot of 4,000 Shares each closes and becomes counter for trading in the Reduced Shares in board lot of 8,000 Reduced Shares each	9:00 a.m., 31 March 2025, Monday
Designated broker starts to stand in the market to provide matching services for odd lots of Reduced Shares	9:00 a.m., 31 March 2025 Monday
First day of free exchange of existing share certificates for new share certificates for the Reduced Shares	31 March 2025 (Monday)
Designated broker ceases to stand in the market to provide matching services for odd lots of Reduced Shares	4:00 p.m., 23 April 2025 Wednesday
Last day of free exchange of existing certificates of the Shares for new certificates for the Reduced Shares	7 May 2025 (Wednesday)

REASONS FOR THE PROPOSED CAPITAL REORGANISATION

The Company is of the view that high par value of the Shares restricts the Company from conducting further equity fundraising to address its financial issues. The Proposed Capital Reorganisation will provide the Directors with greater flexibility to declare dividends and/or to undertake any corporate exercise which requires the use of distributable reserves in the future or issue new shares in the future, subject to the Company's financial performance and when the Board considers that it is appropriate to do so in the future.

PROPOSED CHANGE IN BOARD LOT SIZE

The Shares are currently traded in board lot of 4,000 Shares and the market value per board lot of the Shares was HK\$1,220 (based on the closing price of HK\$0.305 per Share as quoted on the Stock Exchange on 26 November 2024). In order to increase the value of each board lot so that the value of each board lot will be not less than the expected board lot value of HK\$2,000 set out in the Guide on Trading Arrangements for Selected Types of Corporate Actions issued by the Hong Kong Exchanges and Clearing Limited on 28 November 2008 and updated in September 2024 and save the transaction and registration costs incurred by the Shareholders and potential investors, the Board proposes to change the board lot size for trading of the Reduced Shares from 4,000 Reduced Shares to 8,000 Reduced Shares with effect from the effective date of the Proposed Capital Reorganisation.

Upon the Proposed Change in Board Lot Size becoming effective, the Reduced Shares will be traded in board lot of 8,000 Reduced Shares and the estimated market value of the Reduced Shares per board lot will be HK\$2,440 (based on the closing price of HK\$0.305 per Share as quoted on the Stock Exchange on 26 November 2024). The Proposed Change in Board Lot Size will not affect any of the relative rights of the Shareholders.

Due to the low board lot value of the Shares, the transaction and registration costs incurred by the Shareholders and potential investors of the Company are considered to be relatively high, which has been negatively affecting the trading volume and price of the Shares. Upon the completion of the Proposed Change in Board Lot Size, the trading value for each board lot will substantially increase. Such increase in the trading value for each board lot will effectively lower the transaction and registration costs to be incurred by the Shareholders and potential investors of the Company when trading the Shares.

In order to alleviate difficulties in relation to the existence of odd lots of the Shares arising from the Proposed Change in Board Lot Size, the Company will appoint a licensed securities dealer as an agent to provide matching services on a best effort basis to the Shareholders regarding the sale and purchase of odd lots of the Reduced Shares following the Proposed Change in Board Lot Size becomes effective.

An announcement setting out further details of the Proposed Change in Board Lot Size in accordance with the requirements of the Listing Rules will be published on or after the date of the EGM.

GENERAL

An EGM will be convened and held for the Shareholders to consider and, if thought fit, approve, among other matters, the Proposed Capital Reorganisation. A circular containing, among other things, further details of the Proposed Capital Reorganisation, together with a notice convening the EGM and the related proxy form, will be despatched by the Company to the Shareholders on or before Friday, 6 December 2024.

As no Shareholders have a material interest in the Proposed Capital Reorganisation, no Shareholders will be required to abstain from voting on the resolutions to approve the Proposed Capital Reorganisation.

WARNING

Shareholders and potential investors of the Company should note that the Proposed Capital Reorganisation is conditional upon, among others, the fulfilment of the conditions set out in the section headed “Conditions of the Proposed Capital Reorganisation” in this announcement). Accordingly, the Proposed Capital Reorganisation may or may not proceed.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares. Any party who is in any doubt about his/her/its position or any action to be taken is recommended to consult his/her/its own professional adviser(s).

DEFINITIONS

In this announcement, the following expressions shall, unless the context requires otherwise, have the following meanings:

“Board”	the board of Directors
“Capital Reduction”	the reduction of the par value of each of the issued Shares from HK\$0.50 each to HK\$0.01 each by cancelling the paid-up share capital to the extent of HK\$0.49 per issued Share so that following such reduction, each issued Share shall become one Reduced Share with a par value of HK\$0.01 each in the share capital of the Company
“Cayman Court”	the Grand Court of the Cayman Islands
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“CCASS Operational Procedures”	the Operational Procedures of HKSCC in relation to CCASS, containing the practices, procedures and administrative requirements relating to operations and functions of CCASS, as from time to time
“Companies Act”	the Companies Act of the Cayman Islands, as consolidated and revised
“Company”	E&P Global Holdings Limited (能源及能量環球控股有限公司), a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened for the purpose of considering and, if thought fit, approving, among other things, the Proposed Capital Reorganisation
“General Rules of CCASS”	the terms and conditions regulating the use of CCASS, as may be amended or modified from time to time and where the context so permits, shall include the CCASS Operational Procedures
“HK\$”	Hong Kong Dollar, the lawful currency of Hong Kong

“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Committee”	has the same meaning ascribed thereto under the Listing Rules
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange
“Proposed Capital Reorganisation”	proposed share capital reorganisation of the Company, comprising the Capital Reduction and Share Sub-division, details of which are set out in the section headed “PROPOSED CAPITAL REORGANISATION”
“Proposed Change in Board Lot Size”	proposed change in board lot size and the details of which are set out in the section headed “PROPOSED CHANGE IN BOARD LOT SIZE”
“Reduced Shares”	ordinary share(s) with a par value of HK\$0.01 each in the share capital of the Company immediately following the Proposed Capital Reorganisation becoming effective
“Shares”	ordinary share(s) with a par value of HK\$0.50 each in the share capital of the Company prior to the Proposed Capital Reorganisation becoming effective
“Share Registrar”	the branch share registrar and transfer office of the Company in Hong Kong, Tricor Tengis Limited, the address of which is at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong
“Share Sub-division”	the sub-division of the authorised but unissued Shares into fifty (50) unissued Reduced Shares with a par value of HK\$0.01 each
“Shareholders”	the holder(s) of the Shares or Reduced Shares (as the case may be)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Third Convertible Note”	the convertible note issued by the Company to Cordia Global on 3 April 2013 to satisfy the consideration pursuant to the terms of the acquisition agreement entered into between Grandvest International Limited, a wholly-owned subsidiary of the Company, as purchaser and Cordia Global as the vendor in 2009 in relation to the acquisition of 90% interest in Langfeld Enterprises Limited, a company incorporated in Cyprus

“US\$” United States dollar, the lawful currency of the United States of America

“%” per cent.

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

Hong Kong, 26 November 2024

As at the date of this announcement, the Board consists of Mr. Lee Jaeseong, Mr. Im Jonghak and Mr. Liu Wai Shing, Peter as executive Directors, Ms. Sun Meng as non-executive Director, and Ms. Chen Dai and Mr. Kim Sung Rae as independent non-executive Directors.

For the purpose of this announcement, unless otherwise indicated, conversion of US\$ into HK\$ is calculated at the approximate exchange rate of US\$1.00 to HK\$7.80. This exchange rate is for illustration purpose only and does not constitute a representation that any amounts have been, could have been, or may be exchanged at this or any other rate at all.

All times and dates in this announcement refer to the Hong Kong local times and dates.