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中油港燃能源集團控股有限公司

CHINA OIL GANGRAN ENERGY GROUP HOLDINGS LIMITED

(Provisional Liquidators Appointed)

(For Restructuring Purposes)

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 8132

INSIDE INFORMATION UPDATE ON THE CONVERTIBLE NOTES

This announcement is made by China Oil Gangran Energy Group Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 17.10 and Rule 17.21 of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”) and Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong).

Reference is made to (i) the Company’s announcements dated 4 October 2018, 23 November 2018 and 21 May 2020 in relation to, among others, the issue of the 1.5% coupon convertible notes (the “**Notes**”) in the aggregate principal amount of HK\$13,000,000 by the Company to 李超志 (Li Chaozhi*), 李瑞敏 (Li Ruimin*) and Asiapac Strategic Investment Limited (collectively, the “**Noteholders**”) on 2 November 2018; and (ii) the Company’s announcement dated 30 September 2020 in relation to the quarterly update on the suspension of trading. Unless otherwise defined herein, capitalized terms used in this announcement shall have the same meanings as those defined in the said announcements.

Pursuant to the Subscription Agreements, the Noteholders shall have the right to convert the Notes in whole of the outstanding principal amount of the Notes held by him/it on any Business Day during the conversion period. Unless previously converted, the Company shall redeem the outstanding amount of the Notes (including any outstanding interests up to the date of redemption and any other outstanding amount due but unpaid under the Notes) on the maturity date (the “**Maturity Date**”) of the Notes, which falls on 2 November 2020.

As at the date of this announcement, the Company has not received any notice of exercise of the Notes from the Noteholders and the Notes in the principal amount of HK\$13,000,000 together with accrued interest remains outstanding. Taking into account the current financial conditions of the Group and the winding up petition at

Grand Court of the Cayman Islands filed by the Company, the Company does not have the financial resources to redeem the outstanding amount of the Notes on the Maturity Date. The failure of the Company to redeem the outstanding amount of the Notes on the Maturity Date constitutes an event of default (the “**Default in Repayment of the Notes**”) under the terms and conditions of the Subscription Agreements and the Notes (provided that the Company shall have 14 days to remedy such breach). In case of an event of default, the Noteholders are entitled to give notice to the Company that the outstanding amounts of the Notes are immediately due and payable.

The Company is currently in the process of carrying out the proposed capital / debt restructuring of the Group pursuant to the Resumption Proposal, which involves, among other things, the Subscriptions and the Creditors’ Schemes. The Noteholders, together with other creditors of the Company, will fall under the Creditors Schemes. Based on the Resumption Proposal, the Creditors’ Schemes will be implemented by making cash payment to the Creditors from the consideration to be received by the Company from the allotment and issue of the Subscription Shares, subject to validity of the claim of the Creditors. Subject to the approval of the Creditors, shareholders, relevant regulatory and relevant courts, all the claims against, and liabilities of, the Company will be compromised and discharged in full upon the Creditors’ Schemes taking effect.

The Board will make further announcement(s) to inform the Shareholders and potential investors of any material developments in relation to the Default in Repayment of the Notes if and when appropriate.

CONTINUED SUSPENSION OF TRADING

Trading in Shares has been suspended since 2 July 2019 pending the fulfilment of the Resumption Conditions. The Company is working closely with its professional advisers towards the resumption of trading in the Company’s shares as soon as possible.

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

By order of the Board
China Oil Gangran Energy Group Holdings Limited
(Provisional Liquidators Appointed)
(For Restructuring Purposes)
Yeung Shing Wai
Executive Director

Hong Kong, 2 November 2020

As at the date of this announcement, the executive Directors are Mr. Rong Changjun, Mr. Zhang Wenrong, Mr. Yuan Beisheng, Mr. Yeung Shing Wai, Mr. Chen Tian Gang, Mr. Li Shu Wang and Mr. Zhang Shao Wu and the independent non-executive Directors are Mr. Chu Kin Ming, Mr. Chiam Tat Yiu and Mr. Chan Wai Cheung Admiral.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM 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 this announcement 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 announcement misleading.

This announcement will remain on the “Latest Company Announcements” page of the GEM website at <http://www.hkgem.com> for at least 7 days from the date of its posting and on the websites of the Company at www.chinaoilgangrans.com.

** for identification purpose*