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BRIGHTOIL PETROLEUM (HOLDINGS) LIMITED

光滙石油 (控股) 有限公司 *

(Incorporated in Bermuda with limited liability)

(Stock Code: 933)

CANCELLATION OF LISTING

Reference is made to the announcements of the Company dated 26 September 2017, 3 October 2017, 10 November 2017, 28 December 2017, 15 February 2018, 28 February 2018, 3 April 2018, 21 May 2018, 13 July 2018, 30 July 2018, 1 August 2018, 4 September 2018, 28 September 2018, 31 October 2018, 21 November 2018, 28 December 2018, 18 January 2019, 31 January 2019, 1 February 2019, 16 April 2019, 6 May 2019, 11 June 2019, 28 June 2019, 17 July 2019, 22 July 2019, 30 July 2019, 9 August 2019, 1 November 2019, 15 November 2019, 23 January 2020, 31 January 2020, 4 February 2020, 28 February 2020, 29 April 2020, 19 May 2020, 27 July 2020, 31 July 2020, 4 August 2020, 17 September 2020 and 9 October 2020 (the “**Announcements**”). Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcements.

SUSPENSION AND RESUMPTION CONDITIONS

Trading in the Company’s shares (the “**Shares**”) on the Stock Exchange was suspended on 3 October 2017. On 18 December 2017, the Company received a letter from the Stock Exchange, in which the Stock Exchange stated the conditions for the resumption of trading of the Company’s shares (“**Resumption Conditions**”). The Company was required to submit a viable resumption proposal to the Stock Exchange to address the Resumption Conditions.

On 8 November 2019, the Company received a letter from the Stock Exchange imposing an additional resumption guidance. The Company was required to fulfil all the Resumption Conditions to the Stock Exchange’s satisfaction and resume trading by 31 January 2020 (the “**Resumption Deadline**”).

On 31 January 2020, the Company submitted an extension application to the Stock Exchange, applying from the Listing Committee for an extension of the Resumption Deadline to 29 May 2020.

LISTING COMMITTEE’S DECISION

On 24 February 2020, the Listing Department informed the Company that they were of the view that the Company had failed to fulfil all the Resumption Conditions/guidance by the Resumption Deadline and had not demonstrated that it fell within the “exceptional circumstances” in which an extension of time might be given as described in paragraph 19 of the Guidance Letter (GL95-18), and as a matter of courtesy, informed the Company that they would recommend the Listing Committee to cancel the listing of the Company on 27 February 2020 under Rule 6.01A of the Listing Rules (the “**Listing Department’s Recommendation**”).

On 25 February 2020, the Company wrote to the Stock Exchange and demanded to read the reasons of the Listing Department’s Recommendation, to be present in and make written or oral submission to the Listing Committee. The Company also demanded that the Listing Department not to present the case to the Listing Committee unless these requests were met (the “**Company’s Demands**”).

Despite the opposition of the Company, the Stock Exchange notified the Company on 28 February 2020 that the Listing Committee had decided to reject the Company’s Demands and cancel the Company’s listing.

On 9 March 2020, the Company made a formal application to the Stock Exchange for a review of the Listing Committee’s decision by the Listing Review Committee. The hearing of the Listing Review Committee was subsequently held on 18 September 2020.

SUBMISSIONS BY THE COMPANY

The Company submitted to the Listing Review Committee that it had used its best endeavor and had substantially implemented steps to satisfy the Resumption Conditions/guidance and restructure its outstanding liabilities and business operation. However, its effort was jeopardised by the Covid-19 outbreak, which halted the completion of audit, prolonged negotiations with creditors and buyers of the Company’s assets, which were beyond the control of the Company. The Company submitted that the Resumption Conditions/guidance would be complied with by the Company by the end of 2020 if an extension were granted.

The Company submitted further to the Listing Review Committee that steps taken by the Company to satisfy the Resumption Conditions/guidance included, among others, the following:

- (a) HLB Hodgson Impey Cheng Limited was appointed as the new auditor of the Company with effect from 23 January 2020 to fill the casual vacancy following the resignation of PwC and to hold office in order to continue the audit work for the outstanding financial results;

- (b) The Company had engaged RSM Corporate Advisory (Hong Kong) Limited (“**RSM**”) to conduct forensic review on the various back-to-back trading or indent sales transactions conducted by Brightoil Petroleum (S’pore) Pte. Ltd. (“**BOPS**”), an indirect wholly owned subsidiary of the Company, during the financial year ended 30 June 2017. The forensic investigation report was issued and the announcement for key findings of the forensic review was published on 31 January 2020. RSM was further engaged to prepare a supplemental forensic investigation report for the financial year ended 30 June 2018 (“**Supplemental Report**”). The Supplemental Report was issued and the announcement on findings of the Supplemental Report was published on 17 September 2020;
- (c) The Company had published the audited annual results announcement and annual report for the year ended 30 June 2017 on 14 August 2020 and 11 September 2020 respectively. Subsequently, the unaudited interim results announcement for the six months ended 31 December 2017 was published on 17 September 2020;
- (d) The Company’s continuous negotiations with its creditors had resulted in settlement agreements and loan restructuring agreements having been entered into between the Company and several creditors. Upon completion of the debt restructuring, the total debt amount would be substantially reduced with various loans extended from 1 to 12 years; and
- (e) All vessels of the Company had been sold to raise funds to repay outstanding debt owned by the Company, and the Company was in the process of disposing majority of its interests in the oil storage and terminal facilities in Zhoushan to raise further funds to repay partial outstanding debts.

LISTING REVIEW COMMITTEE’S DECISION

On 7 October 2020, the Listing Review Committee issued a letter to the Company notifying the Company that following the hearing by the Listing Review Committee held on 18 September 2020, it had decided to uphold the Listing Committee’s decision to cancel the listing of the Company.

MANAGEMENT’S RESPONSE TO THE LISTING REVIEW COMMITTEE’S DECISION

The Board accepts that the Resumption Conditions/guidance have not been fully fulfilled and that there are uncertainties as to whether all the Resumption Conditions/guidance could be fulfilled by the end of 2020. However, the Board is of the view that the management has already used its best endeavours and utilised all available resources in an attempt to satisfy the Resumption Conditions/guidance. The Board is also of the view that the Company’s resumption plan was reasonably and practicably achievable to fulfil all the Resumption Conditions. However, implementation of the said plan was delayed mainly as the result of Covid-19 outbreak. The Board expresses its deep regret for the Listing Review Committee’s decision to uphold the Listing Committee’s decision and its refusal to grant the extension as sought by the Company.

Nevertheless, the Board will continue their effort to work diligently to maximise the value of the Company by continuing to complete its current debt restructuring initiatives and operate its current business operations and complete the disposal of Zhoushan oil storage project. The Company will also take all necessary steps including seeking related professional consultants' and institutions' advice to formulate and devise feasible specific plans to minimise the impact of the delisting to the Company's stakeholders and protect the interests of all stakeholders of the Company including all of our creditors and minority shareholders.

Further information in relation to the development, future proposals and financial information of the Company will continue to be made available through the Company's own website: www.brightoil.com.hk or contact the Investor Relations Department of the Company.

CANCELLATION OF LISTING

On 8 October 2020, the Stock Exchange issued a letter to the Company notifying the Company that the listing of the Shares should be cancelled under Listing Rule 6.01A and the last day of listing of the Shares will be 19 October 2020 and the listing of the Shares will be cancelled with effect from 9:00 am on 20 October 2020.

STATUS OF THE SHARES

All shareholders of the Company and investors should note that after 19 October 2020, being the last day of listing of the Shares on the Stock Exchange, whilst the share certificates of the Shares shall remain valid, the Shares will not be listed on, and will not be tradeable on, the Stock Exchange.

Shareholders who have any queries about the implications of the cancellation of the Company's listing on the Stock Exchange are advised to obtain appropriate professional advice.

By Order of the Board
Brightoil Petroleum (Holdings) Limited
Tang Bo
Chairman

Hong Kong, 16 October 2020

As at the date of this announcement, the Board comprises (i) one Executive Director, namely Mr. Tang Bo; (ii) two Non-executive Directors, namely Mr. Dai Zhujiang and Mr. Zhao Liguo; and (iii) three Independent Non-executive Directors, namely Dr. Lo Wing Yan William, JP; Mr. Wang Tian and Mr. Chan Wai Leung.

** For identification purposes only*