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北京能源國際控股有限公司
Beijing Energy International Holding Co., Ltd.

(Incorporated in Bermuda with limited liability)
(Stock code: 686)

PROPOSED SHARE CONSOLIDATION

PROPOSED SHARE CONSOLIDATION

The Board proposes that every ten (10) Existing Shares in the issued and unissued share capital of the Company be consolidated into one (1) Consolidated Share. As at the date of this announcement, there are 22,333,644,432 Existing Shares in issue which are fully paid or credited as fully paid. Assuming no further Shares will be issued from the date of this announcement up to the date of the SGM, upon the Share Consolidation becoming effective, there will be 2,233,364,443 Consolidated Shares in issue which are fully paid or credited as fully paid. The authorised share capital of the Company will remain at HK$3,000,000,000 but will be divided into 3,000,000,000 Consolidated Shares of HK$1.0 each.

The Existing Shares are currently traded on the Stock Exchange in board lot size of 2,000 Existing Shares. Upon the Share Consolidation becoming effective, the board lot size for trading in the Consolidated Shares will remain unchanged at 2,000 Consolidated Shares per board lot.

PROPOSED ADJUSTMENT TO THE EXISTING SHARE OPTIONS

As at the date of this announcement, there are outstanding Share Options entitling the holders thereof to subscribe for up to an aggregate of 348,746,800 Existing Shares. The Share Consolidation may cause adjustments to the exercise prices of the Share Options.

GENERAL

The SGM will be convened and held for the Shareholders to consider and, if thought fit, approve the Share Consolidation. A circular containing, among other things, further details of the proposed Share Consolidation and the notice convening the SGM is expected to be despatched to the Shareholders on or before Monday, 14 October 2024.

Shareholders and potential investors should take note that the Share Consolidation is conditional upon the fulfilment of certain conditions. Therefore, the Share Consolidation may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company, and if they are in any doubt about their position, they should consult their professional advisers.

PROPOSED SHARE CONSOLIDATION

The Board proposes that every ten (10) Existing Shares in the issued and unissued share capital of the Company be consolidated into one (1) Consolidated Share.

Effects of the Share Consolidation

As at the date of this announcement, the authorised share capital of the Company is HK$3,000,000,000 divided into 30,000,000,000 Shares of par value of HK$0.1 each, and there are 22,333,644,432 Existing Shares in issue which are fully paid or credited as fully paid. Assuming no further Shares will be issued from the date of this announcement up to the date of the SGM, upon the Share Consolidation becoming effective, there will be 2,233,364,443 Consolidated Shares in issue which are fully paid or credited as fully paid. The authorised share capital of the Company will remain at HK$3,000,000,000 but will be divided into 3,000,000,000 Consolidated Shares of HK$1.0 each.

Upon the Share Consolidation becoming effective, the Consolidated Shares shall rank *pari passu* in all respects with each other.

Other than the expenses to be incurred in relation to the Share Consolidation, the implementation of the Share Consolidation will not alter the underlying assets, business operations, management or financial position of the Company or the proportionate interests or rights of the Shareholders. The Board believes that the Share Consolidation will not have any material adverse effect on the financial position of the Company.

Conditions of the Share Consolidation

The implementation of the Share Consolidation is conditional upon:

(i) the passing of an ordinary resolution by the Shareholders at the SGM to approve the Share Consolidation;

(ii) the Stock Exchange granting the listing of, and permission to deal in, the Consolidated Shares in issue and to be issued upon the Share Consolidation becoming effective; and

(iii) the compliance with all relevant procedures and requirements under the applicable laws of Bermuda (where applicable) and the Listing Rules to effect the Share Consolidation.

The Share Consolidation is expected to become effective on Friday, 1 November 2024 subject to the fulfilment of the above conditions.

Listing Application

An application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Consolidated Shares in issue and to be issued upon the Share Consolidation becoming effective and the Consolidated Shares which may be issued pursuant to the exercise of the Share Options which may be granted under the Share Option Scheme.

Subject to the granting of the listing of, and permission to deal in, the Consolidated Shares on the Stock Exchange, as well as compliance with the stock admission requirements of the HKSCC, the Consolidated 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 Consolidated 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. All necessary arrangements will be made for the Consolidated Shares to be admitted into CCASS established and operated by HKSCC.

None of the Existing Shares are listed or dealt in on any other stock exchange other than the Stock Exchange, and at the time the Share Consolidation becomes effective, the Consolidated Shares in issue will not be listed or dealt in on any stock exchange other than the Stock Exchange, and no such listing or permission to deal is being or is proposed to be sought.

Based on the closing price of HK$0.168 per Existing Share (equivalent to the theoretical closing price of HK$1.68 per Consolidated Share) as at the date of this announcement, (i) the value per board lot of 2,000 Existing Shares is HK$336; and (ii) the value per board lot of 2,000 Consolidated Shares would be HK$3,360 on the assumption that the Share Consolidation becomes effective.

OTHER ARRANGEMENTS

Fractional entitlement to Consolidated Shares

Fractional Consolidated Shares (if any) will be disregarded and will not be issued to the Shareholders but all such fractional Consolidated Shares will be aggregated and, if possible, sold for the benefit of the Company. Fractional Consolidated Shares will only arise in respect of the entire shareholding of a holder of the Existing Shares regardless of the number of share certificates held by such holder.

Arrangement on odd lot trading

In order to facilitate the trading of odd lots (if any) of the Consolidated Shares, the Company will appoint Computershare Hong Kong Investor Services Limited as an agent to provide matching services, on a best effort basis, to those Shareholders who wish to acquire odd lots of the Consolidated Shares to make up a full board lot, or to dispose of their holding of odd lots of the Consolidated Shares. Details of the odd lot arrangement will be set out in the circular to be despatched to the Shareholders.

Holders of odd lots of the Consolidated Shares should note that the matching of the sale and purchase of odd lots of the Consolidated Shares is not guaranteed. Shareholders who are in any doubt about the odd lots matching arrangement are recommended to consult their own professional advisers.

Exchange of share certificates

Subject to the Share Consolidation becoming effective, which is currently expected to be on Friday, 1 November 2024, Shareholders may on or after Friday, 1 November 2024 and until Monday, 9 December 2024 (both days inclusive), submit their existing share certificates in blue colour for the Existing Shares to the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong for exchange for new share certificates in orange colour for the Consolidated Shares at the expense of the Company.

Shareholders should note that after the prescribed time for free exchange of new share certificates, a fee of HK$2.5 per share certificate (or such higher amount as may from time to time be allowed by the Stock Exchange) will be payable by the Shareholders to the share registrar for exchange of new share certificates.

After 4:10 p.m. on Thursday, 5 December 2024, trading will only be in Consolidated Shares which share certificates will be issued in orange colour. Existing share certificates in blue colour for the Existing Shares will cease to be valid for trading and settlement purpose, but will remain valid and effective as documents of title.

PROPOSED ADJUSTMENT TO THE EXISTING SHARE OPTIONS

As at the date of this announcement, there are outstanding Share Options entitling the holders thereof to subscribe for up to an aggregate of 348,746,800 Existing Shares. The Share Consolidation may cause adjustments to the exercise prices of the Share Options.

Under the conditions of the Share Option Scheme, in the event of any alteration in the capital structure of the Company while any Share Options granted remain exercisable, and such event arises from, among other things, consolidation of the Shares, the Company shall appoint its auditors or an independent financial adviser to certify in writing the adjustment to the existing Share Options including the outstanding number of Share Options and exercise price, and an adjustment as so certified by the calculation agent shall be made. The Company will engage an independent financial adviser or the auditors of the Company to certify the adjustments to the outstanding Share Options and the Company will make further announcement(s) as and when appropriate in this regard.

Save for the aforesaid, as at the date of this announcement, the Company has no other outstanding options, warrants or securities in issue which are convertible into or giving rights to subscribe for, convert or exchange into, any Existing Shares or Consolidated Shares, as the case may be.

REASONS FOR THE SHARE CONSOLIDATION

In view of the recent trading price of the Shares, the Board considers that the Share Consolidation will enable the Company to comply with the trading requirements under the Listing Rules and enhance transaction efficiency. Firstly, the Share Consolidation is anticipated to increase the market value of each board lot, where the trading unit remains constant. This increase is expected to reduce the relative costs associated with transactions. A higher share price following the Share Consolidation is likely to result in more favorable bid-ask spreads, which is beneficial for the trading process. This improvement in spreads is projected to stimulate trading activities, thereby increasing both liquidity and turnover in the market. Moreover, the Share Consolidation is expected to reduce transaction costs, which can become significant when the stock price is low, as certain fees are calculated on a per-share basis. Lastly, certain international financial institutions are often restricted from investing in stocks that are priced below a specific value, typically around the HK$1. The Share Consolidation will thus make investing in the Shares more attractive to a broader range of investors, and therefore further broaden the shareholder base of the Company.

The Board considers that the Share Consolidation is essential to achieve the above-mentioned purpose. Taking into account of the potential benefits and the insignificant amount of costs to be incurred, the Board is of the view that the Share Consolidation is in the best interest of the Company and the Shareholders as a whole.

As at the date of this announcement, the Company has no intention to carry out other corporate actions in the next 12 months which may affect the trading in the Shares, and the Company does not have any concrete plan to conduct any fund-raising activities in the next 12 months.

EXPECTED TIMETABLE

The expected timetable for the Share Consolidation is set out below. The expected timetable is subject to the results of the SGM and is therefore for indicative purpose only. Any change to the expected timetable will be announced in a separate announcement by the Company as and when appropriate. All times and dates in this announcement refer to Hong Kong local times and dates.

Despatch date of circular with notice of the SGM . . . . . On or before Monday, 14 October 2024

Latest time for lodging transfers of shares in order to qualify for attendance and voting at the SGM. . . . . 4:30 p.m. on Thursday, 24 October 2024

Closure of register of members for determining the entitlement to attend and vote at the SGM (both days inclusive) . . . . . Friday, 25 October 2024 to Wednesday, 30 October 2024

Latest time for lodging forms of proxy for the SGM (not less than 48 hours prior to the time of the SGM). . . . . 11:00 a.m. on Monday, 28 October 2024

Date and time of the SGM . . . . . 11:00 a.m. on Wednesday, 30 October 2024

Publication of the announcement of the results of the SGM . . . . . Wednesday, 30 October 2024

The following events are conditional on the fulfilment of the conditions for the implementation of the Share Consolidation as set out in this announcement.

Effective date of the Share Consolidation . . . . . Friday, 1 November 2024

First day of free exchange of existing share certificates for new share certificates for Consolidated Shares . . . . . Friday, 1 November 2024

Dealing in the Consolidated Shares commences . . . . . 9:00 a.m. on Friday, 1 November 2024

Original counter for trading in the Existing Shares in board lots of 2,000 Existing Shares (in the form of existing share certificates) temporarily closes . . . . . 9:00 a.m. on Friday, 1 November 2024

Temporary counter for trading in the Consolidated Shares in board lots of 200 Consolidated Shares (in the form of existing share certificates) opens . . . . . 9:00 a.m. on Friday, 1 November 2024

Original counter for trading in the Consolidated Shares in board lots of 2,000 Consolidated Shares (in the form of new share certificates for the Consolidated Shares) re-opens . . . . . 9:00 a.m. on Friday, 15 November 2024

Parallel trading in the Consolidated Shares (in the form of new share certificates for the Consolidated Shares and existing share certificates) commences . . . . . 9:00 a.m. on Friday, 15 November 2024

Designated broker starts to stand in the market to provide matching services for odd lots of the Consolidated Shares . . . . . 9:00 a.m. on Friday, 15 November 2024

Designated broker ceases to stand in the market to provide matching services for odd lots of the Consolidated Shares . . . . . 4:00 p.m. on Thursday, 5 December 2024

Temporary counter for trading in the Consolidated Shares in board lots of 200 Consolidated Shares (in the form of existing share certificates) closes . . . . . 4:10 p.m. on Thursday, 5 December 2024

Parallel trading in the Consolidated Shares (in the form of new share certificates for the Consolidated Shares and existing share certificates) ends . . . . . 4:10 p.m. on Thursday, 5 December 2024

Last day for free exchange of existing share certificates for new share certificates for the Consolidated Shares . . . . . 4:30 p.m. on Monday, 9 December 2024

GENERAL

The SGM will be convened and held for the Shareholders to consider and, if thought fit, approve the Share Consolidation. A circular containing, among other things, further details of the proposed Share Consolidation and the notice convening the SGM is expected to be despatched to the Shareholders on or before Monday, 14 October 2024.

Shareholders and potential investors should take note that the Share Consolidation is conditional upon the fulfilment of certain conditions. Therefore, the Share Consolidation may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company, and if they are in any doubt about their position, they should consult their professional advisers.

DEFINITIONS

Unless otherwise specified, the following terms have the following meanings in this announcement:

"Board"	the board of Directors
"CCASS"	the Central Clearing and Settlement System established and operated by HKSCC
"Company"	Beijing Energy International Holding Co., Ltd., a company incorporated in Bermuda with limited liability and Shares of which are listed on the Stock Exchange (Stock Code: 686)
"Consolidated Share(s)"	ordinary share(s) of HK$1.0 each in the share capital of the Company after the Share Consolidation becomes effective
"Directors	director(s) of the Company
"Existing Share(s)"	ordinary share(s) of HK$0.1 each in the existing share capital of the Company before the Share Consolidation becomes effective
"HKSCC"	Hong Kong Securities Clearing Company Limited
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong

"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Main Board"	Main Board of the Stock Exchange
"SGM"	the special general meeting of the Company to be convened for the purpose of considering and, if thought fit, approving the Share Consolidation
"Share Consolidation"	the proposed consolidation of every ten (10) issued and unissued Existing Shares in the share capital of the Company into one (1) Consolidated Share in the share capital of the Company
"Share Option(s)"	the option(s) to subscribe for new Shares granted under the Share Option Scheme
"Share Option Scheme"	the share option scheme adopted by the Company on 15 June 2022
"Shareholder(s)"	registered holder(s) of the issued Shares of the Company
"Share(s)"	the Existing Share(s) or as the context may require, the Consolidated Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"%"	per cent

For and on behalf of
Beijing Energy International Holding Co., Ltd.
Zhang Ping
Chairman of the Board

Hong Kong, 25 September 2024

As at the date of this announcement, the executive directors of the Company are Mr. Zhang Ping (Chairman) and Mr. Lu Zhenwei; the non-executive directors of the Company are Mr. Liu Guoxi, Mr. Su Yongjian, Mr. Li Hao, Mr. Lu Xiaoyu and Mr. Wang Cheng; and the independent non-executive directors of the Company are Ms. Jin Xinbin, Ms. Li Hongwei, Mr. Zhu Jianbiao and Mr. Zeng Ming.