

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



東方明珠石油有限公司*

Pearl Oriental Oil Limited

(Incorporated in Bermuda with limited liability)

(Stock code: 632)

PROFIT WARNING

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

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on the preliminary review of the unaudited consolidated management accounts of the Group for the year ended 31 December 2017, the Group is expected to record a net loss of not less than approximately HK\$370 million for the year ended 31 December 2017, as compared with the net profit of approximately HK\$134 million for the year ended 31 December 2016. Such expected loss was mainly due to the increased finance costs and the impairment loss on carrying amount of the Group’s intangible assets.

The Board would like to iterate that the above impairment loss should have no adverse impact on the cash flow position of the Group.

The Company is in the process of finalising the annual results of the Group for the year ended 31 December 2017 and this announcement is only based on the preliminary assessment of the information currently available to the Company. Details of the Group’s results and performance will be disclosed when the annual results of the Group for the year ended 31 December 2017 is announced.

Reference is made to the announcements (the “**Previous Announcements**”) issued by the Company dated 24 August 2017, 29 August 2017, 29 September 2017, 30 October 2017, 30 November 2017, 29 December 2017 and 30 January 2018 in relation to, among others, the Proposed Subscription (as set out and defined in the Previous Announcements). This profit warning constitutes a profit forecast under Rule 10 of the Code on Takeovers and Mergers issued by the Securities and Futures Commission of Hong Kong (the “**Takeovers Code**”) and is required to be reported on by the Company’s financial adviser and its auditor or consultant accountant in accordance with Rule 10.4 of the Takeovers Code. Since this announcement is required to be made pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions under Part XIVA of the SFO, which require the Company to issue this profit warning announcement as soon as practicable and given the time constraints faced by the Company when issuing this announcement, the Company would like to draw the attention of the shareholders of the Company and potential investors that this profit warning does not meet the standard required by Rule 10 of the Takeovers Code.

The Executive (as defined under the Takeovers Code) will normally require the forecast to be reported on as soon as reasonably practicable and the relevant reports to be contained in the next document to be sent to the shareholders of the Company. However, the annual results for the year ended 31 December 2017 are expected to be published by the end of February 2018 and the annual results for the year ended 31 December 2017, together with the notes to the financial statements, will be included in the next document to be sent to the shareholders of the Company, after which the forecast will no longer need to be reported on.

Shareholders of the Company and potential investors should note that this profit warning does not meet the standard required by Rule 10 of the Takeovers Code and should therefore exercise caution in placing reliance on such forecast in assessing the merits and demerits of the Proposed Subscription. Shareholders of the Company and potential investors should exercise caution when dealing in the shares of the Company.

By Order of the Board
Pearl Oriental Oil Limited
Fan Amy Lizhen
Chairlady and Executive Director

Hong Kong, 9 February 2018

As at the date hereof, the Board comprises four executive Directors, namely Ms. Fan Amy Lizhen, Mr. Cheung Kam Shing, Terry, Mr. Tang Yau Sing and Mr. Cheung Ka Chun, David and seven independent non-executive Directors, namely Mr. Lum Pak Sum, Mr. Chan Sung Wai, Mr. Wang Jing Ting, Mr. Koo Luen Bong, Mr. Chau Wing Man, Mr. Lam Kwan and Mr. Chan Kwan Pak.

* *For identification purposes only*