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**XIN HUA PETROLEUM
(HONG KONG) LIMITED**

(Incorporated in Hong Kong with limited liability)



東方明珠石油有限公司*
Pearl Oriental Oil Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 632)

**JOINT ANNOUNCEMENT
MONTHLY UPDATE IN RELATION TO THE DESPATCH OF
COMPOSITE DOCUMENT RELATING TO THE MANDATORY
UNCONDITIONAL CASH OFFERS MADE BY**



**FOR AND ON BEHALF OF
XIN HUA PETROLEUM (HONG KONG) LIMITED
TO ACQUIRE ALL THE ISSUED CONSOLIDATED SHARES
(OTHER THAN THE EXCLUDED SHARES)
AND CANCEL ALL OUTSTANDING CONSOLIDATED SHARE OPTIONS
OF THE COMPANY**

**Financial adviser to
Xin Hua Petroleum (Hong Kong) Limited**



**Financial adviser to
the Company**



References are made to (i) the joint announcement of Pearl Oriental Oil Limited (the “**Company**”) and Xin Hua Petroleum (Hong Kong) Limited (the “**Offeror**”) dated 16 April 2019 (the “**Joint Announcement**”) in respect of, among other things, the subscription of the Xin Hua Subscription Shares under specific mandate and possible unconditional mandatory cash offers made by Forwin Securities Group Limited for and on behalf of the Offeror to acquire all the issued New Shares (other than the Excluded Shares); (ii) the announcement jointly issued by the Company and the Offeror dated 3 May 2019 in respect of the delay in despatch of the Composite Document (the “**May**”

* *For identification purpose only.*

Announcement”); and (iii) the monthly update announcement jointly issued by the Company and the Offeror dated 3 June 2019. Unless otherwise stated, terms used herein shall have the same meanings as ascribed to them in the Joint Announcement.

DESPATCH OF COMPOSITE DOCUMENT

In the SGM held on 24 June 2019, the Independent Shareholders had approved, among others, the Xin Hua Subscription and the granting of specific mandate to allot and issue the Xin Hua Subscription Shares. In addition, the Company has obtained the conditional listing approval from the Listing Committee of the Stock Exchange for the allotment, issue, listing and trading of the New Shares and the Xin Hua Subscription Shares. Subject to, as applicable, satisfaction and/or waiver of the conditions precedent for Xin Hua Subscription, it is expected that the completion of Xin Hua Subscription shall take place on or about 8 July 2019.

The Share Subdivision and the Capital Reduction took effect on 3 July 2019. It is expected that the Share Consolidation shall be effective on 10 July 2019. As additional time is required to finalise the information to be included in the Composite Document following the Share Consolidation, it is expected that the despatch date of the Composite Document will be postponed to a date on or about 15 July 2019. A second application has been made to the Executive and the Executive has indicated that it is minded to grant consent under Rule 8.2 of the Takeovers Code to further extend the time for despatch of the Composite Document to a date falling within seven days from the completion of the Xin Hua Subscription or 7 August 2019, whichever is earlier. Further announcement will be jointly made by the Company and the Offeror as and when appropriate in compliance with the Takeovers Code.

INDEPENDENT FINANCIAL ADVISER

As disclosed in the announcement of the Company dated 28 June 2019, all independent non-executive Directors have retired upon conclusion of the annual general meeting held on 28 June 2019. As currently there is no non-executive Director in the Company, it is therefore not possible for the Company to form an independent committee to advise the Independent Shareholders and the Optionholders as to whether the Offers are fair and reasonable and as to the acceptance of the Offers. Accordingly, pursuant to Rule 2.8 of the Takeovers Code, the independent financial adviser appointed by the Board, VBG Capital Limited, shall be primarily responsible for advising the Independent Shareholders and the Optionholders as to whether the Offers are fair and reasonable and as to the acceptance of the Offers.

The Offers will only be made if completion of the Xin Hua Subscription takes place. Completion of the Xin Hua Subscription is subject to, as applicable, satisfaction and/or waiver of the conditions contained in the First Subscription Agreement (as amended and supplemented by the Supplemental Agreement). Accordingly, the Offers may or may not be made. The issue of this joint announcement does not in any way imply that the Offers will be made.

Shareholders, Optionholders and potential investors of the Company are advised to exercise caution when dealing in the Shares. Persons who are in doubt as to the action they should take should consult their stockbroker, licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional advisers.

By order of the Board
Xin Hua Petroleum (Hong Kong) Limited
Chen Junyan
Director

By order of the Board
Pearl Oriental Oil Limited
Liu Gui Feng
Chairlady and Executive Director

Hong Kong, 4 July 2019

As at the date of this joint announcement, (i) the board of directors of Xin Hua comprises Ms. Chen Junyan, Mr. Yu Zhibo and Mr. Chen Yaxin; (ii) Mr. Wang Zhiming is the sole director of Daqing Xinhua; and (iii) Ms. Fan is the sole director of Noble.

The directors of Xin Hua, Daqing Xinhua and Noble jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than that relating to the Company) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than those expressed by the Directors of the Company) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement the omission of which would make any statement in this joint announcement misleading.

As at the date of this joint announcement, the Board comprises four executive Directors, namely Ms. Liu Gui Feng, Mr. Cheung Kam Shing, Terry, Mr. Tang Yau Sing and Mr. Lin Qing Yu.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than that relating to the Subscribers) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than those expressed by the directors of the Subscribers) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement the omission of which would make any statement in this joint announcement misleading.