

*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)**

**DEED OF SETTLEMENT**

Reference is made to the announcements of Pearl Oriental Oil Limited (the “**Company**”) dated 16 August 2018, 24 August 2018, 29 August 2018, 3 September 2018, 28 September 2018, 22 October 2018, 30 October 2018, 5 November 2018, 16 November 2018, 21 November 2018, 29 November 2018, 30 November 2018, 3 December 2018 and 7 December 2018 (collectively, the “**Previous Announcements**”) in relation to, among others, debts owed by the Company to certain creditors (the “**Debts**”), the Petition and the Requisition. Unless the context otherwise requires, capitalised terms used in this announcement shall have the same meanings as those defined in the Previous Announcements.

The Board wishes to announce that, on 21 December 2018 (after trading hours), the Company entered into a deed of settlement (the “**Deed of Settlement**”) with Mr. Cheung Wai Keung (張偉強) (“**Mr. Cheung**”) and Mr. So Kuen Kwok (蘇權國) (“**Mr. So**”), both being legal and/or beneficial shareholders of the Company, to fully and finally settle all claims arising out of or in connection with, inter alia, the Debts (which were assigned to Mr. Cheung), the Requisition and the Petition. The principal terms of the Deed of Settlement are summarised below.

**Date** : 21 December 2018 (after trading hours)

**Parties** : (1) The Company;  
(2) Mr. Cheung; and  
(3) Mr. So

Pursuant to the Deed of Settlement:

- (a) the Company agreed to pay to Mr. Cheung an aggregate amount of HK\$58,345,186.64 (the “**Agreed Amount**”) in full discharge of the Debts (together with interest accrued thereon and all costs and expenses in relation to the assignment, enforcement and/or preservation of any rights under the Debts) upon execution of the Deed of Settlement pursuant to the terms thereof;

\* *For identification purposes only*

- (b) the Company agreed to pay an agreed aggregate amount of HK\$8,100,000 (the “**Relevant Costs and Expenses**”) to Mr. Cheung and Mr. So in full and final settlement of all charges, costs, fees and expenses (including legal fees) incurred (and to be incurred) by Mr. Cheung and Mr. So in respect of, inter alia, the Requisition and the Petition, the assignment, enforcement and/or preservation of any rights under the Debts, and the preparation, execution and completion of the Deed of Undertaking pursuant to the terms thereof; and
- (c) the Company shall not, and shall procure Mr. Tang Yau Sing (an executive director of the Company) not to, make a claim or demand against Mr. Cheung or Mr. So for payment of any costs, fees and expenses (including legal fees) incurred and to be incurred by Mr. Tang Yau Sing or the Company in connection with or in relation to, inter alia, the Petition.

Upon receipt of payment by the Company of (i) the Agreed Amount in full to Mr. Cheung; and (ii) HK\$2,000,000 as part payment of the Relevant Costs and Expenses to each of Mr. Cheung and Mr. So, payable upon execution of the Deed of Settlement, Mr. Cheung and Mr. So undertake and agree, inter alia, not to pursue further claims or actions against the Company arising from, inter alia, the SGM of the Company pursuant to the Requisition. Upon full payment by the Company of the abovementioned amounts under the Deed of Settlement, each of the parties to the Deed of Settlement shall irrevocably and unconditionally fully and finally release and forever discharge the other parties and its assignees, affiliates or successors from, and waive, any and all claims, set-offs, liabilities, suits, demands, actions or proceedings, whether in this jurisdiction or any other, arising out of or in connection with, inter alia, the Debts, the Requisition and the Petition.

The Company will settle the Agreed Amount and the Relevant Costs and Expenses by short term loans of HK\$70 million borrowed from an independent third party.

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

Hong Kong, 24 December 2018

*As at the date hereof, the Board comprises six executive Directors, namely Ms. Liu Gui Feng, Ms. Fan Amy Lizhen, Ms. Xiao Li, Mr. Cheung Kam Shing, Terry, Mr. Tang Yau Sing and Mr. Lin Qing Yu; and nine independent non-executive Directors, namely Mr. Xing Yong, Mr. Shi Wen Jiang, Mr. Chen Zhong Min, Mr. Jiang Cai Yi, Mr. Zhang Yue Yang, Mr. He Jun, Ms. Chen Xue Hui, Ms. Hu Jing and Ms. Lyu Jia Lian.*