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

(Incorporated in Bermuda with limited liability)

(Stock Code: 632)

**RESIGNATION OF EXECUTIVE DIRECTOR
AND CHIEF EXECUTIVE OFFICER**

Reference is made to the announcement of Pearl Oriental Oil Limited (the “**Company**”) dated 16 April 2019 in relation to, 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) (the “**Announcement**”). Unless the context otherwise requires, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcement.

Pursuant to Rule 7 of the Takeovers Code, once a bona fide offer has been communicated to the board of the offeree company or the board of the offeree company has reason to believe that a bona fide offer is imminent, except with the consent of the Executive, the directors of an offeree company should not resign until the first closing date of the offer, or the date when the offer becomes or is declared unconditional, or shareholders have voted on the waiver of a general offer obligation under Note 1 on dispensations from Rule 26, whichever is the later.

On 22 January 2019, the Company received a letter from the Stock Exchange (the “**Stock Exchange’s Letter**”) informing it that a complaint had been received against Ms. Xiao, an executive director and the chief executive officer of the Company. The complainant alleged that Ms. Xiao was convicted for criminal offences (the “**Offences**”) in the People’s Republic of China (the “**PRC**”).

After Ms. Xiao’s Offences have come to the Board’s knowledge, the Board (other than Ms. Xiao) held a board meeting and came to the conclusions (the “**Conclusions**”) that:

1. none of the members of the Board (other than Ms. Xiao) had knowledge whatsoever of the Offences at the time of Ms. Xiao’s appointment as a director of the Company and prior to receipt of the Stock Exchange’s Letter;
2. the Offences committed by Ms. Xiao had no relation with the business of the Company, neither before nor after her appointment as an executive director of the Company;

* *For identification purposes only*

3. Ms. Xiao should disclose her Offences before she joined the Board but she failed to do so;
4. Ms. Xiao has not participated in any business decisions of the Group and has not involved in any performance of her duties as an executive Director or Chief Executive Officer of the Company since the Company has received the Stock Exchange's Letter; and
5. given the information available to the Board, the Board (other than Ms. Xiao who did not participate in the board meeting) considers that Ms. Xiao is not suitable to continue her role as a director and/or any other position in the Company.

The Board has subsequently informed Ms. Xiao about the Conclusions. In view of the Board's Conclusions, Ms. Xiao accepted the Board's view and tendered her resignation from the positions of executive director and Chief Executive Officer of the Company with effect from 17 June 2019, being the effective date of the consent given by the Executive of the SFC under Rule 7 of the Takeovers Code for Ms. Xiao to resign.

Ms. Xiao has confirmed that she has no disagreement with the Board and there is no matter relating to her resignation that needs to be brought to the attention of the shareholders of the Company and The Stock Exchange of Hong Kong Limited.

The Board would like to take this opportunity to express its sincere gratitude to Ms. Xiao for her valuable contributions to the Company during her tenure of service.

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

Hong Kong, 18 June 2019

As at the date hereof, the Board comprises five executive Directors, namely Ms. Liu Gui Feng, Ms. Fan Amy Lizhen, 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.

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