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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**

### **(1) 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**

**AND**

### **(2) APPOINTMENT OF DIRECTORS**

**Financial adviser to**

**Xin Hua Petroleum (Hong Kong) Limited**



**Financial adviser to**

**the Company**



## **INTRODUCTION**

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

\* *For identification purpose only.*

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; (iii) the monthly update announcements jointly issued by the Company and the Offeror dated 3 June 2019 and 4 July 2019 respectively; and (iv) the composite offer and response document jointly issued by the Company and the Offeror dated 15 July 2019 (the “**Composite Document**”), in relation to, among other matters, the Share Offer. Unless otherwise stated, terms used herein shall have the same meanings as ascribed to them in the Composite Document.

## **DESPATCH OF THE COMPOSITE DOCUMENT**

The Composite Document containing, among other things, (i) the expected timetable of the Share Offer; (ii) a letter from Forwin; (iii) a letter from the Board; (iv) a letter from the Independent Financial Adviser containing its advice and recommendation to the Independent Shareholders in respect of the terms of the Share Offer and as to acceptance of the Share Offer; and (v) the terms and procedures for acceptance of the Share Offer, together with the Form of Acceptance, will be despatched to the Shareholders on 15 July 2019 in accordance with the Takeovers Code.

## **EXPECTED TIMETABLE OF THE SHARE OFFER**

Set out below is the expected timetable of the Share Offer as extracted from the Composite Document. The expected timetable set out below is indicative only and further announcement(s) by the Offeror and Company will be made in the event of any changes when appropriate. Unless otherwise specified, all time and date references contained in this joint announcement and in the Composite Document refer to Hong Kong time and dates.

|  |                                       |
|--|---------------------------------------|
| Despatch date of the Composite Document and the accompanying Form of Acceptance and the commencement of the Share Offer <sup>(1)</sup> .....   | Monday, 15 July 2019                  |
| Latest time and date for acceptance of the Share Offer <sup>(2)</sup> and <sup>(3)</sup> .....   | 4:00 p.m. on Monday, 5 August 2019    |
| Offer Closing Date <sup>(2)</sup> and <sup>(3)</sup> .....   | Monday, 5 August 2019                 |
| Announcement of the results of the Share Offer as at the Offer Closing Date, or as to whether the Offers have been revised or extended, on the website of the Stock Exchange <sup>(2)</sup> and <sup>(3)</sup> ..... | By 7:00 p.m. on Monday, 5 August 2019 |
| Latest date for posting of remittances to Independent Shareholders for the amounts due in respect of valid acceptances received under the Share Offer on the Offer Closing Date <sup>(3)</sup> .....                 | Wednesday, 14 August 2019             |

*Notes:*

1. The Share Offer, which are unconditional in all respects, are made on Monday, 15 July 2019, being the date of posting of the Composite Document, and are capable of acceptance on and from that date until the Offer Closing Date. Acceptances of the Share Offer shall be irrevocable and not capable of being withdrawn, except in the circumstances as set out in the section headed “Right of Withdrawal” in Appendix I to the Composite Document.
2. In accordance with the Takeovers Code, the Share Offer must initially be open for acceptance for at least 21 days following the date on which the Composite Document is posted. The latest time and date for acceptance of the Share Offer is 4:00 p.m. (Hong Kong time) on Monday, 5 August 2019 unless the Offeror revises or extends the Share Offer in accordance with the Takeovers Code. An announcement will be issued through the website of the Stock Exchange by 7:00 p.m. (Hong Kong time) on Monday, 5 August 2019 stating whether the Share Offer have been extended or revised or has expired. In the event that the Offeror decides to extend the Share Offer and the announcement does not specify the next closing date, at least 14 days’ notice by way of an announcement will be given before the Share Offer is closed to those Independent Shareholders who have not yet accepted the Share Offer. There is no obligation to extend the Share Offer.

Beneficial owners of Shares who hold their Shares in CCASS directly as an investor participant or indirectly via a broker or custodian participant should note the timing requirements (set out in Appendix I to this Composite Document) for causing instructions to be made to CCASS in accordance with the General Rules of CCASS and CCASS Operational Procedures.

3. Remittances in respect of the cash consideration payable for the Consolidated Offer Shares (after deducting the seller’s ad valorem stamp duty arising therefrom and, if applicable, the fees payable to the Registrar in respect of lost or unavailable Share certificates) in respect of which the Share Offer are accepted will be made to the Independent Shareholders accepting the Share Offer by ordinary post at their own risk as soon as possible, but in any event within seven Business Days following the date of receipt of a duly completed acceptance in accordance with the Takeovers Code, the Composite Document and the accompanying Form of Acceptance.

**Effect of bad weather on the latest time for acceptance of the Share Offer and/or the latest date for posting of remittances**

If there is a tropical cyclone warning signal no. 8 or above, or a black rainstorm warning:

- (a) in force in Hong Kong at any local time before 12:00 noon but no longer in force after 12:00 noon on the latest date for acceptance of the Share Offer and/or the posting of any remittances for amounts due under the Share Offer in respect of valid acceptances (as the case may be), the latest time for acceptance of the Share Offer will remain at 4:00 p.m. (Hong Kong time) on the same day and/or the posting of such remittance will remain on the same day; or
- (b) in force in Hong Kong at any local time between 12:00 noon (Hong Kong time) and 4:00 p.m. (Hong Kong time) on the latest date for acceptance of the Share Offer and/or the posting of any remittances for amounts due under the Share Offer in respect of valid acceptances (as the case

may be), the latest time for acceptance of the Share Offer will be rescheduled to 4:00 p.m. (Hong Kong time) on the following Business Day and/or the posting of such remittance will be rescheduled to the following Business Day.

**WARNING:**

**The Offer is unconditional in all respects. Independent Shareholders are encouraged to read the Composite Document and the Form of Acceptance carefully, including the letter from the Independent Financial Adviser before deciding whether or not to accept the Share Offer.**

**Persons who are in doubt as to the action to be taken should consult their licensed securities dealers or registered institutions in securities, bank managers, solicitors, professional accountants or other professional adviser.**

**Shareholders and potential investors in the Company are reminded to monitor the announcements to be made by the Company or jointly by the Offeror and the Company in respect of the progress of the Share Offer and are advised to exercise caution when dealing in the Consolidated Shares. If Shareholders and potential investors are in any doubt about their position, they should consult their stockbroker, bank manager, solicitor or other professional advisers.**

**The Offeror and the Company remind their respective associates of the dealing restrictions under the Takeovers Code and to disclose their permitted dealings, if any, in any securities of the Company.**

**APPOINTMENT OF DIRECTORS**

The Board is pleased to announce that with effect from 15 July 2019 following the despatch of the Composite Document, Ms. Chen Junyan, Mr. Yu Jiyuan and Mr. Yun Guangrui have been appointed as executive Directors.

The biographies of the new Directors are set out below:

**Ms. Chen Junyan (formerly Ms. Chen Jingjing (陳晶晶))**

Ms. Chen Junyan (“**Ms. Chen**”), aged 30, was a business manager and promoted to business director (業務總監) and the general manager assistant at Shanghai Dahua Nationalization Business Management Co. Ltd.\* (上海大華國化企業管理有限公司), a company which is principally engaged in trading of fuel oil, asphalt and petroleum related products, from September 2011 to September 2018 and Ms. Chen was responsible for the sales and marketing of the fuel oil business. From March 2007 to January 2009, Ms. Chen finished her studies in Preschool Education (學前教育) and obtained Adult Higher Education (成人高等教育) Certificate of Graduation from 寧夏回族自治區廣播電視大學 (Ningxia Radio & TV University\*).

As disclosed in the Composite Document, the Offeror is owned as to approximately 46.28% by Ms. Chen. Ms. Chen is deemed to be interested in 365,000,000 Consolidated Shares of the Company, representing approximately 59.61% of the issued share capital of the Company, within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “SFO”).

It is currently proposed that Ms. Chen will enter into a service contract with the Company pursuant to which she is appointed for an initial term of three years commencing from 15 July 2019, and may be terminated by either party by giving at least three month’s written notice to the other. Ms. Chen is subject to retirement by rotation and re-election at least once every three years at the annual general meeting of the Company in accordance with the Bye-laws of the Company. Ms. Chen will not be entitled to a director’s fee unless otherwise recommended by the Remuneration Committee of the Company.

As at the date of this announcement, save as disclosed above, Ms. Chen confirms that (i) she does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company; (ii) she does not hold other positions with the Company and other members of the Group; and (iii) she does not hold any directorship in the last three years in any other public companies of which their securities are listed on any securities market in Hong Kong or overseas.

The Board is not aware of any other matter in relation to the appointment of Ms. Chen that needs to be brought to the attention of the shareholders of the Company, and, save as disclosed in this announcement, there is no other information which is required to be disclosed pursuant to the requirements under Rule 13.51(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

### **Mr. Yu Jiyuan**

Mr. Yu Jiyuan (“**Mr. Yu**”), aged 26, is the son of Mr. Yu Zhibo who is a substantial shareholder of the Company. He obtained Bachelor of Science (Applied Mathematics & Statistics, Economics) from State University of New York (Stony Brook) in December 2012 and a Master in Public Administration in International Development from Harvard University in May 2017. From October 2013 to August 2015, Mr. Yu was a consultant to the International Department (國際部) of Heilongjiang Longyou Group Company Limited\* (黑龍江龍油集團有限公司) (“**Heilongjiang Longyou**”) where he assisted the development of the international sales and marketing strategies and liaison with overseas business partners. From June 2017 to October 2018, Mr. Yu became the head of International Department (國際部部長) of Heilongjiang Longyou and he was responsible for the entire branch of overseas business development. Since November 2018, Mr. Yu has been working as the general manager of Heilongjiang Longyou. Since November 2018, Mr. Yu has been working as the chairman of Tianjin Binglixuleng Technology Co., Ltd.\* (天津冰利蓄冷科技有限公司). Since January 2018, Mr. Yu Jiyuan has been the chairman of Tianjin Yingde Coldchain Technology Co., Ltd\* (天津瀛德冷鏈技術有限公司).

It is currently proposed that Mr. Yu will enter into a service contract with the Company pursuant to which he is appointed for an initial term of three years commencing from 15 July 2019, and may be terminated by either party by giving at least three month's written notice to the other. Mr. Yu is subject to retirement by rotation and re-election at least once every three years at the annual general meeting of the Company in accordance with the Bye-laws of the Company. Mr. Yu will not be entitled to a director's fee unless otherwise recommended by the Remuneration Committee of the Company.

As at the date of this announcement, save as disclosed above, Mr. Yu confirms that (i) he does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company; (ii) he does not hold other positions with the Company and other members of the Group; and (iii) he does not hold any directorship in the last three years in any other public companies of which their securities are listed on any securities market in Hong Kong or overseas.

The Board is not aware of any other matter in relation to the appointment of Mr. Yu that needs to be brought to the attention of the shareholders of the Company, and, save as disclosed in this announcement, there is no other information which is required to be disclosed pursuant to the requirements under Rule 13.51(2) of the Listing Rules.

### **Mr. Yun Guangrui**

Mr. Yun Guangrui, aged 60, obtained his bachelor degree in Industrial Engineering(工業管理工程) from China University of Mining and Technology (中國礦業大學) (formally known as China Institute of Mining and Technology (中國礦業學院) prior to 1988) in November 1987. Mr. Yun obtained his Master of Economics, major in Business Management (企業管理), from Liaoning University (遼寧大學) in July 1998. From January 2003 to March 2012, Mr. Yun was the chief accountant (總會計師) and assistant general manager of the Dalian sales branch office of PetroChina Company Limited\* (中國石油天然氣股份有限公司) ("PetroChina"). From March 2012 to February 2019, Mr. Yun was the Secretary of Party Committee (Deputy Department Level) (黨委書記(副局級)), assistant general manager, Secretary of the Discipline Committee (紀委書記) and the Chairman of the Union (工會主席) of Dalian Shipping Logistics Co., Ltd\* (大連海運分公司) of PetroChina. Mr. Yun obtained the qualification as a senior accountant from the Review Committee (評審委員會) of China National Petroleum Corporation\* (中國石油天然氣集團公司) in April 2004.

It is currently proposed that Mr. Yun will enter into a service contract with the Company pursuant to which he is appointed for an initial term of three years commencing from 15 July 2019, and may be terminated by either party by giving at least three month's written notice to the other. Mr. Yun is subject to retirement by rotation and re-election at least once every three years at the annual general meeting of the Company in accordance with the Bye-laws of the Company. Mr. Yun will not be entitled to a director's fee unless otherwise recommended by the Remuneration Committee of the Company.

As at the date of this announcement, save as disclosed above, Mr. Yun confirms that (i) he does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company; (ii) he does not hold other positions with the Company and other members of the Group; and (iii) he does not hold any directorship in the last three years in any other public companies of which their securities are listed on any securities market in Hong Kong or overseas.

The Board is not aware of any other matter in relation to the appointment of Mr. Yun that needs to be brought to the attention of the shareholders of the Company, and, save as disclosed in this announcement, there is no other information which is required to be disclosed pursuant to the requirements under Rule 13.51(2) of the Listing Rules.

The Board would like to take this opportunity to extend its warmest welcome to Ms. Chen, Mr. Yu and Mr. Yun on their appointment.

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, 15 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 seven executive Directors, namely Ms. Liu Gui Feng, Mr. Cheung Kam Shing, Terry, Mr. Tang Yau Sing, Mr. Lin Qing Yu, Ms. Chen Junyan, Mr. Yu Jiyuan and Mr. Yun Guangrui.*

*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.*