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中油港燃能源集團控股有限公司

CHINA OIL GANGRAN ENERGY GROUP HOLDINGS LIMITED

(Provisional Liquidators Appointed)

(For Restructuring Purposes)

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 8132

CLARIFICATION ANNOUNCEMENT IN RELATION TO

(i) ISSUE OF CONVERTIBLE NOTES

UNDER THE GENERAL MANDATE; AND

(ii) DECONSOLIDATION OF SUBSIDIARIES OF THE GROUP

This announcement is made by China Oil Gangran Energy Group Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on GEM made by the Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”) and Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

ISSUE OF CONVERTIBLE NOTES UNDER THE GENERAL MANDATE

Reference is made to (i) the announcements (the “**Announcements**”) of the Company dated 4 October 2018 and 23 November 2018; (ii) page 31 of the interim results announcement (the “**2018 Interim Results Announcement**”) and page 18 of the interim report (the “**2018 Interim Report**”) of the Company for the six months ended 30 September 2018; and (iii) page 8 of the third quarterly results announcement (the “**2018 Third Quarterly Results Announcement**”) and pages 10 to 11 of the third quarterly report (the “**2018 Third Quarterly Report**”) of the Company for the nine months ended 31 December 2018 in relation to, among other things, the Subscription. Capitalised terms used herein shall have the same meanings as those defined in the Announcements unless the context requires otherwise.

As set out in the Announcements, the 2018 Interim Results Announcement, the 2018 Interim Report, the 2018 Third Quarterly Results Announcement and the 2018 Third Quarterly Report (collectively, the “**Announcements and Reports**”), “on 4 October 2018, the Company entered into the Subscription Agreements with the Subscribers pursuant to which the Company has conditionally agreed to issue, and the

Subscribers have conditionally agreed to subscribe, for the Notes in the aggregate principal amount of HK\$15,000,000. Completion of the Subscription took place on 2 November 2018 and the Company issued the Notes in the aggregate principal amount of HK\$15,000,000 to the Subscribers.”

Due to the failure of Chan Lok Yu, being one of the Subscribers, to settle the subscription monies in the amount of HK\$2,000,000 in accordance with the terms and conditions of the relevant Subscription Agreement, the Company had unilaterally terminated such Subscription Agreement on the grounds of repudiatory breach of contract by Chan Lok Yu. As such, the Company would like to clarify that the aggregate principal amount of Notes issued by the Company to the Subscribers at all material times should be HK\$13,000,000 instead of HK\$15,000,000.

As stated in the Announcements and Reports, “the gross proceeds from the issue of the Notes would be HK\$15,000,000 and the net proceeds, after deduction of all relevant expenses incidental to the subscription, was estimated to be approximately HK\$14,800,000. The Company intended to apply the net proceeds ... of approximately HK\$7.55 million as general working capital of the Group.”

The Company would like to clarify that the correct statement should be read as “the gross proceeds from the issue of the Notes would be HK\$13,000,000 and the net proceeds, after deduction of all relevant expenses incidental to the subscription, was estimated to be approximately HK\$12,800,000. The Company intended to apply the net proceeds ... of approximately HK\$5.55 million as general working capital of the Group” instead.

As stated in the 2018 Third Quarterly Results Announcement and the 2018 Third Quarterly Report, “as at 31 December 2018, the actual net proceeds (adjusted to actual net proceeds from the issue of the Notes) was utilized as to ... approximately HK\$1.74 million for general working capital of the Group and the remaining balance of approximately HK\$5,758,000 would be utilised as intended.”

The Company would like to clarify that the correct statement should be read as “as at 31 December 2018, the actual net proceeds (adjusted to actual net proceeds from the issue of the Notes) was utilized as to ... approximately HK\$1.74 million for general working capital of the Group and the remaining balance of approximately HK\$3,758,000 would be utilised as general working capital of the Group” instead.

Save for the above clarification, the contents of the Announcements and Reports remain unchanged.

DECONSOLIDATION OF SUBSIDIARIES OF THE GROUP

Reference is made to the announcements (the “**Business Update Announcements**”) of the Company dated 2 April 2020 and 14 May 2020 in relation to, among others, deconsolidation of subsidiaries of the Group. Capitalised terms used herein shall have the same meanings as those defined in the Business Update Announcements unless the context requires otherwise.

Due to an inadvertent mistake, the Company noted that it was mistakenly stated on page 1 of the Company’s announcement dated 14 May 2020 that “the Group was unable to obtain the books and records and relevant supporting documents such as bank statements and vouchers (the “**Books and Records**”) from Jiangxi China Oil and Zhoushan China Oil (the “**Subsidiaries**”)”.

The Company would like to clarify that the correct statement should be read as “the Group was unable to obtain the books and records and relevant supporting documents such as bank statements and vouchers (the “**Books and Records**”) from Jiangxi China Oil, Zhoushan China Oil, 江西港燃貿易有限公司 (transliterated as Jiangxi Gangran Trading Company Limited) (“**Gangran Trading**”) and 吉林中油港燃能源開發有限公司 (transliterated as Jilin China Oil Gangran Energy Development Company Limited) (“**Jilin China Oil**”) (collectively, the “**Subsidiaries**”)” instead.

Each of Gangran Trading and Jilin China Oil is a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company. Gangran Trading is principally engaged in the development and trading of refined oil and chemicals and Jilin China Oil is principally engaged in the development of liquefied natural gas, compressed natural gas and related clean energy business.

Save for the above clarification, the contents of the Company’s announcement dated 14 May 2020 remain unchanged.

By order of the Board
China Oil Gangran Energy Group Holdings Limited
(Provisional Liquidators Appointed)
(For Restructuring Purposes)
Yeung Shing Wai
Executive Director

Hong Kong, 21 May 2020

As at the date of this announcement, the executive Directors are Mr. Rong Changjun, Mr. Zhang Wenrong, Mr. Yuan Beisheng, Ms. Hui Sai Ha (duties suspended), Mr. Yeung Shing Wai, Mr. Chen Tian Gang, Mr. Li Shu Wang and Mr. Zhang Shao Wu and the independent non-executive Directors are Mr. Chu Kin Ming, Mr. Chiam Tat Yiu and Mr. Chan Wai Cheung Admiral.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the “Latest Company Announcements” page of the GEM website at <http://www.hkgem.com> for at least 7 days from the date of its posting and on the websites of the Company at www.chinaoilgran.com and <http://chinaoilgran.todayir.com>.