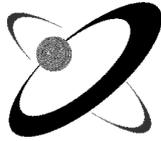


Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



NewOcean Energy Holdings Limited **(新海能源集團有限公司 *)**

(Incorporated in Bermuda with limited liability)

(Stock Code: 342)

website: <http://www.newoceanhk.com>

CLARIFICATION ANNOUNCEMENT

Reference is made to the Company's announcement dated 10 April 2013 in relation to the establishment of the Sinopec-NewOcean JV, which is a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

The Board wishes to provide additional information with respect to paragraph 5 of the Announcement headed "Effect of the JV Agreement on the Financial Position of the Group".

Reference is made to the announcement (the "Announcement") of NewOcean Energy Holdings Limited (the "Company") dated 10 April 2013 in relation to the establishment of the Sinopec-NewOcean JV. Terms used in this announcement have the same meaning as defined in the Announcement unless otherwise required by the context.

ADDITIONAL INFORMATION RELATING TO THE EFFECT OF THE JV AGREEMENT ON THE FINANCIAL POSITION OF THE GROUP

As mentioned in the Announcement, under the Subcontracting Arrangement, the business of Lianxin Energy will be subcontracted to, and control will be exercised by Sinopec-NewOcean JV. Under HKFRS/IFRS10 issued in 2011, which became effective for annual periods beginning on or after 1 January 2013, from the establishment of the Sinopec-NewOcean JV to the expiry of the Sub-contracting Arrangement, the results of Lianxin Energy will not be consolidated into the accounts of the Group.

The following table in paragraph 5 of the Announcement headed "Effect of the JV Agreement on the Financial Position of the Group" sets out, for illustrative purposes only, a summary of the unaudited pro forma statement of comprehensive income of the Group for the 12 months ended on 31 December 2012 prepared on the basis that the Subcontracting Arrangement had been implemented during the entire period, and the results of Lianxin Energy were not consolidated into the accounts of the Group (the "**Adjusted Group**"). The underlined information has been added to the table for better clarify of information. Because of its hypothetical nature, the unaudited pro forma statement of comprehensive income may not give a true picture of the Group's financial position or results:

Unaudited pro forma consolidated statement of comprehensive income (summary):

	The Group	Pro forma Adjustments (Note 7)	The Adjusted Group
	12 months ended 31 December 2012		12 months ended 31 December 2012
	<i>HK\$'000</i> <i>(Audited)</i>	<i>HK\$'000</i> <i>(Unaudited)</i>	<i>HK\$'000</i> <i>(Unaudited)</i>
Revenue (<i>Notes 1, 2 and 4</i>)	12,456,376	(54,625)	12,401,751
Cost of Sales	<u>(11,398,888)</u>	<u>-</u>	<u>(11,398,888)</u>
Gross Profit (<i>Notes 1 and 2</i>)	1,057,488	(54,625)	1,002,863
Selling and distribution expenses (<i>Note 4</i>)	(227,264)	46,442	(180,822)
Administrative expenses (<i>Note 4</i>)	(201,909)	12,948	(188,961)
Finance costs (<i>Note 4</i>)	(275,701)	12,050	(263,651)
Other income and gain (loss) (<i>Note 4</i>)	92,116	<u>(151)</u>	<u>91,965</u>
<u>Subcontracting fee and information and technical services fee income (<i>Note 5</i>)</u>	<u>-</u>	<u>65,685</u>	<u>65,685</u>
Share of profit (loss) of jointly controlled entities and associates (<i>Notes 3 and 4</i>)	<u>1,219</u>	<u>(8,165)</u>	<u>(6,946)</u>
Profit before taxation	445,949	74,184	520,133
Taxation charge (<i>Note 6</i>)	<u>(17,725)</u>	<u>(16,421)</u>	<u>(34,146)</u>
Profit for the year from continuing operations	<u><u>428,224</u></u>	<u><u>57,763</u></u>	<u><u>485,987</u></u>

Notes:

1. The pro forma adjusted revenue and gross profit of the Group have not taken into account the operation of the 3 refueling stations for LPG vehicles owned by Sinopec which will be leased to the JV under the JV Agreement.
2. No adjustment is made to the gross profit of Lianxin Energy to conform to the gross margin (currently 6%) to be achieved by Lianxin Energy under the JV Agreement.

3. As the Subcontracting Arrangement is subject to termination on expiry of the subcontracting period, assets of Lianxin Energy will remain consolidated into the accounts of the Group and the Subcontracting Arrangement will not give rise to gain (or loss) on not consolidating the result of Lianxin Energy.
4. These pro forma adjustments arise due to the exclusion of revenue net of internal purchase, selling and distribution expenses, other income and gain (loss), administration expenses and finance costs of Lianxin Energy, and the loss before depreciation of Lianxin Energy for the 11 months ended 31 December 2012 from the Group, which amounted in total to approximately RMB13,557,000 (equivalent to approximately HK\$16,664,000). 49% of the above expenses and losses is on a pro forma basis, accounted for as “share of profit (loss) of jointly controlled entities and associates” according to the JV Agreement and amounts to approximately RMB6,643,000 (equivalent to approximately HK\$8,165,000).
5. The pro forma adjustment to “subcontracting fee and information and technical services fee income” amounted to approximately RMB53,442,000 (equivalent to approximately HK\$65,685,000) is derived from the subcontracting fee and information and technical services fees receivable by the Group under the Subcontracting Agreement for the 11 months ended 31 December 2012 (i.e. the period in which Lianxin Energy’s results were consolidated into the Group for the year ended 31 December 2012).
6. The pro forma adjustment shows the tax effect of the subcontracting fee and information and technical services fees income receivable by the Group pro rata into 11 months amounted to approximately RMB13,361,000 (equivalent to approximately HK\$16,421,000).
7. The adjustments for “share of profit (loss) of jointly controlled entities and associates”, “subcontracting fee and information and technical services fee income” and the corresponding tax effect are recurring in nature and will have a continuing effect on the Group’s pro forma profit.

The Directors have engaged Messrs. Yip Wing Ho & Co., Certified Public Accountants, who completed a review pursuant to Rule 4.29(1) of the Listing Rules and confirmed that the unaudited pro forma consolidated statement of comprehensive income of the Group for the 12 months ended 31 December 2012 set out in this announcement complied with Rules 4.29 (1) to (6) of the Listing Rules.

Save for the additional information set out in the above, all information disclosed in the Announcement remains unchanged.

By Order of the Board
Shum Siu Hung
Chairman

Hong Kong, 10 May 2013

As at the date of this announcement, the Board of the Company comprises Mr. Shum Siu Hung, Mr. Shum Chun, Lawrence, Mr. Chiu Sing Chung, Raymond, Mr. Cen Ziniu, Mr. Siu Ka Fai, Brian and Mr. Wang Jian, being the Executive Directors, Mr. Cheung Kwan Hung, Anthony, Mr. Chan Yuk Wai, Benedict and Dr. Xu Mingshe being the Independent Non-executive Directors.

** for identification purposes only*