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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**

*(Incorporated in the Cayman Islands with limited liability)*

**Stock Code: 8132**

**INSIDE INFORMATION  
MEMORANDUM OF UNDERSTANDING  
IN RELATION TO A POSSIBLE ACQUISITION**

**Financial Adviser to the Company**



**天 元 金 融**

**TIAN YUAN FINANCE LIMITED**

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 of The Stock Exchange of Hong Kong Limited (“**GEM Listing Rules**”) on a voluntary basis and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) to keep the Shareholders informed about the updated development of the Company.

## MEMORANDUM OF UNDERSTANDING

The Board (the “**Board**”) of the Directors (the “**Directors**”) of the Company is pleased to announce that on 14 December 2018 (after trading hours), the Company as purchaser, and Xu Yuling and Zhang Zhisen as vendors (the “**Vendors**”) entered into a non-legally binding memorandum of understanding (the “**MOU**”), pursuant to which the Company intends to acquire and the Vendors intend to sell the entire share capital of Buona Global Company Limited (the “**Target Company**”) (the “**Possible Acquisition**”), which is a Hong Kong private company wholly owned by the Vendors and is principally engaged in smart equipment technology dedicated to renewable energy sector in Inner Mongolia, the People’s Republic of China (the “**PRC**”).

The consideration for the Possible Acquisition and the way of settlement shall be subject to further negotiation between the Company and the Vendors and the satisfaction of the results of due diligence exercise.

Pursuant to the MOU, the Company will conduct and the Vendors will provide assistance to the Company to conduct due diligence exercise on the Target Company and its business affairs within four months after the date of the MOU (or such longer period as the parties may agree in writing). The Company shall have the exclusive right to negotiate with the Vendors the terms of the Possible Acquisition from the date of the MOU until the execution of the definitive agreement. In the event that no definitive agreement is entered into on or prior to 30 June 2019, either the Vendors or the Company may terminate the MOU and any further negotiations.

Save for certain matters such as exclusivity and confidentiality, the entering into the MOU does not constitute legally binding obligations on the parties.

To the best knowledge of the Directors and having made all reasonable enquiries, the Vendors are third parties independent of and not connected with the Company and its connected persons (as defined in the GEM Listing Rules).

## REASONS FOR THE POSSIBLE ACQUISITION

The Company is an investment holding company and the Group is principally engaged in development of liquefied natural gas, compressed natural gas and related clean energy business, etc. The Board seeks to explore new opportunities to improve the performance of the Group. The Possible Acquisition will allow the Group to expand its business and offer a wider diversity of products and services. The Board is optimistic about the long term prospects of smart equipment technology business in the renewable energy sector in the PRC. The Board believes that the Possible Acquisition would allow the Group to tap into the abovementioned business in the PRC and is confident that the operation of Target Company will contribute positively to the Group. Hence, the Board is of the view that the Possible Acquisition will maximise the future contribution to the Group and is in the interest of the Group and the shareholders of the Company as a whole.

## GENERAL

As at the date of this announcement, all terms and conditions of the Possible Acquisition are still being negotiated and no legally binding agreement has been entered into by the parties. The Company will keep the shareholders and potential investors informed of any material development in connection with the Possible Acquisition by way of further announcement(s) as and when appropriate in compliance with the Listing Rules.

**Shareholders of the Company should note that the Possible Acquisition is subject to the definitive agreement and may or may not proceed. Shareholders of the Company and potential investors are advised to exercise caution when dealing in the securities of the Company.**

By Order of the Board  
**China Oil Gangran Energy Group Holdings Limited**  
**Zou Donghai**  
*Chairman*

Hong Kong, 14 December 2018

*As at the date of this announcement, the executive Directors are Mr. Zou Donghai, Mr. Rong Changjun, Mr. Zhang Wenrong, Dr. Ho Chun Kit Gregory, Dr. Zheng Jian Peng, Mr. Yuan Beisheng and Ms. Hui Sai Ha; and the independent non-executive Directors are Mr. Lau Sung Tat, Vincent, Mr. Tam Kim Fung and Mr. Qin Shihui.*

\* *for identification purpose only*

*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](http://www.chinaoilgran.com) and <http://chinaoilgran.todayir.com>.*