

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>

CONTINUING CONNECTED TRANSACTION

The Board announces that on 17 December 2018, Sound Management, a wholly owned subsidiary of the Company, entered into a lease agreement with Ever Lucky Limited, a connected person (as defined in the Listing Rules), for renewal of the lease of existing office premises in Hong Kong for another one year commencing from 1 January 2019 to 31 December 2019 (both days inclusive).

Ever Lucky Limited is a company incorporated in Hong Kong and wholly owned by Shum Ho, Neo. Shum Ho, Neo is the son of Shum Siu Hung and Tong Shiu Ming. Shum Siu Hung is Chairman of the Company and a substantial shareholder of Uniocean. As at the date of this announcement, Uniocean is holding approximately 33.43% of the issued share capital of the Company. Uniocean is owned as to 70% by Shum Siu Hung, 15% by Shum Chun, Lawrence and 15% by Shum Ho, Neo. Accordingly, Ever Lucky Limited and Shum Ho, Neo are connected person of the Company, thereby rendering the Tenancy Agreement continuing connected transactions for the Company under Chapter 14 of the Listing Rules. Shum Siu Hung and Shum Chun, Lawrence accordingly have material interests in the Tenancy Agreement, and both of them had abstained from voting on the relevant board resolution.

As the aggregate sum of rent payable by Sound Management under the Tenancy Agreement is more than 0.1%, but all the relevant percentage ratios are less than 5% in accordance with Rule 14A.34 of the Listing Rules the transaction is only subject to the reporting and announcement requirement set out in Rules 14A.45 to 14A.47 of the Listing Rules and are exempt from the independent shareholders' approval requirement of the Listing Rules. Details of the transaction are set out below in this announcement.

The Board announces that on 17 December 2018, Sound Management, a wholly owned subsidiary of the Company, entered into a lease agreement with Ever Lucky Limited for renewal of the lease of office premises as detailed below:

TENANCY AGREEMENT

- Lessor: Ever Lucky Limited

- Lessee: Sound Management

- Premise: 23rd Floor of The Sun’s Group Centre, No. 189-200 Gloucester Road, Wanchai, Hong Kong, with a gross floor area of approximately 7,388 square feet

- Lease term: One year commencing on 1 January 2019 and expiring on 31 December 2019 (both days inclusive)

- Rent: HK\$398,000 per month (exclusive of air-conditioning, management charges and government rates)

- Payment terms: Payable in advance on the 1st day of each calendar month

On 18 December 2013, Sound Management had entered into a first tenancy agreement with Ever Lucky Limited for the lease of the existing office premises for one year commenced on 1 January 2014 and expired on 31 December 2014 (both days inclusive). Since then, both parties entered into several renewal tenancy agreements to extend the lease of the existing office premises annually and the existing rental agreement will be expired on 31 December 2018.

ANNUAL CAPS

Taking into account the estimated annual values of the Tenancy Agreement, the maximum aggregate estimated annual values payable by Sound Management for the financial year ending 31 December 2019 is approximately HK\$4,776,000, which represent exceeding 0.1% but less than 5% for each of the applicable percentage ratios on an annual basis.

REASON FOR ENTERING INTO THE TENANCY AGREEMENT

Considering to avoid any expenditure for the relocation of new office premises, the Group entered into the Tenancy Agreement on 17 December 2018 to renew the existing lease of the premise which will be expired on 31 December 2018 for a further term of one year. The terms of the Tenancy Agreement have been negotiated on an arm's length basis between the parties and after making reference to market rental for properties with similar size and location. The Directors (including the independent non-executive directors) are of the opinion that the transaction was entered into (i) in the ordinary and usual course of business of the Group; (ii) on normal commercial terms; and (iii) on terms that are fair and reasonable and in the interests of the Company and its shareholders as a whole.

LISTING RULES IMPLICATIONS

Ever Lucky Limited is a company incorporated in Hong Kong and wholly owned by Shum Ho, Neo. Shum Ho, Neo is the son of Shum Siu Hung and Tong Shiu Ming. Shum Siu Hung is chairman of the Company and a substantial shareholder of Uniocean. As at the date of the date of this announcement, Uniocean is holding approximately 33.43% of the issued share capital of the Company. Uniocean is owned as to 70% by Shum Siu Hung, 15% by Shum Chun, Lawrence and 15% by Shum Ho, Neo. Accordingly, Ever Lucky Limited and Shum Ho, Neo are connected person of the Company, thereby rendering the Tenancy Agreement and Existing Tenancy Agreement continuing connected transactions for the Company under Chapter 14 of the Listing Rules. Shum Siu Hung and Shum Chun, Lawrence accordingly have material interests in the Tenancy Agreement, and both of them had abstained from voting on the relevant board resolution.

As the aggregate sum of rent payable by Sound Management under the Tenancy Agreement is more than 0.1%, but all the relevant percentage ratios are less than 5% in accordance with Rule 14A.34 of the Listing Rules the transaction is only subject to the reporting and announcement set out in Rules 14A.45 to 14A.47 of the Listing Rules and are exempt from the independent shareholders' approval requirement of the Listing Rules.

GENERAL

The principal activities of the Group are sale and distribution of liquefied petroleum gas and nature gas, oil products business, sale of electronic products and manufacturing and distribution of charcoal.

The principal activities of Ever Lucky Limited is investment in property and its sole shareholder, Shum Ho, Neo is a family member (as defined in Chapter 14A of the Listing Rules) of Shum Siu Hung and Shum Chun, Lawrence.

DEFINITIONS

Unless otherwise defined, the following expressions shall have the following meanings in this announcement:

“Board”	the board of Directors
“Company”	NewOcean Energy Holdings Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“connected person”	has the meaning ascribed thereto under the Listing Rules
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Premises”	23rd Floor of The Sun’s Group Centre, No. 189-200 Gloucester Road, Wanchai, Hong Kong
“Tenancy Agreement”	the tenancy agreement entered into between Ever Lucky Limited as landlord and Sound Management as tenant in respect of the New Premises dated 17 December 2018
“Sound Management”	Sound Management Services Limited, a wholly owned subsidiary of the Company incorporated in Hong Kong
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Uniocean”	Uniocean Investments Limited

By Order of the Board
Shum Siu Hung
Chairman

Hong Kong, 17 December 2018

As at the date of this announcement, the Board of the Company comprises Mr. Shum Siu Hung, Mr. Shum Chun, Lawrence, Mr. Cen Ziniu, Mr. Chiu Sing Chung, Raymond, 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*