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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

SUPPLEMENTAL MEMORANDUM OF UNDERSTANDING IN RELATION TO THE PROPOSED INVESTMENT

Reference is made to the announcement of the Company dated 7 August 2014 (the “**Announcement**”) in relation to the MOU signed with the Target Company. Pursuant to the MOU, the Company proposed to invest in the Target Company whereby the Target Company would acquire the entire equity interest of Chen Xi Mining, a PRC company established engaged in, inter alia, the production of float glass. The Company has paid a deposit of HK\$8 million to the Target Company under the MOU (the “**First Deposit**”). Unless otherwise defined herein, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcement.

The Board is pleased to announce that on 20 October 2014 (after trading hours), the Company and the Target Company entered into a supplemental memorandum of understanding (the “**Supplemental MOU**”) in relation to the Proposed Investment.

As at the date of the Supplemental MOU, Chen Xi Mining has entered into agreement to acquire 89.06% equity interest in Luoyang Longxin Glass Company Limited* (洛陽龍新玻璃有限公司) (“**Longxin Glass**”), which is undergoing liquidation restructuring (the “**Restructuring**”) in the PRC. As at the date of the Supplemental MOU and after the Restructuring, Longxin Glass owns and will continue to own a glass manufacturing factory. Pursuant to the Supplemental MOU, the Target Company would not acquire the equity interest of Chen Xi Mining. Instead, the Target Company will establish a wholly-owned subsidiary (the “**PRC Subsidiary**”) in the PRC, which will enter into an agreement (the “**Agreement**”) with Longxin Glass, pursuant to which Longxin Glass will engage the PRC Subsidiary to, inter alia, distribute the products of Longxin Glass for 20 years.

The Company shall pay the Target Company a further refundable deposit in the sum of HK\$24,000,000 as earnest money (the “**Second Deposit**”) within 7 days from the signing of the Supplemental MOU. The Target Company has irrevocably instructed the Company to pay the Second Deposit to one of the Target Company Shareholders and the payment obligation of the Company under the Supplemental MOU shall be deemed discharged upon the payment of the Second Deposit. The First Deposit and the Second Deposit will be applied as partial payment of the consideration for the Proposed Investment in accordance with the terms of the Formal Agreement.

In addition to the circumstances, which have been stated in the Announcement and to the extent modified by the Supplemental MOU, that the First Deposit shall be returned to the Company, the full amount of the First Deposit and the Second Deposit shall be returned to the Company without interest if, inter alia, (a) the Company is not satisfied with the result of the due diligence review on the Target Company, Longxin Glass and/or other relevant parties; (b) the Target Company fails to establish the PRC Subsidiary within 2 month from the date of the Supplemental MOU (or such other date as agreed by the Company and the Target Company); or (c) the PRC Subsidiary and Longxin Glass fail to enter into the Agreement within 3 months from the date of the Supplemental MOU (or such other date as agreed by the Company and the Target Company).

The repayment obligation of the First Deposit and the Second Deposit is secured by the Deed of Charge.

In addition to the circumstances, which have been stated in the Announcement and to the extent modified by the Supplemental MOU, that the MOU shall be terminated, the MOU and the Supplemental MOU will be terminated if, inter alia, the relevant parties fail to obtain approvals from the relevant authorities in the PRC in relation to the Agreement and the transaction contemplated thereunder.

Save and except for the changes made in the Supplemental MOU, the material changes of which have been disclosed herein, all other terms and conditions of the MOU shall remain in full force and effect.

The Board wishes to emphasise that the Proposed Investment may or may not materialise and shareholders of the Company and potential investors are advised to exercise caution when dealing in the Shares.

By order of the Board
China Oil Gangran Energy Group Holdings Limited
Fok Joyce Sing Yan
Company Secretary

Hong Kong, 20 October 2014

As at the date of this announcement, the executive Directors are Mr. Zou Donghai, Mr. Zhang Xueming, Mr. Yeung Shing Wai, Mr. Ho Chun Kit Gregory and Mr. Chan Lung Ming; the non-executive Director is Mr. Tse Yee Hin, Tony; and the independent non-executive Directors are Ms. Eugenia Yang, Mr. Ng Ka Chung and Mr. Lau Sung Tat, Vincent.

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>.

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